

RMG & ASSOCIATES

Company Secretaries

SECRETARIAL COMPLIANCE REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2025

**To,
The Board of Directors
IIFL Home Finance Limited
CIN: U65993MH2006PLC166475
IIFL House, Sun Infotech Park, Road No. 16V,
Plot No. B-23, MIDC, Thane Industrial Area,
Wagle Estate Thane Maharashtra 400604**

We, **M/s RMG & Associates**, Company Secretaries, have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **IIFL Home Finance Limited**, (hereinafter referred as '**the Listed Entity**'), having its **Registered Office situated at IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23, MIDC, Thane Industrial Area, Wagle Estate Thane Maharashtra- 400604 and Corporate Office at Plot No. 98 Udyog Vihar Phase IV Gurgaon Haryana 122015**. Secretarial Review was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and to provide our observations thereon.

Based on our verification of the listed entity's books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorized representatives during the conduct of Secretarial Review, we hereby report that, the listed entity has, during the review period covering the financial year ended on **March 31, 2025**, generally complied with the statutory provisions listed hereunder in the manner and subject to the reporting made hereinafter.

We, **M/s RMG & Associates**, Companies Secretaries, have examined:

- a) all the documents and records made available to us and explanation provided by the listed entity,
- b) the filings/submissions made by the listed entity to the stock exchanges,
- c) website of the listed entity,
- d) any other document/filing, as may be relevant, which has been relied upon to make this certification,

for the financial year ended **March 31, 2025** ("Review Period") in respect of compliance with the provisions of:

- a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the regulations, circulars, guidelines issued thereunder; and
- b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

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The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include: -

- a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations, 2015");
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **[Not applicable as the equity shares of the Listed Entity are not listed on any stock exchange during the Review Period];**
- c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **[Not applicable as the equity shares of the Listed Entity are not listed on any stock exchange during the period under review];**
- d) Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 **[Not applicable as the equity shares of the Listed Entity are not listed on any stock exchange during the Review Period];**
- e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **[During the period under review, the Listed Entity has in place Employee Stock Option Plan. However, being a Debt listed Entity, the regulations are not applicable since the shares of the Listed Entity are not listed on any stock exchange];**
- f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **("NCS Regulations")**
- g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

and circulars/guidelines issued thereunder.

and based on the above examination, we hereby report that, during the Review Period:

- I. (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:

Sr. No.	1
Compliance Requirement (Regulations/Circulars/Guidelines including specific clause)	Non-compliance with the requirement of "Prohibition on payment of incentives" prescribed under Regulation 31 of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021.
Regulation/ Circular No.	Regulation 31 of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021.
Deviations	Incentives were offered to certain category of Investors in the form of additional rate of interest in the Tranche II prospectus for Public Issue filed by the Company dated December 03, 2021.

Action Taken by	Department of Debt and Hybrid Securities, Supervision, Enforcement and Complaints Division of SEBI.
Type of Action (Advisory /Clarification/Fine/Show Cause Notice/Warning, etc.)	Show Cause Notice was issued to the Company as part of review of all public issues of Non-Convertible Debt Securities pursuant to inspection carried out by the SEBI for period from August 09, 2021 to November 2023.
Details of Violation	In the Tranche II Prospectus for the Public Issue dated December 3, 2021, filed with SEBI, the Listed Entity had offered an additional incentive to certain categories of investors in the form of additional interest, as detailed below: <i>“Applying in Series I, Series III, Series IV, Series VI and/or Series VII shall be eligible for additional incentive of 0.25% p.a. provided the Secured NCDs issued under the proposed Tranche II Issue are held by the investors on the relevant Record Date applicable for payment of respective coupons, in respect of Series I, Series III, Series IV, Series VI, and/or Series VII.”</i>
Fine Amount (Rs.)	Settlement amount of INR 6,25,000
Observations/ Remarks of the Practicing Company Secretary	The Company has received a Show Cause Notice from SEBI for an alleged violation of Regulation 31 of the SEBI NCS Regulations regarding additional interest incentives offered to certain investors in the Tranche II Prospectus dated December 03, 2021. The Company responded within the prescribed timeline. SEBI subsequently issued a Settlement Notice dated June 14, 2024, proposing a settlement amount of INR 6,25,000. The Company has paid the settlement amount within the stipulated period to conclude the matter.
Management Response	The Listed Entity has clarified that prohibition for incentives was meant to be on persons connected with the distribution of issue. The coupon offered over and above the standard coupon paid in respective series as part of issue structure in offer document, is an additional coupon being paid to identified categories of investors, for i.e. debenture holders who hold securities of the Listed Entity as of the record date.

	Further, as per Regulation 33(1) of NCS Regulations, the issuer may determine the price and/or coupon of debt securities and non-convertible redeemable preference shares in consultation with the lead manager. Accordingly, Issuers are free to price their NCDs under various categories and series, with each series of NCDs having its own terms and conditions. The Issuer can also choose to identify certain categories of investors based on objective criteria, to whom they can offer additional coupon, as long as it is part of Issue Structure disclosed in Prospectus and uniformly available to all such investors satisfying such criteria. Accordingly, such additional coupon doesn't amount to giving an unfair advantage/ bargaining power to a certain set of investors and/ or distributors.
Remarks	None

(b) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No	1
Observations/Remarks of the Practicing Company Secretary in Previous reports (PCS)	Not Applicable
Observations made in the secretarial Compliance report for the year ended March 31, 2023	The Listed Entity has not filed the Proceedings of Extra Ordinary General Meeting dated August 04, 2022.
Compliance Requirement (Regulations/circulars/ guidelines including specific clause)	Regulation 51 read with Schedule III Part B, Clause 23 of SEBI Listing Regulations.
Details of violation/ deviations and actions taken/ penalty imposed, if any, on the listed entity	Proceedings of Extra Ordinary General Meeting of August 04, 2022 were not filed. However, no penalties were imposed in this regard.
Remedial actions, if any, taken by the listed entity	During the period under review, The Listed Entity has filed the proceedings to the Stock Exchange on September 26, 2024.
Comments of the PCS on the Actions taken by the listed entity	The Listed Entity undertakes comprehensive review of its compliance practices to ensure adherence to all relevant regulations and standards.

(c) We hereby report that, during the review period the compliance status of the listed entity is appended as below:

Sr. No.	Particulars	Compliance Status (Yes/No/ NA)	Observations/ Remarks by PCS
1.	<u>Secretarial Standards:</u> The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI).	Yes	The Listed Entity has generally complied with the Secretarial Standards during the period under review.
2.	<u>Adoption and timely updation of the Policies:</u> • All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities. • All the policies are in conformity with SEBI Regulations and have been reviewed & updated on time, as per the regulations/ circulars/guidelines issued by SEBI.	Yes Yes	- -
3.	<u>Maintenance and disclosures on Website:</u> • The Listed entity is maintaining a functional website. • Timely dissemination of the documents/ information under a separate section on the website. • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website.	Yes Yes Yes, to the extent applicable	The Listed Entity is maintaining a functional website and as confirmed by the Management, information under separate section was disseminated within time
4.	<u>Disqualification of Director(s):</u> None of the Director(s) of the Company are disqualified under Section 164 of the Companies Act, 2013 as confirmed by the listed entity.	Yes	-

5.	<u>Details related to subsidiaries of listed entities have been examined w.r.t.:</u> (a) Identification of material subsidiary companies (b) Disclosure requirement of material as well as other subsidiaries.	Yes Yes	The Listed Entity does not have any material subsidiary as per the provisions of the Listing Regulations.
6.	<u>Preservation of Documents:</u> The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	-
7.	<u>Performance Evaluation:</u> The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI LODR Regulations, 2015.	Yes	-
8.	<u>Related Party Transactions:</u> (a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; (b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ ratified/rejected by the Audit Committee, in case no prior approval has been obtained.	Yes NA	- The listed entity has obtained the prior approval of Audit Committee for related party transaction, if required under the applicable law.
9.	<u>Disclosure of events or information:</u> The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	NA	Being a High Value Debt Listed Entity, Regulation 30 of SEBI LODR Regulations 2015, is not applicable. However, the listed entity has provided required disclosures under the applicable Regulation 51 read with Part B of Schedule III.

10	<u>Prohibition of Insider Trading:</u> The listed entity is in compliance with Regulation 3(5) & 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	-
11	<u>Actions taken by SEBI or Stock Exchange(s), if any:</u> No action has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and Circulars/ Guidelines issued thereunder.	No	Refer Table (a) of this report.
12	<u>Resignation of statutory auditors from the listed entity or its material subsidiaries</u> In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and / or its material subsidiary(ies) has / have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the SEBI LODR Regulations, 2015 by listed entities.	NA	No such event has occurred during the period under review.
13	<u>Additional non-compliances, if any:</u> No additional non-compliance observed for any SEBI regulation/ circular/ guidance note etc. except as reported above.	Yes	

We further confirm that the disclosure of Employee Benefit Scheme Documents, as provided in terms of Regulation 46(2)(za) of the SEBI LODR Regulations, 2015 read with Para 11 of the SEBI Circular No. SEBI/HO/CFD/CFD-PoD2/CIR/P/2024/185 dated December 31, 2024, is not applicable on the High Debt Value Listed entity.

Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of Financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) read with 62 (M) (2) of the SEBI Listing Regulations and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

For RMG & Associates
Company Secretaries
Peer Review No.: 6403/2025
Firm Registration No. P2001DE016100
SACHIN
KHURANA
Digitally signed by
SACHIN KHURANA
Date: 2025.05.28
20:19:52 +05'30'
CS Sachin Khurana
Partner
FCS: 10098; C.P. No.: 13212

Date: 28-05-2025
Place: New Delhi
UDIN: F010098G000463606