(This General Information Document is neither a prospectus nor a statement in lieu of a prospectus)

GENERAL INFORMATION DOCUMENT

IKF FINANCE LIMITED
("**Issuer**" / "**Company**")

A public limited company incorporated under the Companies Act, 1956 and validly existing under the Companies Act, 2013.
General Information Document for issue of Non-Convertible Securities on a private placement basis dated: 09th October 2024

ISSUE OF SENIOR / UNSUBORDINATED / SUBORDINATED, SECURED / UNSECURED, RATED, LISTED, NON-CONVERTIBLE SECURITIES AGGREGATING FOR AN AMOUNT AS SHALL BE MORE PARTICULARLY SET OUT IN THE KEY INFORMATION DOCUMENT, IN MULTIPLE TRANCHES / ISSUANCES, FOR CASH, AT PAR OR AT PREMIUM OR AT DISCOUNT, UNDER SAME ISIN OR DIFFERENT ISIN, IN A DEMATERIALISED FORM ON A PRIVATE PLACEMENT BASIS (THE "ISSUE") BY IKF FINANCE LIMITED (THE "COMPANY") OR ("ISSUER").

PART A: DISCLOSURES AS PER SEBI NCS Regulations:

** *Please refer pages 1-4 for all information required to be placed on the front page of a General Information Document as per Schedule I of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021.*

Please see below the disclosures as required under the terms of the SEBI NCS Regulations (as defined below):

The below disclosures as set out in this General Information Document shall be valid and applicable unless otherwise modified in the respective Key Information Document as shall be issued by the Issuer from time to time.

This General Information Document is valid for a period of 1 (one) year.

S. No.	Particulars	Relevant Disclosure
1.	**Corporate Identity Number of the Issuer**:	U65992AP1991PLC012736
2.	**Permanent Account Number of the Issuer**:	AAACI4784J
3.	**Date and place of Incorporation of the Issuer**:	Date of incorporation: May 30, 1991 Place of incorporation: Vijayawada, India
4.	**Latest registration / identification number issued by any regulatory authority which regulates the Issuer (in this case the RBI**):	B-09.00172
5.	**Registered Office address of the Issuer**:	40-1-144, 3rd Floor, Corporate Centre, M.G. Road, Vijayawada - 520010
6.	**Corporate Office address of the Issuer**:	Plot Nos: 30/A, Survey No: 83/1, 11th Floor, Myhome Twitza, APIIC Hyderabad Knowledge City, Raidurg (Panmaqtha) Village, Serilingampally Mandal, Rangareddy District,

		Hyderabad- 500081, Telangana, India.
7.	**Telephone No of the Issuer**:	0866-2474644
8.	**Details of Compliance officer of the Issuer:**	Name: Ch Sreenivasa Rao Telephone Number: 0866-2474644 Email address: sreenivas@ikffinfance.com
9.	**Details of Company Secretary of the Issuer**:	Name: Ch Sreenivasa Rao Telephone Number: 0866-2474644 Email address: sreenivas@ikffinfance.com
10.	**Details of Chief Financial Officer of the Issuer**:	Name: Ch Sreenivasa Rao Telephone Number: 040-23411181 Email address: sreenivas@ikffinance.com
11.	**Details of Promoters of the Issuer:**	(a) Name: Mr. Vupputuri Gopala Kishan Prasad Telephone Number: 0866-2474644 Email address: prasadvgk@ikffinance.com (b) Name: Vupputuri Indira Devi Telephone Number: 0866-2474644 Email address: prasadvgk@yahoo.com (c) Name: Koganti Vasumathi Devi Telephone Number: 040-23412081 Email address: vasumathi@ikffinance.com
12.	**Website address of the Issuer**:	www.ikffinance.com
13.	**Email address of the Issuer**:	sreenivas@ikffinfance.com
14.	**Details of debenture trustee for the Issue:**	As set out in the respective Key Information Document
15.	**Details of credit Rating Agent for the Issue:**	As set out in the respective Key Information Document
16.	**Details of Registrar to the Issue:**	As set out in the respective Key Information Document
17.	**Legal Counsel**	As set out in the respective Key Information Document
18.	**Statutory Auditor**	As set out in the respective Key Information Document
19.	**Merchant Banker**	As set out in the respective Key Information Document
20.	**Disclosure of filing**	Given this is a private placement of non-convertible securities, there shall be no requirement of filing the same with the Registrar of Companies pursuant to the Section 26(4) of the Act.
21.	**Date of General Information Document**	09th October 2024 This General Information Document is valid for a period of 1 (one) year from the first issue opening date.
22.	**Type of General Information Document**	This General Information Document is being issued in relation to the private placement basis of Non-Convertible Securities.

23.	**The nature, number, price and amount of securities offered and issue size (base issue or green shoe), as may be applicable**	**Base Issue:** Kindly refer to the respective Key Information Document **Green Shoe:** Kindly refer to the respective Key Information Document
24.	**The aggregate amount proposed to be raised through all the stages of offers of non-convertible securities made through the General Information Document (applicable only in case of public issuance);**	Not applicable.
25.	**Issue Schedule**	**Date of opening of the Issue:** As set out in the respective Key Information Document **Date of closing of the Issue:** As set out in the respective Key Information Document **Date of earliest closing of the Issue (if any):** As set out in the respective Key Information Document This General Information Document shall be issued as on 09th October 2024 and shall be valid for a period of 1 (one) year from the first issue opening date under this General Information Document.
26.	**Credit Rating of the Issue**	As set out in the respective Key Information Document
27.	**All the ratings obtained for the private placement of Issue**	Please refer to S.no 25 (*Credit Rating of the Issue*) above.
28.	**The name(s) of the stock exchanges where the securities are proposed to be listed, subject to change**	The Non-Convertible Securities are proposed to be listed on the wholesale debt market of the BSE Limited ("**BSE**") and / or National Stock Exchange of India Limited ("**NSE**"). Please refer to **Annexure VII** (*In-Principle approval received from BSE and / or NSE*) of this General Information Document for the in-principle approval for listing obtained from BSE and / or NSE). BSE shall be the 'Designated Stock Exchange' for the purpose of maintenance of the recovery expense fund prescribed by SEBI under the SEBI Debenture Trustees Circular, as may be amended from time to time.
29.	**The details about eligible investors;**	As shall be more particularly set out in the respective Key Information Document.
30.	**Coupon rate, coupon payment frequency, redemption date, redemption amount and details of debenture trustee**	As specified in the respective Key Information Document. The details of Debenture Trustee are provided under S. No. 14 of this table above.
31.	**Nature and issue size, base issue and green shoe option, if any, shelf or tranche size, each as may be applicable**	Issue Size - Kindly refer to the respective Key Information Document Base Issue Size - As set out in the respective Key Information Document.

Green shoe option - As set out in the respective Key Information Document.

32. **Details about underwriting of the issue including the amount undertaken to be underwritten by the underwriters:** Kindly refer to the respective Key Information Document

33. **Inclusion of a compliance clause in relation to electronic book mechanism and details pertaining to the uploading the General Information Document on the Electronic Book Provider Platform, if applicable.** The final subscription to the Non-Convertible Securities shall be made by the Eligible Investors through the electronic book mechanism as prescribed by SEBI under the EBP Guidelines by placing bids on the electronic book platform during the Issue period. In case the Eligible Investors are not registered on the EBP, they will have to register themselves as investor on the said platform (as a one-time exercise) and also complete the mandatory KYC verification process. The Eligible Investors should also refer to the operational guidelines of the EBP in this respect. The disclosures required pursuant to the EBP Guidelines are set out hereinbelow:

Details of size of the Issue including green shoe option, if any	Total Issue size of Issue: Kindly refer to the respective Key Information Document
Bid opening and closing date	Bid opening date: Kindly refer to the respective Key Information Document Bid closing date: Kindly refer to the respective Key Information Document
Minimum Bid lot	Kindly refer to the respective Key Information Document
Manner of bidding in the Issue	Closed Bidding
Manner of allotment in the Issue	The allotment will be done on Uniform Yield basis in accordance with EBP Guidelines.
Manner of settlement in the Issue	Pay-in of funds through ICCL and the account details are given in the Clause 8.9 (*Issue Procedure*) of this General Information Document.
Settlement cycle	T+1, where T refers to the date of bid opening date / issue opening date

34. **Specific declaration requested by BSE: non-equity regulatory capital** Kindly refer to the respective Key Information Document

Background

This General Information Document (as defined below) is related to the issue of senior / unsubordinated / subordinated, secured / unsecured, rated, listed, non-convertible securities to be issued in multiple

tranches/issuances, secured/unsecured, principle protected or not, market linked or not, redeemable/perpetual, green debt securities or not, for cash at par or at premium or at discount, in a dematerialised form on a private placement basis by **IKF Finance Limited** (the "**Issuer**" or "**Company**") and contains relevant information and disclosures required for the purpose of issuing of the Non-Convertible Securities. The issue of the Non-Convertible Securities comprised in the Issue and described under this General Information Document shall be authorised by the Issuer through resolutions of the shareholders of the Issuer and the Board of Directors of the Issuer, the details of which shall be more particularly set out in the respective Key Information Document and has been authorised by the Memorandum and Articles of Association of the Company. The details of the corporate authorizations i.e. the resolution passed by the board of directors of the Issuer and the resolution passed by the shareholders of the Issuer shall be set out in each of the relevant Key Information Document that shall be issued by the Company from time to time for the purpose of issuance of the Non-Convertible Securities. The Issuer shall ensure that at all times, such relevant issuance of the Non-Convertible Securities shall be within the limits as shall be prescribed in such relevant resolution.

THIS GENERAL INFORMATION DOCUMENT IS NEITHER A PROSPECTUS NOR A STATEMENT IN LIEU OF A PROSPECTUS AND DOES NOT CONSTITUTE AN OFFER TO THE PUBLIC GENERALLY TO SUBSCRIBE FOR OR OTHERWISE ACQUIRE THE NON-CONVERTIBLE SECURITIES TO BE ISSUED UNDER THE ISSUE.

THIS GENERAL INFORMATION DOCUMENT IS PREPARED AND ISSUED IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021, ISSUED VIDE NOTIFICATION NUMBER SEBI/LAD-NRO/GN/2021/ 39 DATED 09TH AUGUST 2021, AS AMENDED FROM TIME TO TIME, READ WITH THE CIRCULARS ISSUED THEREUNDER; THE MASTER CIRCULAR FOR ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES, SECURITISED DEBT INSTRUMENTS, SECURITY RECEIPTS, MUNICIPAL DEBT SECURITIES AND COMMERCIAL PAPER ISSUED BY SECURITIES AND EXCHANGE BOARD OF INDIA, ISSUED VIDE CIRCULAR NO. SEBI/HO/DDHS/PoD1/P/CIR/2024/54 DATED MAY 22, 2024, AS AMENDED FROM TIME TO TIME, THE PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER PURSUANT TO SECTION 42 OF THE COMPANIES ACT, 2013 READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014 AND PURSUANT TO SECTION 71 OF THE COMPANIES ACT, 2013 READ WITH RULE 18 OF THE COMPANIES (SHARE CAPITAL AND DEBENTURES) RULES, 2014 (AS APPLICABLE) FOR ISSUE OF NON-CONVERTIBLE SECURITIES ON A PRIVATE PLACEMENT BASIS.

Wilful Defaulters

The Issuer, its directors and promoters have not been declared as a wilful defaulter by RBI or any other authority. Please refer to Section 6 (*Disclosures pertaining to wilful defaulters*) for the disclosures pertaining to wilful default.

Issuer's Absolute Responsibility

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this General Information Document contains all information with regard to the Issuer and the Issue which is material in the context of the Issue, that the information contained in the General Information Document is true and correct in all material aspects and is not misleading, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading.

Particulars	Date
Validity period of the General Information Document	From 09th October 2024 to 08th October 2025
Issue Opening Date	Kindly refer to the respective Key Information Document
Issue Closing Date	Kindly refer to the respective Key Information Document
Pay In Date	Kindly refer to the respective Key Information Document

Deemed Date of Allotment	Kindly refer to the respective Key Information Document

GENERAL RISK

INVESTMENT IN THE NON-CONVERTIBLE SECURITIES INVOLVES A DEGREE OF RISK AND PROSPECTIVE INVESTORS SHOULD NOT INVEST ANY FUNDS IN THIS ISSUE UNLESS THEY CAN AFFORD TO TAKE THE RISK OF LOSING THEIR INVESTMENT AND SUCH RISKS AS ATTACHED TO SUCH INVESTMENTS. PROSPECTIVE INVESTORS ARE ADVISED TO MAKE AN INFORMED DECISION AND TO READ **SECTION 3** (*RISK FACTORS*) OF THIS GENERAL INFORMATION DOCUMENT CAREFULLY BEFORE TAKING AN INVESTMENT DECISION IN THIS ISSUE OF NON-CONVERTIBLE SECURITIES. FOR THE PURPOSES OF TAKING AN INVESTMENT DECISION, PROSPECTIVE INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER, THE ISSUE, THE GENERAL INFORMATION DOCUMENT AND THE KEY INFORMATION DOCUMENT TO BE ISSUED FROM TIME TO TOME INCLUDING THE RISKS INVOLVED IN IT. SPECIFIC ATTENTION OF THE PROSPECTIVE INVESTORS IS INVITED TO THE STATEMENT OF RISK FACTORS CONTAINED UNDER **SECTION 3** (*RISK FACTORS*) OF THIS GENERAL INFORMATION DOCUMENT. THESE RISKS ARE NOT, AND ARE NOT INTENDED TO BE, A COMPLETE LIST OF ALL RISKS AND CONSIDERATIONS RELEVANT TO THE NON-CONVERTIBLE SECURITIES OR PROSPECTIVE INVESTOR'S DECISION TO PURCHASE SUCH NON-CONVERTIBLE SECURITIES.

PROSPECTIVE INVESTORS SHOULD CONSULT THEIR OWN LEGAL, REGULATORY, TAX, FINANCIAL AND/OR ACCOUNTING ADVISORS ABOUT RISKS ASSOCIATED WITH AN INVESTMENT IN SUCH NON-CONVERTIBLE SECURITIES AND THE SUITABILITY OF INVESTING IN SUCH NON-CONVERTIBLE SECURITIES IN LIGHT OF THEIR PARTICULAR CIRCUMSTANCES.

THE ISSUE OF NON-CONVERTIBLE SECURITIES HAS NOT BEEN RECOMMENDED OR APPROVED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA (**"SEBI"**) NOT DOES SEBI GUARANTEE THE ACCURACY AND ADEQUACY OF THE INFORMATION CONTAINED HEREIN.

Listing

The Non-Convertible Securities are proposed to be listed on the wholesale debt market of the BSE and / or NSE. The Issuer has obtained an in-principle approval from the Stock Exchange(s) on .

The Issuer, with prior notice to the Debenture Trustee, may get the Non-Convertible Securities listed on other material stock exchanges as it deems fit. The Issuer shall comply with the requirements of the listing agreement to the extent applicable to it on a continuous basis.

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SECTION 1: DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or requires or unless a different meaning is provided to it in the respective Key Information Document or the relevant Transaction Document, the following terms shall have the meanings given below in this General Information Document.

Act	means the Companies Act 2013 and includes any rules, circulars, notifications and orders framed/ issued thereunder and any statutory modifications, re-enactments or amendments thereof or of such rules, circulars, notifications, orders, as issued from time to time.
Allot/Allotment/Allotted	The allotment of the Non-Convertible Securities pursuant to this Issue.
Applicable Accounting Standards	shall mean (a) until the adoption of Indian Accounting Standards (Ind-AS) in accordance with Applicable Law, generally accepted accounting principles in India, and (b) thereafter, Indian Accounting Standards, in each case as amended, supplemented or re-issued from time to time, applied on a consistent basis both as to amounts and to classification of items.
Applicable Law	shall mean any statute, national, state, provincial, local, municipal or other law, regulation, ordinance, rule, judgment, order, decree, byelaws, approval of Governmental Authority, directives, guidelines, policy requirement, circulars or other governmental restriction or any similar form of decision of or determination by, or any interpretation or administration having the force of law in India of any of the foregoing by Governmental Authority in India.
Applicant	means a Person who is eligible to invest in the Non-Convertible Securities and has submitted / will be submitting an Application for subscribing to the Non-Convertible Securities in accordance with the terms of the General Information Document and other Transaction Documents.
Application Form	means an application for subscribing to the Non-Convertible Securities, which is in the form annexed to this General Information Document and marked as **Annexure IV**.
Application Monies	means money paid or payable by an Applicant on its Application for subscription to the Non-Convertible Securities.
Assets	means, for any date of determination, the assets of the Issuer on such date as the same would be determined in accordance with the Applicable Accounting Standards.
Beneficial Owner(s)/Debenture Holder(s)	means the Persons who are, for the time being, and from time to time, and who will become the owners of the Tranches/Issuances of the Non-Convertible Securities in electronic (dematerialized) form, and whose names appear in the list of the beneficial owner(s)/register of beneficial owners(s) prepared, held and given by the Depository and shall mean the Secured Debenture Holders and/or the Unsecured Debenture Holders and/ or such other holders of the Non-Convertible Security, as may be contextually applicable, and **"Beneficial Owner"** means each such Person and includes their respective successors/ transferees and assigns.
Board / Board of Directors	The Board of Directors of the Issuer for the time being and from time to time.
BSE	means the BSE Limited.

Business Day	As specified in the relevant Key Information Document.
CDSL	Central Depository Services (India) Limited.
CERSAI	means the Central Registry of Securitisation Asset Reconstruction and Security Interest.
Client Loan	means each loan disbursed by the Issuer as a lender and "Client Loans" shall construed accordingly.
Company/Issuer	shall mean IKF Finance Limited, a company incorporated under the provisions of the Companies Act, 1956 and validly existing under the Companies Act, 2013 and registered with the Reserve Bank of India as a non-deposit taking systemically important non-banking finance company with corporate identification number U65992AP1991PLC012736 and having its registered office at 40-1-144, 3rd Floor, Corporate Centre, M.G. Road, Vijayawada, Andhra Pradesh - 520010, India
Conditions Precedent	As specified in the relevant Key Information Document.
Conditions Subsequent	As specified in the relevant Key Information Document.
Constitutional Documents / Charter Documents	means the certificate of incorporation of the Issuer, the memorandum of association and articles of association of the Issuer and the certificate of registration issued by the RBI to the Issuer.
Control	shall mean right to appoint majority of the directors or to control the management or policy decisions by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements or in any other manner.
Debenture Obligations	(a) in respect of Secured Debentures, means the Secured Obligations; and (b) in respect of the Unsecured Debentures mean the Unsecured Obligations.
Debenture Trust Deed	means each of the trust deed to be executed by and between the Debenture Trustee and the Issuer which will set out the terms upon which the respective Tranche/Issuance of the Debentures are being issued and shall include the representations and warranties and the covenants to be provided by the Issuer.
Debenture Trustee	Beacon Trusteeship Limited or such other debenture trustee appointed for respective Tranche/Issuance of the Debentures as more particularly mentioned in the respective Debenture Trustee Agreement.
Debenture Trustee Agreement	means each of the agreement executed / to be executed by and between the Debenture Trustee and the Issuer for the purposes of appointment of the Debenture Trustee to act as debenture trustee in connection with the issuance of the respective Tranche/Issuance of the Debentures.
Debenture Trustees Regulations	means the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993.
Debentures	Listed, rated, redeemable or perpetual, secured or unsecured, senior / unsubordinated / subordinated, principal protected market linked or not, green debt securities or not, non-convertible debentures to be issued by the Company on a private placement basis not or green debt securities or not) having either zero coupon or Coupon as set out in the relevant

	Key Information Document or redemption premium or redemption discount, or whose Coupon is linked to the performance of the reference index etc.) as more particularly set out in the Key Information Document and shall be collectively referred to as the Secured Debentures or Unsecured Debentures (as applicable).
Deed of Guarantee	shall mean each of the deed of corporate guarantee dated on or around the date of the issuance of Tranche / Issuance of the Debentures (if applicable) to be executed by the Guarantor in favor of the Debenture Trustee for securing the Secured Obligations for the relevant Tranche/Issuance of the Debentures.
Deed of Hypothecation	shall mean each of the deed of hypothecation dated on or around the date of the relevant Tranche / Issuance of the Debentures (if applicable) to create a charge over the Hypothecated Assets for the respective Tranche/Issuance of Debentures, to be executed between the Issuer and the Debenture Trustee to secure the Secured Obligations in relation to the respective Tranche/Issuance of the Secured Debentures.
Deemed Date of Allotment	shall mean the date on which the Debentures shall have been deemed to be allotted to the Debenture Holders – as mentioned in detail in the respective Key Information Document.
Demat	means dematerialized securities which are securities that are in electronic form, and not in physical form, with the entries noted by the Depository.
Depositories	means the depositories with which the Issuer has made arrangements for dematerialising the Non-Convertible Securities, being NSDL and CDSL.
Depositories Act	The Depositories Act, 1996, as amended from time to time
Depository Participant / DP	A depository participant as defined under the Depositories Act
Designated Stock Exchange	The stock exchange designated by the Issuer under the General Information Document being BSE for the purposes of maintaining the recovery expense fund in terms of Regulation 11 of the SEBI NCS Regulations read with SEBI Debenture Trustees Circular.
Director(s)	Director(s) of the Issuer.
DP ID	Depository Participant Identification Number.
DRR	has the meaning given to it in Section 5.32(a)
Due Date	means the date on which any interest or liquidated damages, any Redemption Payment or premature redemption amount and/or any other amounts payable, are due and payable, including but not limited to each of Redemption Dates, and any other date on which any payment is to be made by the Issuer under the respective Transaction Documents.
EBP Guidelines	The guidelines issued by SEBI with respect to electronic book mechanism under the terms of the SEBI Master Circular and the operational guidelines issued by the relevant Electronic Book Provider, as may be amended, clarified or updated from time to time.
EFT	Electronic Fund Transfer
Electronic Book Provider/ EBP	Shall have the meaning assigned to such term under the EBP Guidelines.
Eligible Investors	As set out in the respective Key Information Document.

Events of Default	As set out in the respective Key Information Document.
Final Redemption Date	With respect to any Tranche / Issuance shall mean the date on which repayment of Redemption Payment together with all other Debenture Obligations in respect of that Tranche / Issuance will be made and shall be as specified in the relevant Key Information Document issued for such Tranche / Issuance.
Final Settlement Date	means the date on which all Debenture Obligations have been irrevocably and unconditionally paid and discharged in full to the satisfaction of the Debenture Holders
Financial Indebtedness	As shall be more particularly set out in the respective Key Information Document.
Financial Statements	means in relation to a company, its audited financial statements (on a consolidated and non-consolidated basis) for a Financial Year.
Financial Year End Date	shall mean 31st March of each year
Financial Year/ FY	means each period of 12 (twelve) months commencing on April 1 of any calendar year and ending on March 31 of the subsequent calendar year.
Form PAS-3	The return of allotment required to be filed by the Issuer pursuant to the Companies (Prospectus and Allotment of Securities) Rules, 2014 relating to the Non-Convertible Securities.
Form PAS-5	The record of private placement maintained by the Issuer pursuant to the Companies (Prospectus and Allotment of Securities) Rules, 2014 relating to the Non-Convertible Securities.
General Information Document	means this General Information Document issued by the Issuer for the issue of the Non-Convertible Securities on a private placement basis in accordance with Applicable Laws.
Governmental Authority	means any government (central, state or otherwise) or any governmental agency, semi-governmental or judicial or quasi-judicial or administrative entity, department or authority, agency or authority including any stock exchange or any self-regulatory organization, established under any Applicable Law.
Group Entities	means and refers to the subsidiaries of the Issuer, associate companies (as defined under the Act) of the Issuer, and the entities under Control of the Issuer, from time to time, and "**Group Entity**" shall mean anyone of them.
Guarantor	As specified in the relevant Key Information Document, if applicable.
Hypothecated Assets	As shall be more particularly set out in the respective Key Information Document.
Hypothecated Assets Report	As shall be more particularly set out in the respective Key Information Document.
Interest Payment Dates	means the payment dates as specified in the relevant Key Information Document.
Interest Rate/Coupon Rate	As specified in the relevant Key Information Document.
Issue	means the private placement of the Non-Convertible Securities.
Issue Closing Date	As specified in the relevant Key Information Document.
Issue Opening Date	As specified in the relevant Key Information Document.

Key Information Document	The Key Information Document to be issued by the Issuer in respect of each Tranche / Issuance containing inter alia the issue price, Tranche / Issuance size, interest / coupon (if any), redemption premium (if any), any material change to the disclosures and other terms and conditions vis-à-vis the General Information Document for that Tranche / Issuance of Non-Convertible Securities issued under the Issue. The Company shall be free to amend the format of Key Information Document depending upon the terms and conditions of the Non-Convertible Securities being issued in each Tranche / Issuance.
Listing Period	has the meaning given to it in Section 5.34 (*Issue Details*).
LODR Regulations / SEBI LODR Regulations	means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, modified or restated from time to time.
Majority Debenture Holders	As specified in the relevant Key Information Document.
Majority Resolution	means a resolution approved by the Majority Debenture Holders who are present and voting or if a poll is demanded, by the Majority Debenture Holders who are present and voting in such poll.
Merchant Banker	As specified in the relevant Key Information Document.
NA	Not Applicable
NBFC	Non-banking financial company
NBFC Directions	means the Master Direction-Reserve Bank of India (Non-Banking Financial Company- Scale Based Regulation) Direction 2023 (as amended, modified or restated from time to time) read together with the RBI's circular no. DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 on "Implementation of Indian Accounting Standards" (as amended, modified or restated from time to time).
Net Worth	As shall be more particularly set out in the respective Key Information Document.
Non-Convertible Securities	means the Debentures and / or perpetual debt instruments and/or other securities as specified by SEBI and under the Applicable Law.
NSDL	National Securities Depository Limited
NSE	Means the National Stock Exchange of India Limited.
Outstanding Amounts	As shall be more particularly set out in the respective Key Information Document.
Outstanding Principal Amount	As shall be more particularly set out in the respective Key Information Document.
PAN	Permanent Account Number
Payment Default	As shall be more particularly set out in the respective Key Information Document.
Person	shall include an individual, natural person, corporation, partnership, joint venture, incorporated or unincorporated body or association, company, Government Authority and in case of a company and a body corporate shall include their respective successors and assigns and in case of any individual his/her respective legal representative, administrators, executors and heirs and in case of trust shall include the trustee(s) for the time being and from time to time. The term “Persons” shall be construed accordingly.

Private Placement Offer cum Application Letter/PPOAL	The offer cum application letter prepared in compliance with Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014.
Promoter	shall mean shall collectively mean (i) Mr. VGK Prasad aged 75 years, having PAN No. ACKPV7061N and residing at 59A-16-4/8, 3rd Road, RTC Colony, Vijayawada, Andhra Pradesh, (ii) Mrs. V.Indira Devi aged 63 years, having PAN No. ABXPV8272D and residing at 59A-16-4/8, 3rd Road, RTC Colony, Vijayawada, Andhra Pradesh and (iii) Mrs. K.Vasumathi Devi aged 47 years, having PAN No. AXEPK4252F and residing at Villa 18, Aditya Port View, Puppalaguda, Near Prathibha High School, Hyderabad, 500089
Purpose	As shall be more particularly set out in the respective Key Information Document.
Quarterly Date	means each of March 31, June 30, September 30 and December 31 of a calendar year, and "**Quarterly Dates**" shall be construed accordingly.
R&T Agent/Registrar	As specified in the relevant Key Information Document.
Rating	As specified in the respective Key Information Document.
Rating Agent	As specified in the respective Key Information Document.
RBI	Reserve Bank of India.
Record Date	As shall be more particularly set out in the respective Key Information Document.
Recovery Expense Fund/REF	means the recovery expense fund established/to be established and maintained by the Issuer in accordance with the provisions of the SEBI Debenture Trustees Circular.
Redemption Date	As shall be more particularly set out in the respective Key Information Document.
Redemption Payment	As shall be more particularly set out in the respective Key Information Document.
Register of Beneficial Owners	means the register of beneficial owners of the Non-Convertible Securities maintained in the records of the Depositories
Register of Debenture Holders	means the register of debenture holders maintained by the Issuer in accordance with Section 88 of the Act
Related Party	has the meaning given to it in the Act.
ROC	Registrar of Companies.
Rs. / INR	Indian National Rupee.
RTGS	Real Time Gross Settlement.
SEBI	Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992 (as amended from time to time).
SEBI Centralized Database Requirements	means the requirements prescribed in Chapter XIV *(Centralized Database for corporate bonds/ debentures*) of the SEBI Master Circular.
SEBI Debenture Trustees Circular / Master Circular for Debenture Trustee	shall mean a master circular dated May 22, 2024 issued by SEBI titled "*Master Circular for Debenture Trustees*", bearing reference number SEBI/HO/DDHS-PoD3/P/CIR/2024/46 under SEBI (Debenture Trustee) Regulations, 1993, as amended from time to time.
SEBI ILNCS Regulations/ SEBI NCS Listing Regulations	The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 together with

	the SEBI Master Circular, as amended from time to time.
SEBI Listing Timelines Requirements	means the requirements in respect of the timelines for listing of debt securities issued on a private placement basis prescribed in Chapter VII (*Standardization of timelines for listing of securities issued on a private placement basis*) of the SEBI Master Circular.
SEBI Master Circular / Listed NCDs Master Circular	means the circular issued by SEBI bearing the reference number SEBI/HO/DDHS/PoD1/P/CIR/2024/54 dated May 22. 2024 on "*Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper*", as amended, modified, or restated from time to time.
SEBI Merchant Banker Regulations	means the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended from time to time.
Secured Debenture Holders	Holders of the Secured Debentures from time to time.
Secured Debentures	Debentures issued/to be issued by the Company which shall be secured by creation of charge over the assets of the Company and/or any other security provider.
Secured Obligations	As shall be more particularly set out in the respective Key Information Document.
Security Cover	has the meaning given to it in the Section 5.34 (*Issue Details*).
Special Resolution	means resolution approved by the Special Majority Debenture Holders who are present and voting or if a poll is demanded, by the Special Majority Debenture Holders who are present and voting in such poll.
Stock Exchange	shall mean BSE/NSE, as the case may be
Stressed Assets Framework	means the RBI's circular no. DBR.No.BP.BC.45/21.04.048/2018-19 dated June 7, 2019 on "Prudential Framework for Resolution of Stressed Assets", as may be amended, modified or restated from time to time.
Tax	shall mean any present or future tax, including but not limited to indirect taxes such as goods and services tax, service tax, value added tax or other similar taxes), levy, duty deductions, withholdings, imposts, cesses, fees or other charge of a similar nature (including any penalty or interest payable on account of any failure to pay or delay in paying the same), now or hereafter imposed by Applicable Laws.
Tax Deduction	means a deduction or withholding for or on account of Tax from a payment under the relevant Tranche / Issuance Debenture Trust Deed.
TDS	Tax Deducted at Source.
Terms & Conditions	The terms and conditions pertaining to the Issue as outlined in the Transaction Documents.
Total Assets	As shall be more particularly set out in the respective Key Information Document.
Tranche/Issuance	Any tranche/issuance of Non-Convertible Securities issued by the Issuer from time to time under this General Information Document pursuant to such terms as set out in the respective Key Information Document.
Transaction Documents	As shall be more particularly set out in the respective Key Information Document.
Transaction Security	has the meaning given to it in the Section 5.34 (*Issue Details*).
Unsecured Debenture Holders	The holders of the Unsecured Debentures from time to time.

Unsecured Debentures	Debentures which are issued/to be issued by the Company which shall be unsecured.
Unsecured Obligations	As shall be more particularly set out in the respective Key Information Document.
WDM	Wholesale Debt Market segment of the relevant stock exchange
Wilful Defaulter	Shall mean an Issuer who is categorized as a wilful defaulter by any Bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India and includes an issuer whose director or promoter is categorized as such.

SECTION 2: NOTICE TO INVESTORS AND DISCLAIMERS

2.1 ISSUER'S DISCLAIMER

This General Information Document is neither a prospectus nor a statement in lieu of a prospectus and should not be construed to be a prospectus or a statement in lieu of a prospectus under the Companies Act. The issue of the Non-Convertible Securities to be listed on the WDM segment of the BSE/NSE is being made strictly on a private placement basis. Multiple copies hereof given to the same entity shall be deemed to be given to the same person and shall be treated as such. This General Information Document does not constitute and shall not be deemed to constitute an offer or invitation to subscribe to the Non-Convertible Securities to the public in general.

As per the applicable provisions, it is not necessary for a copy of this General Information Document to be filed or submitted to the SEBI for its review and/or approval. This General Information Document has been prepared in conformity with the SEBI NCS Regulations as amended from time to time and applicable RBI regulations governing private placements of Non-Convertible Securities by NBFCs. This General Information Document has been prepared solely to provide general information about the Issuer to Eligible Investors to whom it is addressed and who are willing and eligible to subscribe to the Non-Convertible Securities. This General Information Document does not purport to contain all the information that any Eligible Investor may require. Further, this General Information Document has been prepared for informational purposes relating to this transaction only and upon the express understanding that it will be used only for the purposes set forth herein.

Neither this General Information Document nor any other information supplied in connection with the Non-Convertible Securities is intended to provide the basis of any credit or other evaluation and any recipient of this General Information Document should not consider such receipt as a recommendation to subscribe to any Non-Convertible Securities. Each potential Investor contemplating subscription to any Non-Convertible Securities should make its own independent investigation of the financial condition and affairs of the Issuer, and its own appraisal of the creditworthiness of the Issuer. Potential investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Non-Convertible Securities and should possess the appropriate resources to analyze such investment and the suitability of such investment to such potential Investor's particular circumstances.

The Issuer confirms that, as of the date hereof, this General Information Document (including the documents incorporated by reference herein, if any) contains all the information that is material in the context of the Issue and regulatory requirements in relation to the Issue and is accurate in all such material respects. No person has been authorized to give any information or to make any representation not contained or incorporated by reference in this General Information Document or in any material made available by the Issuer to any potential Investor pursuant hereto and, if given or made, such information or representation must not be relied upon as having being authorized by the Issuer. The Issuer certifies that the disclosures made in this General Information Document and/or the Private Placement Offer cum Application Letter are adequate and in conformity with the SEBI NCS Regulations and the Companies (Prospectus and Allotment of Securities) Rules, 2014. Further, the Issuer accepts no responsibility for statements made otherwise than in the General Information Document or any other material issued by or at the instance of the Issuer and anyone placing reliance on any source of information other than this General Information Document would be doing so at its own risk.

This General Information Document**,** the Private Placement Offer cum Application Letter and the respective contents hereof respectively, are restricted only for the intended recipient(s) who have been addressed directly and specifically through a communication by the Issuer and only such recipients are eligible to apply for the Non-Convertible Securities. All Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this Issue. The contents of this General Information Document and/or the Private Placement Offer cum Application Letter are intended to be used only by those Investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced by the recipient.

No invitation is being made to any persons other than those to whom Application Forms along with this General Information Document and/or Key Information Document and / or the Private Placement Offer cum Application Letter being issued have been sent. Any application by a person to whom the General Information Document and/or the Private Placement Offer cum Application Letter has not been sent by the Issuer shall be rejected without assigning any reason.

The person who is in receipt of this General Information Document and/or the Private Placement Offer cum Application Letter shall not reproduce or distribute in whole or in part or make any announcement in public or to a third party regarding the contents hereof without the consent of the Issuer. The recipient agrees to keep confidential all information provided (or made available hereafter), including, without limitation, the existence and terms of the Issue, any specific pricing information related to the Issue or the amount or terms of any fees payable to us or other parties in connection with the Issue. This General Information Document and/or the Key Information Document and / or the Private Placement Offer cum Application Letter may not be photocopied, reproduced, or distributed to others at any time without the prior written consent of the Issuer. Upon request, the recipients will promptly return all material received from the Issuer (including this General Information Document) without retaining any copies hereof. If any recipient of this General Information Document and/or the Private Placement Offer cum Application Letter decides not to participate in the Issue, that recipient must promptly return this General Information Document and/or the Private Placement Offer cum Application Letter and all reproductions whether in whole or in part and any other information statement, notice, opinion, memorandum, expression or forecast made or supplied at any time in relation thereto or received in connection with the Issue to the Issuer.

The Issuer does not undertake to update the General Information Document and/or the Private Placement Offer cum Application Letter to reflect subsequent events after the date of General Information Document and/or the Private Placement Offer cum Application Letter and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the Issuer, save and except the disclosures that shall be made in the Key Information Document at the time of subsequent issuances, from time to time.

Neither the delivery of this General Information Document and/or the Private Placement Offer cum Application Letter nor any sale of Non-Convertible Securities made hereafter shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer since the date hereof.

This General Information Document and/or the Private Placement Offer cum Application Letter does not constitute, nor may it be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. No action is being taken to permit an offering of the Non-Convertible Securities or the distribution of this General Information Document and/or the Private Placement Offer cum Application Letter in any jurisdiction where such action is required. Persons into whose possession this General Information Document and/or the Private Placement Offer cum Application Letter comes are required to inform themselves of, and to observe, any such restrictions. The General Information Document is made available to potential Investors in the Issue on the strict understanding that it is confidential.

This General Information Document is for the exclusive use of the addressee and restricted for only the intended recipient and it should not be circulated or distributed to third party(ies). This Issue is made strictly on private placement basis. Apart from this General Information Document, no offer document or prospectus has been prepared in connection with the offering of this Issue or in relation to the Issuer.

It is not necessary for the General Information Document to be registered under Applicable Laws. Accordingly, this General Information Document has neither been delivered for registration nor is it intended to be registered.

This General Information Document is intended to be circulated to not exceeding 200 (two hundred) persons in the aggregate in a financial year. Multiple copies hereof given to the same entity shall be deemed to be given to the same person and shall be treated as such. It does not constitute and shall not be deemed to constitute an offer or an invitation to subscribe to the Non-Convertible Securities to the public in general.

The General Information Document does not include a statement purporting to be made by an expert. In case any such statement is made, it shall be made by an expert who is not, and has not been, engaged or interested in the formation or promotion or management, of the Company and has given his written consent to the issue of the General Information Document and has not withdrawn such consent before the delivery of a copy of the General Information Document, as applicable.

2.2 DISCLAIMER CLAUSE OF STOCK EXCHANGES

As required, a copy of this General Information Document has been filed with the BSE and / or NSE in terms of the SEBI NCS Regulations. It is to be distinctly understood that submission of this General Information Document to the BSE and / or NSE should not in any way be deemed or construed to mean that this General Information Document has been reviewed, cleared, or approved by the BSE and / or NSE; nor does the BSE and / or NSE in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this General Information Document, nor does the BSE and / or NSE warrant that the Issuer's Non-Convertible Securities will be listed or will continue to be listed on the BSE and / or NSE; nor does the BSE and / or NSE take any responsibility for the soundness of the financial and other conditions of the Issuer, its promoters, its management or any scheme or project of the Issuer.

2.3 DISCLAIMER CLAUSE OF RBI

The company is having a valid certificate of registration issued by the Reserve Bank of India under Section 45 IA of the Reserve Bank of India Act, 1934. However, the RBI does not accept any responsibility or guarantee about the present position as to the financial soundness of the company or for the correctness of any of the statements or representations made or opinions expressed by the company and for repayment of deposits/ discharge of liability by the company.

2.4 DISCLAIMER CLAUSE OF SEBI

AS PER THE PROVISIONS OF THE SEBI NCS REGULATIONS, IT IS NOT STIPULATED THAT A COPY OF THIS GENERAL INFORMATION DOCUMENT HAS TO BE FILED WITH OR SUBMITTED TO THE SEBI FOR ITS REVIEW / APPROVAL. IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THIS GENERAL INFORMATION DOCUMENT TO SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO HAVE BEEN APPROVED OR VETTED BY SEBI AND THAT THIS ISSUE IS NOT RECOMMENDED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE GENERAL INFORMATION DOCUMENT.

2.5 DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is made in India to investors as specified under the paragraph titled "Eligible Investors" of this General Information Document, who shall be/have been identified upfront by the Issuer. This General Information Document and/or the Private Placement Offer cum Application Letter does not constitute an offer to sell or an invitation to subscribe to Non-Convertible Securities offered hereby to any person to whom it is not specifically addressed. Any disputes arising out of this Issue will be subject to the exclusive jurisdiction of the courts and tribunals as specified in the relevant Key Information Document. This General Information Document and/or the Private Placement Offer cum Application Letter does not constitute an offer to sell or an invitation to subscribe to the Non-Convertible Securities herein, in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction.

2.6 DISCLAIMER IN RESPECT OF RATING AGENCY

Ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. The Rating Agent has based its ratings on information obtained from sources believed by it to be accurate and reliable. The Rating Agent does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by the Rating Agent have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

2.7 DISCLAIMER OF DEBENTURE TRUSTEE

(I) The Debenture Trustee or its agents or advisers associated with the Issue do not undertake to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this General Information Document and do not have any responsibility to advise any Investor or prospective Investor in the Non-Convertible Securities of any information available with or subsequently coming to the attention of the Debenture Trustee, its agents or advisors except as specifically provided for in the relevant Tranche/Issuance Debenture Trust Deed.

(II) The Debenture Trustee does not guarantee the terms of payment regarding the issue as stated in this General Information Document and shall not be held liable for any default in the same.

(III) The Debenture Trustee or its agents or advisers associated with the Issue have not separately verified the information contained in this General Information Document. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by Debenture Trustee as to the accuracy or any other information provided by the Issuer. Accordingly, the Debenture Trustee associated with the issue shall have no liability in relation to the information contained in this General Information Document or any other information provided by the Issuer in connection with the issue.

(IV) The Debenture Trustee is neither a principal debtor nor a guarantor of the Debentures.

2.8 ISSUE OF NON-CONVERTIBLE SECURITIES IN DEMATERIALISED FORM

The Non-Convertible Securities will be issued in dematerialised form. The Issuer has made arrangements with the Depositories for the issue of the Non-Convertible Securities in dematerialised form. Investors will have to hold the Non-Convertible Securities in dematerialised form as per the provisions of Depositories Act. The Issuer shall take necessary steps to credit the Non-Convertible Securities allotted to the beneficiary account maintained by the Investor with its depositary participant. The Issuer will make the Allotment to the Investors on the Deemed Date of Allotment after verification of the Application Form, the accompanying documents and on realisation of the application money.

ASSUMPTIONS

EACH PERSON RECEIVING THIS GENERAL INFORMATION DOCUMENT SHALL BE DEEMED TO HAVE AGREED THAT AND ACCORDINGLY THE COMPANY SHALL BE ENTITLED TO PRESUME THAT SUCH PERSON:

(1) HAS REVIEWED THE TERMS AND CONDITIONS APPLICABLE TO THE NON-CONVERTIBLE SECURITIES AS CONTAINED HEREIN AND HAS UNDERSTOOD THE SAME, AND, ON AN INDEPENDENT ASSESSMENT THEREOF, FOUND THE SAME ACCEPTABLE FOR THE INVESTMENT MADE AND HAS ALSO REVIEWED THE RISK FACTORS CONTAINED HEREIN AND HAS UNDERSTOOD THE RISKS, AND THE

RISKS INVOLVED IN INVESTING IN THE NON-CONVERTIBLE SECURITIES INCLUDING FOR ANY REASON HAVING TO SELL THEM OR BE MADE TO REDEEM THEM BEFORE THE FINAL REDEMPTION DATE AND DETERMINED THAT NON-CONVERTIBLE SECURITIES ARE A SUITABLE INVESTMENT AND THAT THE INVESTOR CAN BEAR THE ECONOMIC RISK OF THAT INVESTMENT;

(2) HAS BEEN AFFORDED AN OPPORTUNITY TO REQUEST AND TO REVIEW AND HAS RECEIVED AND REVIEWED THIS GENERAL INFORMATION DOCUMENT AND ALL THE ADDITIONAL INFORMATION CONSIDERED BY AN INDIVIDUAL TO BE NECESSARY TO VERIFY THE ACCURACY OF OR TO SUPPLEMENT THE INFORMATION HEREIN BELIEVED BY IT TO BE NECESSARY AND APPROPRIATE OR MATERIAL IN CONNECTION WITH, AND FOR, INVESTMENT IN THE NON-CONVERTIBLE SECURITIES;

(3) ACKNOWLEDGES THAT THE COMPANY DOES NOT UNDERTAKE TO UPDATE THE GENERAL INFORMATION DOCUMENT TO REFLECT SUBSEQUENT EVENTS AFTER THE DATE OF THE GENERAL INFORMATION DOCUMENT AND, THUS, IT SHOULD NOT BE RELIED UPON WITH RESPECT TO SUCH SUBSEQUENT EVENTS WITHOUT FIRST CONFIRMING ITS ACCURACY WITH THE ISSUER. NEITHER THE DELIVERY OF THIS GENERAL INFORMATION DOCUMENT NOR ANY SALE OF NON-CONVERTIBLE SECURITIES MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CONSTITUTE A REPRESENTATION OR CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE ISSUER SINCE THE DATE HEREOF;

(4) ACKNOWLEDGES THAT THIS GENERAL INFORMATION DOCUMENT DOES NOT CONSTITUTE, NOR MAY IT BE USED FOR OR IN CONNECTION WITH, AN OFFER OR SOLICITATION BY ANYONE IN ANY JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION IS NOT AUTHORIZED OR TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH AN OFFER OR SOLICITATION. NO ACTION IS BEING TAKEN TO PERMIT AN OFFERING OF THE NON-CONVERTIBLE SECURITIES OR THE DISTRIBUTION OF THIS GENERAL INFORMATION DOCUMENT IN ANY JURISDICTION WHERE SUCH ACTION IS REQUIRED. THE DISTRIBUTION OF THIS GENERAL INFORMATION DOCUMENT AND THE OFFERING AND SALE OF THE NON-CONVERTIBLE SECURITIES MAY BE RESTRICTED BY LAW IN CERTAIN JURISDICTIONS. PERSONS INTO WHOSE POSSESSION THIS GENERAL INFORMATION DOCUMENT COMES ARE REQUIRED TO INFORM THEMSELVES ABOUT, AND TO OBSERVE, ANY SUCH RESTRICTIONS;

(5) HAS BEEN AFFORDED AN OPPORTUNITY TO VERIFY THE ACCURACY OF OR TO SUPPLEMENT THE INFORMATION HEREIN;

(6) HAS SUFFICIENT KNOWLEDGE, EXPERIENCE AND EXPERTISE AS AN INVESTOR, TO MAKE THE INVESTMENT IN THE NON-CONVERTIBLE SECURITIES;

(7) HAS NOT RELIED ON EITHER THE ISSUER OR ANY OF ITS AFFILIATE, ASSOCIATE, HOLDING, SUBSIDIARY OR GROUP ENTITIES OR ANY PERSON ACTING IN ITS OR THEIR BEHALF FOR ANY INFORMATION, ADVICE OR RECOMMENDATIONS OF ANY SORT EXCEPT AS REGARDS THE ACCURACY OF THE SPECIFIC FACTUAL INFORMATION ABOUT THE TERMS OF THE NON-CONVERTIBLE SECURITIES SET OUT IN THIS GENERAL INFORMATION DOCUMENT;

(8) HAS UNDERSTOOD THAT INFORMATION CONTAINED IN THISGENERAL INFORMATION DOCUMENT IS NOT TO BE CONSTRUED AS BUSINESS OR INVESTMENT ADVICE;

(9) HAS MADE AN INDEPENDENT EVALUATION AND JUDGMENT OF ALL RISKS AND MERITS BEFORE INVESTING IN THE NON-CONVERTIBLE SECURITIES;

(10) HAS THE LEGAL ABILITY TO INVEST IN THE NON-CONVERTIBLE SECURITIES AND THE INVESTMENT DOES NOT CONTRAVENE ANY PROVISION OF ANY LAW, REGULATION OR CONTRACTUAL RESTRICTION OR OBLIGATION OR UNDERTAKING BINDING ON OR AFFECTING THE DEBENTURE HOLDER OR ITS ASSETS; AND

(11) HAS NOT RELIED ON ANY INTERMEDIARY OR ADVISORS THAT MAY BE ASSOCIATED WITH THE ISSUE IN CONNECTION WITH ITS INVESTIGATION OF THE ACCURACY OF SUCH INFORMATION OR ITS INVESTMENT DECISION.

SECTION 3: RISK FACTORS

Investment in non-convertible securities involve a degree of risk and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained under Section 3 of this General Information Document. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or investor's decision to purchase such securities.

The following are the risks relating to the Company, the Debentures and the market in general envisaged by the management of the Company. Potential Investors should carefully consider all the risk factors in this General Information Document and/or Key Information Document and / or the Private Placement Offer cum Application Letter for evaluating the Company and its business and the Debentures before making any investment decision relating to the Debentures. The Company believes that the factors described below represent the principal risks inherent in investing in the Debentures but does not represent that the statements below regarding risks of holding the Debentures are exhaustive. The ordering of the risk factors is intended to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another. Investors should also read the detailed information set out elsewhere in this General Information Document and/or Key Information Document and / or the Private Placement Offer cum Application Letter and reach their own views prior to making any investment decision.

REPAYMENT IS SUBJECT TO THE CREDIT RISK OF THE ISSUER.

Potential Investors should be aware that receipt of the principal amount, (i.e. the redemption amount) and any other amounts that may be due in respect of the Debentures is subject to the credit risk of the Issuer. Potential Investors assume the risk that the Issuer will not be able to satisfy their obligations under the Debentures. In the event that bankruptcy proceedings or composition, scheme of arrangement or similar proceedings to avert bankruptcy are instituted by or against the Issuer, the payment of sums due on the Debentures may not be made or may be substantially reduced or delayed.

THE SECONDARY MARKET FOR DEBENTURES MAY BE ILLIQUID.

The Debentures may be very illiquid and no secondary market may develop in respect thereof. Even if there is a secondary market for the Debentures, it is not likely to provide significant liquidity. Potential Investors may have to hold the Debentures until redemption to realize any value.

CREDIT RISK & RATING DOWNGRADE RISK

The Rating Agency has assigned the credit ratings to the Debentures. In the event of deterioration in the financial health of the Issuer, there is a possibility that the Rating Agency may downgrade the rating of the Debentures. In such cases, potential Investors may incur losses on revaluation of their investment or make provisions towards sub-standard/ non-performing investment as per their usual norms.

TAX CONSIDERATIONS AND LEGAL CONSIDERATIONS

Special tax considerations and legal considerations may apply to certain types of investors. Potential Investors are urged to consult with their own financial, legal, tax and other advisors to determine any financial, legal, tax and other implications of this investment.

ACCOUNTING CONSIDERATIONS

Special accounting considerations may apply to certain types of taxpayers. Potential Investors are urged to consult with their own accounting advisors to determine implications of this investment.

MATERIAL CHANGES IN REGULATIONS TO WHICH THE ISSUER IS SUBJECT COULD IMPAIR THE ISSUER'S ABILITY TO MEET PAYMENT OR OTHER OBLIGATIONS.

The Issuer is subject generally to changes in Indian law, as well as to changes in government regulations and policies and accounting principles. Any changes in the regulatory framework could adversely affect the profitability of the Issuer or its future financial performance, by requiring a restructuring of its activities, increasing costs or otherwise.

LEGALITY OF PURCHASE

Potential Investors of the Debentures will be responsible for the lawfulness of the acquisition of the Debentures, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates or for compliance by that potential Investor with any law, regulation or regulatory policy applicable to it.

POLITICAL AND ECONOMIC RISK IN INDIA

The Issuer operates only within India and, accordingly, all of its revenues are derived from the domestic market. As a result, it is highly dependent on prevailing economic conditions in India and its results of operations are significantly affected by factors influencing the Indian economy. An uncertain economic situation, in India and globally, could result in a further slowdown in economic growth, investment and consumption. A slowdown in the rate of growth in the Indian economy could result in lower demand for credit and other financial products and services and higher defaults. Any slowdown in the growth or negative growth of sectors where the Issuer has a relatively higher exposure could adversely impact its performance. Any such slowdown could adversely affect its business, prospects, results of operations and financial condition.

RISKS RELATED TO THE BUSINESS OF THE ISSUER

1. Non-Performing Assets (NPA)

The Company makes provisions for NPAs in accordance with the provisions prescribed by the RBI. The Company believes that its overall financial profile and capitalization levels provide significant risk mitigation. However, the occurrence of NPAs or an increase in the level of NPAs may adversely affect the Company's business, financial results and/or operations.

***2. Interest Rate Risk*.**

The Company's interest income from lending is dependent upon interest rates and their movement. Interest rates are highly sensitive to many factors beyond the control of the Company, including the monetary policies of the RBI, domestic and international economic and political conditions, inflation and other factors. Due to these factors, interest rates in India have historically experienced a relatively high degree of volatility. Consequently, there can be no assurance that significant interest rate movements will not have an adverse effect on the Company's financial results and/or operations.

3. Access to Capital Market and Commercial Borrowings

With the growth of its business, the Company will increasingly rely on funding from the debt capital markets and commercial borrowings. The Company's growth and financial performance will depend on its continued ability to access funds at competitive rates which in turn will depend on various factors including its ability to maintain its credit ratings.

4. Operational and System Risk

The Company is faced with operational and system risks, which may arise because of various factors, viz., improper authorizations, failure of employees to adhere to approved procedures, inappropriate documentation, failure in maintenance of proper security policies, frauds, inadequate training and employee errors. Further, the Company also faces security risk in terms of system failures, information system disruptions, communication systems failure which involves certain risks like data loss, breach of confidentiality and adverse effect on business continuity and network security.

If any of the systems do not operate properly or are disabled or if other shortcomings or failures in internal processes or systems are to arise, this could affect the Company's operations and/or result in financial loss, disruption of the Company's businesses, regulatory intervention and/or damage to its reputation. In addition, the Company's ability to conduct business may be adversely impacted by a disruption (i) in the infrastructure that supports its businesses and (ii) in the localities in which it is located.

5. Any inability of the company to attract or retain talented professionals may impact its business operations

The business in which the Company operates is very competitive and ability to attract and retain quality talent impacts the successful implementation of growth plans. The Company may lose business opportunities and its business would suffer if such required manpower is not available on time. The inability of the Company to replace manpower in a satisfactory and timely manner may adversely affect its business and future financial performance.

6. Employee Misconduct

Any kind of employee misconduct may impair the Company's ability to service clients. It is not always possible to deter employee misconduct and the precautions the Company takes to detect and prevent this activity may not be effective in all cases.

7. Downgrading in credit rating

The Company cannot guarantee that any rating will not be downgraded. In the event of deterioration in the financial health of the Company, there is a possibility that the rating agency may downgrade the rating of the Debentures. In such cases, potential investors may have to take losses on re-valuation of their investment or make provisions towards sub-standard/ non-performing investment as per their usual norms. Such a downgrade in the credit rating may lower the value of the Debentures and/or the Company's ability to meet its obligations in respect of the Debentures could be affected.

8. Debenture Redemption Reserve

NBFCs registered with RBI are exempt from the requirement of creation of debenture redemption reserve in respect of privately placed debentures. Pursuant to this rule, the Company does not intend to create any such reserve funds for the redemption of the Debentures.

9. Action upon default

The Debentures are proposed to be secured / unsecured (as shall be set out in the relevant Key Information Document). In the event that the Company is unable to meet its payment and other obligations towards Investors under the terms of the Debentures, the Debenture Trustee may take action as per the terms of Debenture Trust Deed and the relevant Security Document.

10. Tax and other Considerations

Special tax, accounting and legal considerations may apply to certain types of potential investors. Potential investors are urged to consult with their own financial, legal, tax and other

professional advisors to determine any financial, legal, tax and other implications of an investment into the Debentures.

11. The Debentures may be illiquid

The Company intends to list the Debentures on the WDM segment of BSE and / or NSE. The Company cannot provide any guarantee that the Debentures will be frequently traded on the Stock Exchange and that there would be any market for the Debentures. It is not possible to predict if and to what extent a secondary market may develop for the Debentures or at what price the Debentures will trade in the secondary market or whether such market will be liquid or illiquid. The fact that the Debentures may be so listed or quoted or admitted to trading does not necessarily lead to greater liquidity than if they were not so listed or quoted or admitted to trading.

12. Future legal and regulatory obstructions

Future government policies and changes in laws and regulations in India (including their interpretation and application to the operations of the Company) and comments, statements or policy changes by any regulator and any regulatory action, including but not limited to SEBI or RBI, may adversely affect the Debentures, and restrict the Company's ability to do business. The timing and content of any new law or regulation is not within the Company's control and such new law, regulation, comment, statement or policy change could have an adverse effect on its business, financial results and/or operations. Further, SEBI, the relevant Stock Exchange(s) or other regulatory authorities may require clarifications on this General Information Document and/or relevant Key Information Document and / or the Private Placement Offer cum Application Letter, which may cause a delay in the issuance of Debentures or may result in the Debentures being materially affected or even rejected.

13. A slowdown in economic growth in India

The Company's performance and the quality and growth of its assets are necessarily dependent on the health of the overall Indian economy. A slowdown in the Indian economy may adversely affect its business, including its ability to enhance its asset portfolio and the quality of its assets, and its ability to implement certain measures could be adversely affected by a movement in interest rates, or various other factors affecting the growth of industrial, manufacturing and services sector or a general downtrend in the economy. Any adverse revision to India's credit rating for domestic and international debt by international rating agencies may adversely impact the Company's ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available.

RISKS IN RELATION TO THE SECURITY CREATED IN RELATION TO THE DEBT SECURITIES. FURTHER, ANY RISKS IN RELATION TO MAINTENANCE OF SECURITY COVER OR FULL RECOVERY OF THE SECURITY IN CASE OF ENFORCEMENT

(a) Security and Guarantee may be insufficient to redeem the Secured Debentures

In the event that the Company is unable to meet its payment and other obligations towards Investors under the terms of the Secured Debentures, the Debenture Trustee may enforce the Security and/or invoke the Guarantee as per the terms of security documents, and other related documents executed in relation to the Secured Debentures. The Debenture Holder(s)' recovery in relation to the Secured Debentures will be subject to (i) the market value of such Security (ii) finding willing buyers for the Security at a price sufficient to repay the Debenture Holder(s)' amounts outstanding under the Secured Debentures. There is a risk that the value realised from the enforcement of the Security may be insufficient to redeem the Secured Debentures.

Even though the Secured Debentures are to be secured to the extent of at least 100% (One Hundred percent) of the principal and interest amount or as per the terms of this General Information Document, in favor of the Debenture Trustee, the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.

RISKS RELATING TO THE DEBENTURES

1. Debentures that are listed or quoted or admitted to trading may not lead to greater liquidity

It is not possible to predict if and to what extent a secondary market may develop in the Debentures or at what price the Debentures will trade in the secondary market or whether such market will be liquid or illiquid. If so specified in this General Information Document and/or Key Information Document and / or the Private Placement Offer cum Application Letter, application has been made to list or quote or admit to trading the Debentures on the stock exchange or quotation system(s) specified. If the Debentures are so listed or quoted or admitted to trading, no assurance is given that any such listing or quotation or admission to trading will be maintained. The fact that the Debentures may be so listed or quoted or admitted to trading does not necessarily lead to greater liquidity than if they were not so listed or quoted or admitted to trading. The listing of the Debentures is subject to receipt of the final listing and trading approval from the Stock Exchange.

The more limited the secondary market is, the more difficult it may be for holders of the Debentures to realise value for the Debentures prior to redemption of the Debentures.

2. Changes in government policies and laws in India may adversely affect the Debentures

Future government policies and changes in laws and regulations in India and comments, statements or policy changes by any regulator, including but not limited to the SEBI or the RBI, may adversely affect the Debentures. The timing and content of any new law or regulation is not within the Company's control and such new law, regulation, comment, statement or policy change could have an adverse effect on market for and the price of the Debentures.

3. Political instability or changes in the government could delay further liberalization of the Indian economy and adversely affect economic conditions in India generally

Since 1991, successive Indian governments have pursued policies of economic liberalization. The role of the Central and State Governments in the Indian economy as producers, consumers and regulators has remained significant. If there was to be any slowdown in the economic policies, or a reversal of steps already taken, it could have an adverse effect on the debt market which as such is exposed to the risks of the Indian regulatory and policy regime.

4. You may not be able to recover, on a timely basis or at all, the full value of the outstanding amounts and/or the interest accrued thereon in connection with the Debentures.

Our ability to pay interest accrued on the Debentures and/or the principal amount outstanding from time to time in connection therewith would be subject to various factors inter-alia including our financial condition, profitability and the general economic conditions in India and in the global financial markets. We cannot assure you that we would be able to repay the principal amount outstanding from time to time on the Debentures and/or the interest accrued thereon in a timely manner or at all.

5. There may be no active market for the non-convertible debentures on the WDM segment of the stock exchange. As a result, the liquidity and market prices of the non-convertible debentures may fail to develop and may accordingly be adversely affected.

There can be no assurance that an active market for the Debentures will develop. If an active market for the Debentures fails to develop or be sustained, the liquidity and market prices of the Debentures may be adversely affected. The market price of the Debentures would depend on various factors inter alia including (i) the interest rate on similar securities

available in the market and the general interest rate scenario in the country; (ii) the market for listed debt securities; (iii) general economic conditions; and (iv) our financial performance, growth prospects and results of operations. The aforementioned factors may adversely affect the liquidity and market price of the Debentures, which may trade at a discount to the price at which you purchase the Debentures and/or be relatively illiquid.

REFUSAL OF LISTING OF ANY SECURITY OF THE ISSUER DURING LAST THREE YEARS BY ANY OF THE STOCK EXCHANGES IN INDIA OR ABROAD

As of date, the Issuer has not been refused in listing of any security during the last 3 years by any of the stock exchanges in India or abroad and therefore, this would not be applicable.

LIMITED OR SPORADIC TRADING OF NON-CONVERTIBLE SECURITIES OF THE ISSUER ON THE STOCK EXCHANGES;

As of date, we are not aware of any limited or sporadic trading of the non-convertible securities of the Issuer on the stock exchanges.

IN CASE OF OUTSTANDING DEBT INSTRUMENTS OR DEPOSITS OR BORROWINGS, ANY DEFAULT IN COMPLIANCE WITH THE MATERIAL COVENANTS SUCH AS CREATION OF SECURITY AS PER TERMS AGREED, DEFAULT IN PAYMENT OF INTEREST, DEFAULT IN REDEMPTION OR REPAYMENT, NON-CREATION OF DEBENTURE REDEMPTION RESERVE, DEFAULT IN PAYMENT OF PENAL INTEREST WHEREVER APPLICABLE

As of date, the Issuer has not defaulted in compliance with any material covenants agreed to by the Issuer.

SECTION 4: FINANCIAL STATEMENTS

The audited financial statements of the Issuer for the year ended 31st March 2024, 31st March 2023, and 31st March 2022 and limited review for a period ending 30th June 2024 are set out in **Annexure I** hereto.

It shall be noted that the audited financial statements have been certified by the statutory auditor who holds a valid certificate issued by the peer review board of the Institute of Chartered Accountants of India.

SECTION 5: REGULATORY DISCLOSURES

The General Information Document is prepared in accordance with the provisions of SEBI NCS Regulations and in this section, the Issuer has set out the details required as per Schedule I of the SEBI NCS Regulations.

5.1 Documents Submitted to the Exchanges

The following documents have been / shall be submitted along with the listing application to the BSE and / or NSE and with the Debenture Trustee:

(a) This General Information Document;

(b) Memorandum and Articles of Association of the Issuer and necessary resolution(s) for the allotment of the Non-Convertible Securities;

(c) Copy of the resolution passed by the shareholders of the Company at the Annual General Meeting held on 30th September 2024 authorizing the issue / offer of Non-Convertible Securities by the Company;

(d) Copies of the resolutions passed by the shareholders of the Company at the Annual General Meeting held on 30th September 2024 authorising the Company to borrow, upon such terms as the Board may think fit, up to an aggregate limit of INR 6,000 Crores (Indian Rupees SixCrores Only);

(e) Copy of the resolution passed by the Management committee of Board of Directors of the Company dated 08th October 2024 authorizing the issuance of the Non-Convertible Securities and the list of authorized signatories;

(f) Copy of the resolution passed by the Board of Directors of the Company for each Tranche / Issuance shall be annexed at the time of issuance of the Key Information Document.

(g) Copy of last 3 (three) years audited Annual Reports;

(h) Reports about the business or transaction to which the proceeds of the securities are to be applied directly or indirectly;

(i) Statement containing particulars of, dates of, and parties to all material contracts and agreements;

(j) An undertaking from the Issuer stating that the necessary documents for the creation of the charge, where applicable, including the Debenture Trust Deed would be executed within the time frame prescribed in the relevant regulations/acts/rules etc. and the same would be uploaded on the website of the BSE and / or NSE, where such debt securities are proposed to be listed.

(k) Where applicable, an undertaking that permission/consent from the prior creditor for a second or *pari passu* charge being created, in favor of the trustees to the proposed issue has been obtained;

(l) Any other particulars or documents that the recognized stock exchange may call for as it deems fit; and

(m) Due diligence certificates from the Debenture Trustee as per the format specified in Annexure A of the SEBI Debenture Trustees Circular and Schedule IV of the SEBI NCS Regulations.

The following documents have been / shall be submitted to BSE and / or NSE at the time of filing the draft of this General Information Document:

(a) Due diligence certificates from the Debenture Trustee as per the format specified in Annexure A of the SEBI Debenture Trustees Circular and Schedule IV of the SEBI NCS Regulations.

5.2 **Details of Promoters of the Issuer:**

S.no	Details of Promoter Management	Description		
1.	Name of promoter	Mr. VGK Prasad	Mrs. V.Indira Devi	Mrs. K.Vasumathi Devi
2.	Date of Birth	02.09.1947	01.12.1959	09.05.1975
3.	Age	75 Years	63 Years	47 years
4.	Education Qualifications	B.Sc.,	Under Graduate	BE (Electronics & Communications) MBA (Global Management, USA)
5.	Experience in the business or employment	Management & Administration more than three decades	Management & Administration more than three decades	Associated with IKF Finance Limited as Executive Director since 2007
6.	positions/posts held in the past by the promoter management	Managing Director since incorporation	Director of the Company since incorporation	Having nine (9) years of working experience in IT and Telecommunications in several US Companies.
7.	directorships held by the promoter management	Director of IKF Home Finance Limited Director of IKF Infratech Private Limited	Director of IKF Infratech Private Limited	Director of IKF Home Finance Limited
8.	Other ventures of the promoter management	IKF Home Finance Limited IKF Infratech Private Limited	IKF Infratech Private Limited	IKF Home Finance Limited
9.	Special achievements	Mr. Prasad has contributed a lot in institutionalizing the Automobile finance business operated by individuals in Andhra Pradesh. Mr. Prasad has presided over the Krishna District Auto Financiers Association, considered to be one of the strongest and most organized Financiers Association in India, for quite a considerable	Mrs. V Indira Devi, being one of the Core Promoter of the Company, has been into the Vehicle finance space for over the last three and half decades and has been instrumental in the growth of the Company since its inception.	She joined the Company in 2006 and has gained expertise in Business Development, Operations management, Credit & Risk etc. over the last 12 years.

		period. Mr. Prasad has occupied various positions in the Federation of Indian Hire Purchase Associations (FIHPA), the Apex body of Asset Financing Companies, and has acted as the Secretary General till 2010 and as President till 2012.		
10.	Business and financial activities of the promoter management	Management & Administration	Management & Administration	Finance & Operations
11.	Photograph			
12.	Other Details	NA	NA	NA

Declaration

The Issuer confirms that (to the extent applicable) the Permanent Account Number, Aadhaar Number, Driving License Number, Bank Account Number(s), Passport Number and personal addresses of the promoters and Permanent Account Number of directors have been submitted to the stock exchanges on which the Non-Convertible Securities are proposed to be listed, at the time of filing the draft General Information Document.

5.3 Issue schedule

As specified in the relevant Key Information Document.

5.4 Details of specific entities in relation to the current Issue of Non-Convertible Debentures:

S. No.	Name	Details
1.	**Legal Counsel**	Kindly refer to the respective Key Information Document
2.	**Merchant banker and Co-managers to the issues**	Kindly refer to the respective Key Information Document
3.	**Guarantor**	Kindly refer to the respective Key Information Document
4.	**Arrangers, if any**	Kindly refer to the respective Key Information Document

5.	**Debenture Trustee:**	Kindly refer to the respective Key Information Document
6.	**Register and Transfer Agent**	Kindly refer to the respective Key Information Document
7.	**Credit Rating Agency**	Kindly refer to the respective Key Information Document
8.	**Auditors**	Kindly refer to the respective Key Information Document
9.	**Valuation Agency**	Kindly refer to the respective Key Information Document

5.5 About the Issuer: A brief summary of business / activities of the Issuer and its subsidiaries with the details of branches or units if any and its line of business containing at least the following information:

(a) **Overview of the business of the Issuer**

IKF Finance Ltd. (IKF) is registered with the RBI as a Non-Deposit Accepting Non-Banking Finance Company. It is classified as an asset financing company with a focus on vehicles financing. It was incorporated in 1991 as Indra Keela Financiers Private Limited and was converted into a Public Limited Company in 1994 when the name was changed to IKF Finance & Investments Limited. The Company went for a public issue in 1995, a Rights Issue in 1998 and a Preferential Issue in 2003, 2007, 2011, 2015, 2018, 2022 & 2023. The Equity shares of the Company have been delisted from the Bombay Stock Exchange where the shares were listed w.e.f., February 18, 2015.

MAIN OBJECTS AND BUSINESS OF THE ISSUER

IKF is promoted with a primary purpose of catering to the funding needs of Transport Operators and has expanded its portfolio by funding to Cars & MUVs, Construction Equipments, Tractors, Three & Two Wheelers and Secured MSME Loans.

IKF Finance have strategically built product portfolio from offering financing solutions for commercial vehicles to including loans for SMEs. Further expanded into the home loans segment to fulfill the housing aspirations of millions of customers through subsidiary IKF Home Finance. IKF Home Finance was started as an independent establishment in FY 2015-16 to offer housing loans to the low and middle-income sections. IKF Finance acquired the company in FY 2018-19.

The Company has an extensive distribution network in over 118 locations spread across 9 states has built a loan book size of approx. Rs 2183 Cr as on 31st Dec 2022 with a solid presence in Southern India and entrenching presence in Western and Central India and actively leverage technology to enhance operational efficiencies, drive customer satisfaction, and achieve superior asset quality. They are led by a dynamic and outstanding management team constantly striving to achieve unparalleled progress.

The Company has now been setting up the building blocks of a massive transformation and sustainable growth. They are actively leveraging advanced technology for driving customer-friendly experience, launching customized products, enabling risk management, creating an agile and scalable business, and expanding further into underserved markets.

SARFAESI law to recover dues is applicable to the company for above Rs. 20 Lakhs Loans. This will facilitate NBFCs like IKFFL for quick recovery of dues and enable them to lend more.

Brief note on the credit underwriting process

Customers are mainly sourced through direct and indirect marketing and distribution channels:

Direct – through Branches / Satellite Branches

1. Leads generated by the Marketing Team
2. Walk-in Customers
3. Existing Customers / Guarantors
4. References secured from existing Customers / Guarantors

Indirect – through external sources

1. Dealer References
2. DSAs
3. Brokers / Consultants

The management's emphasis is on sourcing business from the existing customers and their references.
Credit Underwriting

- After identifying a prospective borrower and before putting up the proposal for approval, Marketing / Field Executive(s) verify/assess the borrower's repayment capacity and ability to pay in adverse situations. Analysis is also done to establish the credit worthiness of the Guarantor. First field investigation is done by the field executives which covers the following:

  - Physical verification of Residence/Place of business
  - Verification with address proofs
  - Verification with property and income proofs
  - Verification with previous track record or Bank statements etc.
  - Credibility of the borrower & Guarantor in the locality where they reside
  - Authentication of documents submitted for verification
  - Whether the borrower's requirements are in line with the Company's credit policy, (in terms of funding, rate of interest, tenure, vehicle make & model etc.)
  - Earning capacity of the vehicle, in terms of its viability, route of operation, segment/industry in which it operates and its prospects etc.

- IKF focuses on clients who have formal contracts with contractors/ companies. After going through the FI findings, the field executives with the help of back office operations staff put up the proposal for approval of Branch Manager. The Executive must physically verify the vehicle before sending the proposal.

- KYC information is shared with the HO credit team through TAB application to carry out the verification of all the KYC documents with API integration with various services providers and to run the internal de-dupe

  And a CIBIL check. The company doesn't have a defined matrix for CIBIL score, the strings are analysed to understand the credit behaviour of the client. Simultaneously, the credit team is assigning the case to a Field Investigation agency for external valuation. DD team feels that the process of CIBIL check could be standardised. A defined matrix of credit score along with deviation matrix could improve the system.

- The Branch Manager Analyses the proposal based on the findings of Field executive(s) and documents submitted, cross verifies the information furnished with information from his sources. In Hyderabad region, the BM can take a credit opinion from other financiers on phone.

- The BM forwards the proposal along with his comments/recommendations to Credit Department for approval through TAB Application.

- On receiving proposal from Branch, the credit department scrutinizes the documents submitted by the borrower and Guarantor and verifies their authenticity with the online data available on the Internet. For example:

  - PAN Card / Income Tax Returns with Income Tax website
  - Driving License / Vehicle Details with RTA Website
  - Voter Card with Election Commission website
  - Property Tax Paid with Municipal / Corporation Website
  - Property Details with Registration / Revenue Dept Websites.
  - Bank Statements with respective Banks
  - Repayment track with other Financiers / Bankers

  This is followed by tele verification of both the Borrower and Guarantor to check the information furnished and their requirement. The credit department also checks if the customer falls in the negative list or if it is of a negative profile.

  Viability test of the vehicle is based on the route it plies and the rates prevalent in the market. Assessment of the income of the borrower is based on the FI report and tele verification.

Field Investigation

Field investigation is conducted by an external FI agency. Different FI agencies have been empanelled by IKF in different regions. FI agencies are managed from the HO. Only credit team is authorized to call for this external FI.

Field investigation involves a physical verification of borrower's address, assessment of his socioeconomic condition, obtaining feedback from neighbours and local people and verification of the documents submitted. The FI agency is also expected to check the contract letter, bank statement and vehicle viability.

External valuation of vehicle

Valuation of vehicle is required in case of a used vehicle and is done by empanelled valuators who have experience in assessing value of used commercial vehicles. Payment to these valuators is done by the client, which is in line with the general market practice.

Valuation report contains details of the vehicle including vehicle identification details, registration details, permit and tax details, insurance details, status of the RC book, condition of the vehicle and estimated market value of the customer. Report is submitted along with 4(Front, back and one side, other side and chassis number) photographs of the vehicle and a tracing of the engine and chassis number.

Vehicle Finance Grid

As per the policy, at the time of funding each used vehicle, the lower of the following is taken as vehicle value for ascertaining the finance amount

- (i) Vehicle Grid Values
- (ii) Valuation given by the Certified Valuer / Surveyor

Preparation of Vehicle finance grid

IKF maintains different vehicle financing grids for different regions. Grid values are determined based on market feedback and company's experience of selling repossessed vehicles. Grid values are proposed by State Heads and approved by the Senior Management. The grid is updated at least every 6 months or as and when need arises. Loan to values are based on the vehicle type and the borrower category. At regular

intervals, the grid value for funding of used vehicle is ascertained based on following process:

- Collection of data regarding resale deals happening in the market in consultation with transport operators, consultants, brokers, mechanics etc. in respect of various vehicles, model wise
- Collection of data regarding valuation of various vehicles, model wise, from certified valuers/ surveyors
- Collection of data regarding maximum and minimum vehicle values (IDVs) from various Insurers
- Collection of Vehicle grid values of various NBFCs

The company arrives at the model wise vehicle grid values after analysing the data so collected and compares it with the data of repossessed vehicles sold by the company in the recent past to arrive at the final grid.

Loan Disbursement

Sanctioning Authority for Approval

Credit officers approve the loan if the proposal is in line with the company's credit policy. Cases with any deviation are referred to Managing / Executive Director.

Disbursements

All disbursements are through cheques. An invoice is issued immediately after disbursement. Ideally the disbursement is done only after endorsement of the hypothecation in the RC book of the vehicle.

However, to maintain the TAT to remain competitive in the market, all documents required for the endorsement of hypothecation are collected and loan is disbursed.

Endorsement of hypothecation

Endorsement of hypothecation in Insurance and RC book should be completed within 90 days of disbursement. IKF tries to ensure that Insurance & Registration is done through them to avoid delay in collection of post disbursement documents (PDDs). Branch Manager/Incharge takes personal responsibility for collection of such PDDs.

Delinquency Management

Collection mechanism is well defined. The collection team includes branch back office staff, tele calling recovery executives, recovery executive at the branch and the recovery manager and the Collection Head.

IKF has introduced Tab based digital collections process in the recent past to keep pace of the challenges posed by COVID related disruptions.

Besides, the Company has been encouraging the borrowers to opt for digital payment modes, like payments through NACH, RTGS. NEFT, UPI etc modes

As such, the majority of the collections are being managed through the digital modes.

Every recovery team member is assigned cases as per the below matrix and is answerable if any account crosses the stipulated DPD / Bucket.

Responsibility	Tele Calling	Recovery Executive	Team Leader / Recovery Manager	Area Manager	State Head

			/ Branch Manager		
Installment Due Date	Reminder	Reminder	Coordination	Supervision	Monitoring
0-30 DPD Installments	Reminder	Collection	Coordination	Supervision	Monitoring
31-60 DPD instalments	Reminder	Collection	Collection	Supervision	Monitoring
61-90 DPD Installments	Reminder	Collection	Collection	Collection	Monitoring
91+ DPD Installments	Reminder	Collection	Collection	Collection	Collection

All the Accounts are assigned to the recovery executives based on their geographical operational area. Besides adopting legal means, IKF has a special recovery cell (SRC) whose responsibility is to persuade the borrowers to settle their accounts amicably. In case of borrower's reluctance, the case is assigned to a repossession team to ensure recovery of outstanding amount from the delinquent borrowers.

Loan Recovery/Follow up Process:

Notice in company letter head
Legal notice sent by the company
Intimation to nearest police station about repossession
Repossession of vehicle – • Repossession of vehicle is done with the help of repossession agent. The field executive will be present at the time of repossession • In very rare cases, when the company believes, there will absolutely be no hassles during repossession, the field executive themselves repossess the vehicle
Vehicle sent to the yard As soon as the vehicle is repossessed, it is sent to the yard. While it is taken inside a yard, a GRN is entered. It captures various details of the content of the vehicle (like additional stepnee tyre, other damages in the vehicle
Sale notice (legal notice) sent to the customer
Sale of vehicle: Quote obtained from multiple dealers. The vehicle is sold to the dealer offering the best quote.
Settlement notice to the customer – The company initially sends a settlement notice in the letter head of the company
Legal notice : The company initiates Sec 138 against the customers in order to recover the remaining amount

Systems

The company always been a digital-driven organization. We actively leverage innovative digital technologies to make lives easier for our customers and our people. Our digital efforts have been driving unmatched operational excellence, thereby positioning us for consistent transformation and long-term growth.

We have a robust loan processing system enabled by multiple checks to ensure flagging and preventing frauds and errors. Advanced technologies are also being leveraged for verifying and capturing KYC details and geo-tagging of locations as enhanced security measures. Technology implementation reduces the cost-to-serve and facilitates business operations and expansion.

The following are list of different applications/soft wares are being used in the company

Mobile Application- Sourcing/Login/Verification etc., from sourcing point

Partner/Dealer portal- Referral, Login, Case Status, PDD upload, Payout.

API Based verification- Bureau, KYC, Vaahan, Banking etc.,

External Vendor workflows- Channel, FI agency, Valuers, eNACH

Web Based Portal- Dedupe, Credit Appraisal/Approval, Documents, Disbursement, Collection, Portfolio, Repossessions, Vendor Management Policy etc.,

Analysis & Reporting – Tableau, MS Office etc.,

OUTSTANDING LITIGATION
There is no outstanding litigation pending against the Issuer which may have any material adverse effect on its business prospects or financial condition.

(b) **Branch details:**

Details of branches or units where the issuer carries on its business activities, if any may be provided in the form of a static Quick Response (QR) code and web link.

If the issuer provides the details of branches or units in the form of a static QR code and web link, the details of the said branches or units shall be provided to the debenture trustee as well and kept available for inspection as specified in clause (g) of paragraph 5.34 of this Schedule. A checklist item in the 'Security and Covenant Monitoring System' shall also be included for providing information about branches or units of the issuer to the debenture trustee and confirmation of the same by the debenture trustee.

As of the date of this General Information Document, the Company has 177 (One Hundred and Seventy Seven) branches/Corporate Office across India.

Sr. No.	Purpose	State	Location	Branch Address
1	office	Maharashtra	Ahmednagar	2nd Floor, Mauli Sankul, Manmad Road, Savedi, Maharashtra, Ahmednagar - 414001
2	office	Gujarat	Ahmedabad	Unit No 315, 316, 317, Sun West Bank, B Block, Vallabh Sadan River Front Road, Ashram Road, Ahmedabad, Gujarat - 380009
3	office	Rajasthan	Ajmer	2nd Floor, Krishna Tower, Near Navajeevan Hospital, Adarsh Nagar, Busstand,Ajmer, Rajastan-305001
4	office	Rajasthan	Alwar	1St Floor Siyaram Tower, 35,Pratap Nagar Tijara Road, Alwar, Rajasthan-301001
5	office	Gujarat	Anand	203 , 2Nd Floor ,Dev Shikhar Commercial,Near La Casa Inn Hotel,Ganesh Chokdi Anand - 388001
6	office	Andhra Pradesh	Anantapur	IKF Finance Limited, D No. 6/375, Jojodi Ganga Plaza,Bellary Raod, Azad Nagar,Anantapur - 515001
7	office	Maharashtra	Aurangabad	F-7, Opp Atithi Hotel, Rana Nagar, Kuber Avenue Plaza, Jalna Road Aurangabad- 431001
8	office	Karnataka	Bangalore	No 64 & 65, 3Rd Floor, Galaxy Chambers,

				21St Main Road, Bsk Ll Stage, Bangalore 560070.
9	office	Maharashtra	Baramati	Office No 103,First Floor, Shree Plaza, Plot No.2/1,2/2, Ring Road, Ambikanagar,Jalochi,Baramati,Pune-413102
10	office	Maharashtra	Belapur	Office No 504, B Wing, Brahma Complex, Plot No 53, Sector- 15, Cbd Belapur, Navi Mumbai- 400614
11	office	Karnataka	Belgaum	Mahadev Plaza, C.T.S No. 10719, 3Rd Floor, Kholapur Cross, Nehru Nagar, Belgaum - 590001
12	office	Karnataka	Bellary	H.No:22/B Maruthi Complex, Ward No-60,Balaji Rao Road, Bellary-583101
13	office	Madhya Pradesh	Bhanwar Kuwa	Ikf Finance Ltd, 202 Prem Plaza, 4 Ashok Nagar, Bhawarkua Main Road, Indore
14	office	Andhra Pradesh	Bhimavaram	D./No 2-1-39, 2Nd Floor, Ram'S Plaza ,Hlf Office Back Side, Hotlines Super Market Upstair, Sivaraopeta, Juvvalapalem Road, Bhimavaram -534202.
15	office	Madhya Pradesh	Bhopal	Plot No 11, Alkankar Complex, 2Nd Floor, Mp Nagar Zone, Bhopal - 462011
16	office	Gujarat	Bhuj	Ikf Finance Limited, North Block, Ofiice No. 111, 1St Floor, Ashapura Nagar, Near Plan Circle, Opp. Aiya Nagar, Bhuj - Kutch - 370001
17	office	Telangana	Chanda Nagar	Svl Towers , Office Number 2-57/5/104, 1St Floor Chanda Nagar Hyderabad - 500050
18	office	Maharashtra	Chandrapur	Ikf Finance Ltd, At Shende Layout, Hari-Om Nagar, Opp Chandak Bunglow, Rahamat Nagar Road, Chandrapur (Mh)-442401

19	office	Tamil Nadu	Chennai	Door No 29, First Floor, Dr Nair Road, T Nagar, Chennai, Tamilnadu - 600017
20	office	Tamil Nadu	Coimbatore	IKF FINANCE LIMITED, MANCHESTER SQUARE, 12/1-3, Ground floor, Puliyakulam Road,Coimbatore – 641037
21	office	Telangana	Ecil	Plot Number 11, Sriram Nagar Agarwal Super Market, Radhika Theater Back Side Ecil, Hyderabad Pin Code -500062
22	office	Andhra Pradesh	Eluru	Office No 504, D.No-238/57, Vasavi Plaza, Eedara Vari Street, Opp Satyabhama Showroom, Rr Peta, Eluru-534002
23	office	Tamil Nadu	Erode	Ikf Finance Ltd, No.142, Perundurai Road, Erode
24	office	Gujarat	Gandhidam	Office-11,Plot No:16, Sector-9,Ground Floor,Blue Rose Arcade, Opp: Gmcb Banking Circle, Gandhidam-Kutch, Gujarat-370201
25	office	Andhra Pradesh	Guntur	Kothamasu Plaza, 2Nd Floor , Opp Kiran Tailor, 3/1 Arundelpet, Guntur - 522002
26	office	Gujarat	Himmatnagar	Shop No13-14, Sun Complex, Behind Navjeevan Hotel, Moti Pura Circle , Himmat Nagar - 383001
27	office	Karnataka	Hubli	Marvel Artiza, Cts No. 4A/2, First Floor-110,Jayanagara,Vidyanag, Opposite Kims,Hubli-580021
28	office	Telangana	Hyderabad	6-3-902/A, Near Yashoda Hospital, Somajiguda - 500082
29	office	Madhya Pradesh	Indore	OFFICE NO. 503, 5TH FLOOR, SATGURU PARINAY, 5 PU 3 SCH. NO. 54, VIJAY NAGAR, INDORE

30	office	Madhya Pradesh	Jabalpur	Plot No 75, Ukari Road, Shitalpuri Baldevbag, Jabalpur, Mp-482001
31	office	Rajasthan	Jaipur	F2-A,Jagdamba Tower, Amprapali Circle, Vaishali Nagar, Jaipur-302021
32	office	Maharashtra	Jalgoan	Unit No 7, 2Nd Floor, Sanvi Plaza, Beside Subhash Urban Co Op Society, Jalgaon, Maharastra - 425001
33	office	Gujarat	Junagadh	Indralok Arcade ,1St Floor,Office No-110 & 111 ,Jayshree Cinema Road , Near Talav Darwaja,Junagadh-362001
34	office	Andhra Pradesh	Kakinada	13-1-51, 1St Floor, Opp Hero Honda Show Room, Surya Peta Main Road, Kakinada-533001.
35	office	Telangana	Karimnagar	H.No. 8-6-411, Kothirampur, Karimnagar
36	office	Telangana	Khammam	H No: 15-9-1, 2nd Floor, Kaviraj Nagar, Opp Reliance Digital, Beside: Indian Oil Petrol Bank, Khammam-507002
37	office	Telangana	Kodada	Door No 12-143/5/4, 1St Floor, Sri Sai Towers, Beside Oriental Insurance, Near Petrol Bunk, Srinivasa Nagar,
38	office	Rajasthan	Kota	No 223, 3Rd Floor, Above Baroda Rajastan Gramina Bank, Near Manik Bhawan, Gumanpura, Kota, Rajastan -324007
39	office	Tamil Nadu	Krishnagiri	Venkateswara Complex, 2nd Floor, Chennai 1/342 baypass road,Pathirigankottai ,Krishnagiri - 635001
40	office	Andhra Pradesh	Kurnool	Plot No:212, 2Nd Floor, Ragamayuri Pride, Backside D-Mart,Shopping Complex, Bellary Chowrastha, Kurnool-518003.

41	office	Telangana	Lb Nagar	H.No.5-5-934/1 ,Agamaiah Nagar, Chinthalkunta,Lb Nagar.
42	office	Tamil Nadu	Madurai	199, Byepass Road, Chandrakanthi Nagar, Madurai - 625 016
43	office	Telangana	Mahaboob Nagar	Ikf Finance Limited, Opp Sbh Bank, Padmavathi Colony Mahaboob Nagar-509001
44	office	Gujarat	Mehsana	Office No F15, First Floor, Sanskrut Shopping Mall, Highway Road, Mehasana-Gujarat - 384002
45	office	Telangana	Miriyalguda	Door No 18-708, Survey No 843, Block No.18, Near Mahathma Gandhi Statue,Sagar Road, Miryalaguda, Nalgonda Dist Telangana,508207
46	office	Gujarat	Morbi	2 Nd Floor, Chanakya Puri Complex, Nr Om Shanthi School, Above Sbi Bank, Chhatralay Road,Morbi, Gujarat-363641
47	office	Maharashtra	Nagpur	IKF FINANCE LIMITED, Shop No. 03, Devanjali Complex, Near Hedgewar Smruti Smarak,Reshimbagh, Nagpur ,Maharashtra, 4400018
48	office	Andhra Pradesh	Nandyal	Shop No 16, Auronodhaya Complex, Srinivas Nagar,Nandyal-518501
49	office	Maharashtra	Nashik	No 02, Sharada Niketan, Gsk Avenue, Tilak Wadi, Sgaranpur Road, Nasik. Pin Code -422002.
50	office	Andhra Pradesh	Nellore	3 Rd Floor,Sridhars Krishna Towers, Annamaya Circle, Iskan City Road,Nellore , Ap-524003

51	office	Telangana	Nizamabad	1-12-52/2, 2Nd Floor, Ramdas Complex, Vinayaka Nagar, Nizamabad, Telangana - 503 001
52	office	Andhra Pradesh	Ongole	Gupthas Square, Atf - 7, 3Rd Floor, 60 Feet Road, Ongole - 523001
53	office	Gujarat	Palanpur	D/5,Second Floor, Above Punjab National Bank, Sanskruti Complex, Abu Highway Palanpur-385001
54	office	Tamil Nadu	Perambaluru	Ikf Finance Ltd, No-185/10A, First Floor, Sellammal Narayanan Complex, Aviayar Street, Ariyalur Main Road, Near Chennai Four Way, Perambalur - 621212
55	office	Puducherry	Pondicherry	Portion - C, 100 Feet Road, Sudarajan Nagar, Pondicherry - 605004
56	office	Andhra Pradesh	Proddatur	D No: 7//273, First Floor Holmes Peta, Opp : Bank Of Baroda,Proddatur-516360
57	office	Maharashtra	Pune	IKF FINANCE LTD, PENTAGON OFFICE NO: 406, 4th FLOOR, BEHIND LOTUS COURT, ABOVE AXIS BANK, PUNE SATARA ROAD, PUNE-411043
58	office	Andhra Pradesh	Rajahmundry	D.No 79-1-6 4Th Floor, Shoubagya Nilayam, Tilak Road Opposite Southern Spice Restaurant, Rajahmundry-Ap - 533103
59	office	Gujarat	Rajkot	Viral Heights, 6Th Floor, Office Number-607, Ayodhya Chowk, 150 Feet Ring Road, Rajkot-Pin-360006
60	office	Madhya Pradesh	Ratlam	Reliable Trade Centre,Cabin No : 208, 2Nd Floor, Station Road, Above Corporation Bank Ratlam - 457001.

61	office	Tamil Nadu	Salem	No 6, Second Floor, Raghava Street, Swarnapurai, Hasthampatty, Salem, Tamilnadu - 636 004
62	office	Gujarat	Surat	3Rd Floor,Shree Kuberji Complex, Athugar Street, Near Nanpura Post Office, Nanpura, Surat - 395001
63	office	Gujarat	Surendra Nagar	245, 2Nd Floor, Mega Mall, Near Milan Cinema, Station Road, Surendranagar - 363001
64	office	Andhra Pradesh	Tadipatri	13/203, 1St Floor, Above Medplus, Cb Road, Tadipatri - 515411
65	office	Tamil Nadu	Tanjavur	1St Floor ,Sri Balaji Complex Medical College Road Opp -Balaji Nagar ,Thanjavur-613007
66	office	Maharashtra	Thane	Omega business park office no 417, 4th floor Wagle industrial estate thane 400604 for Thane Branch
67	office	Tamil Nadu	Tirunelveli	Vavoo Center, 1/A Shop No 3, Madhurai Road, Opp Kidney Center Land, Tirunelvelli-627001.
68	office	Andhra Pradesh	Tirupati	No 19-4-8/10 A, 4Th Floor, Above Biryani Wala, Beside Agarwals Eye Hospital, Lakshmipuram Circle, Tirupati – Ap 517501
69	office	Tamil Nadu	Trichy	D No 60, Room No -2, 3Rd Floor, Sri Krishna Arcade, Tennur, Trichy - 620017
70	office	Madhya Pradesh	Ujjain	Office No- A-13/6, Mahakal Vanijya Kendhra,Near Nanakheda Police Station, Ujjain, Madhya Pradesh-456010
71	office	Gujarat	Vadodara	IKF Finance Limited, 312 – Atlantis Complex, Sarabhai Road, Genda Circle, Vadodara – 390007

72	office	Gujarat	Vapi	C105, M Cube, Business Hub, Nr Bombay Restaurent, Balitha, Vapi, Gujarat -396191
73	office	Tamil Nadu	Vellore	No:- 160, 2Nd Floor, Puthukudiyan Sathiram St, Thottapalayam, Vellore - 632004
74	office	Gujarat	Veraval	Office No-18, 2Nd Floor, Vinayak Plaza-1, Nr.Hdfc Bank, Rajendra Bhavan Road Veraval-362265.
75	office	Andhra Pradesh	Vijayawada	40-1-144, Corporate Centre, M.G Road, Vijayawada -520010.
76	office	Andhra Pradesh	Visakhapatnam	9-14-3,5-I, 4 Th Floor, Balaji Mangalgiri, Chambers,Vip Road, Balaji Nagar,Siripuram,Visakhapatnam-530003
77	office	Telangana	Warangal	Dr. K S R Sastry & Dr.Jhansi Devi Business Park #2-1-583/1,Nayeemnagar,Kuc X Road,Hanumakonda,Warangal, Ts-506001.
78	office	Karnataka	Mysore	#40 , 1St Floor , 3Rd Stage, D. Devaraj Urs Road , Next To Anjaneya Temple Mysore-570001
79	office	Karnataka	Tumkur	Chamundi Complex, K.R.Extn, Barline Road, Near Chamundeshwari Temple, Tumakuru - 572102
80	office	Madhya Pradesh	Dhar	No: 21&22, 1St Floor, Kashi Bagh Colony, Trimurti Chouraha, Above Idbi Bank, Dhar - 454001.
81	office	Maharashtra	Satara	S.No.509/B/1/2, Office No 2, Ground Floor, Generation Building Shaha Complex , Sadar Bazar, Satara 415002

82	office	Maharashtra	Bhandara	Ikf Finance Limited, Second Floor, Shivarpan Towers, Rajiv Gandhi Chowk, Bhandara - 441904
83	office	Tamil Nadu	Redhills	Ikf Finance Ltd, No. 302, Gnt Road, Red Hills, Chennai. Pin : 600052
84	office	Telangana	Siddipet	Plot No 2/4, Sy No 176, Mythrivanam, Hyderabad Road, Siddipeta - 502103
85	office	Tamil Nadu	Sivakasi	No 42/9, 1St Floor, Parsn Plaza Complex, Chairman Shanmuga Nadar Road, Srivilliputtur Raod, Near Water Tank, Sivakasi - 626123
86	office	Tamil Nadu	Dindigal	Ikf Finance Ltd, D No: F3 & F4, 1St Floor, Kavin Complex, Kotta Party (Po), Palani, Madurai Bypass Road, Dindigul - 624002.
87	office	Tamil Nadu	Dharmapuri	No 5/1657 - E3, Salem Main Road, Lakkiam Patty, Collector Office Post, Dharmapuri - 636705.
88	office	Telangana	Manchiryal	H No: 1-1/1-4, S V Complex, Bypass Road, Near Laxmi Theater, Above Mahindra Showroom, Mancheriyal - 504208.
89	office	Karnataka	Peenya	Ikf Finance Ltd, No 24, 1St Floor, Kaidab Road, Chokkasandra, Near Dynamicold Land Aerospace, T.Dasarahalli, Peenya - 560057
90	office	Rajasthan	Sikar	2Nd Floor Of Building, Main Rani Sati Road, , Near Shastri Nagar Corner, Sikar, Rajasthan - 332001
91	office	Karnataka	K R Puram	No 5M, 408/8, K No 309, 1St Floor, East Of Ngef, Vijinapura, Kr Pura, Bangalore 560036.
92	office	Telangana	Gadwal	No. 1-4-2/4A, 1St Floor, Near Krishnaveni Chowk, Bheema Nagar, Gadwal-509125

93	office	Telangana	Jagtial	No. 1-5-81/11/1, Aravind Nagar, Rajeev Bypass Road, Near Govind Pally Chowrasta, Jagtial-505327
94	office	Maharashtra	Kalyan	Shop No. 02, 1St Floor, Sarvoday Mall, Opp. Apmc - Market Kalyan, Near Patri Pool, Kalyan (West) - 421301
95	office	Andhra Pradesh	Madanapalle	Ikf Finance Ltd, 199, Byepass Road, Chandrakanthi Nagar, Madurai - 625016
96	office	Maharashtra	Vasai	Office No - 502, North Lanes, Vartak College Road, Near Vasai Railway Station, Vasai (W) - 401202
97	office	Telangana	Kompally	Laxmi Towers Plot No:63Half Portion Of 3Rd Floor Ragavendracolony,Quthbullapur Road, Suchitra Circle, 5000067
98	office	Telangana	Sangareddy	# 4-92/4, 1St Floor,Mig-1,House No-1,Phase3,Pothireddypally, Sangareddy-502001
99	office	Maharashtra	Solapur	Haripriya Offices, 267/45, Raviwar Peth, Kuchan High School Road,Opp. Umasa Pathpedi, Solapur Maharashtra- 413005
100	office	Maharashtra	Borivali	Ikf Finance Limited, Shop No. 9, Madhur Apartments, 56Th Tps Road, Borivali West, Mumbai - 400092
101	office	Maharashtra	Chakan	Ikf Finance Limited, 2Nd Floor Gn 1209 Sai Corporate Building Shop No 217 Mutkewadi Pune Nashik Highway Chakan Tal Khed Dist Pune 410504

102	office	Maharashtra	Pimpri	Ikf Finance Limited, 2Nd Floor Gn Shop No 13 Ground Floor Tapasvi Plaza, Chinchwad Pimpri, Dist Pune, Mh 411019
103	office	Maharashtra	Sangamner	Ikf Finance Limited, Plot No 23, Top Ten Emperial,Above Haldiram Sweet,Nasik Road.Sangamner Tal-Sangamner, Ahmednagar, Mh
104	office	Gujarat	Rajkot-Msme	Ikf Finance Limited, Office No 704, Viral Heights, Beside Times Squares 2, Nr Ayodhya Chowk, 150 Ft Ring Road, Madhapur, Rajkot - 360006
105	office	Rajasthan	Jaipur-Msme	Ikf Finance Limited, Office No 330, 3Rd Floor, Ganapati Plaza, Mi Road, Jaipur - Rajastan - 302001
106	office	Maharashtra	Wardha	Ikf Finance Limited, Sukhkakarte Complex, Arvi Naka Chowk, Wardha, Mp - 442001
107	office	Karnataka	Davanagere	Door No. 199/3A, P.J.Extension,3Rd Main, 7Th Cross, Davangere
108	office	Madhya Pradesh	Gwalior	2Nd Floor, 886 Rk Tower, Kailash Vihar, City Center, Gwalior, Madhya Pradesh - 474011
109	office	Maharashtra	Malegaon	2Nd Floor, City Junction, Opp. Indian Kids, Camp Road, Malegoan, Maharashtra
110	office	Rajasthan	Sumerpur	1St Floor, Jawai Bandh Road, Beside Aarya Samaj Circle, Opp-Defeance Electronic, Sumerpur, Rajasthan-306902
111	office	Telangana	Suryapet	Shop No. 1-2-267/2, Near Anjali High School, Suryapet, Telangana - 508213

112	office	Telangana	Uppal	#1-38, Mtr Complex, 2Nd Floor, Uppal To Nagol Road, Beside Mekala Bharathi Garden, Uppal, Hyderabad -500039
113	office	Telangana	Bhongir	D.No. 1-4-291/81, Plot No. 07 & 08, Tata Nagar, Hanumakonda Road, Bhongir, Telangana-508116
114	office	Telangana	Banswada	H.No. 1-1-12/6, Ambedkar Chowrasta, Banswada, Nizamabad (Dist), Telangana-503187
115	office	Andhra Pradesh	Anakapalli	H No. 14-21-13/1, Laxminarayana Nagar, Ring Road , Ring Road Anakapalli – Andhra Pradesh - 531001
116	office	Maharashtra	Akola	As Heights, Plot No.2/13, Ratanlal Plot, Akola, Mh 444001
117	office	Rajasthan	Barmer	Opp Thar Hospital Siyag Market, Shastri Nagar, Barmer, Rajasthan - 344001
118	office	Gujarat	Bhavnagar	Office No. 303, 3Rd Floor, Eva Surbhi Commercial Complex, Vaghawadi Road, Opp.Aksharwadi, Bhavnagar-364002
119	office	Rajasthan	Bikaneer	765- Sankhla Building,3Rd Floor,Above Equitas Small Finance Bank, Ambedkar Circle, Near Railway Crossing, Bikaner, Rajasthan-334001
120	office	Karnataka	Devanahalli	19Th Ward,3Rd Division, Near Nakshatra Hospital,Puttappanagudi Beedi, Devanahalli, Bangalore Rural, Karnataka-562110
121	office	Rajasthan	Jodhpur	3Rd Floor, Mahendra Motors, House No. 654-A, Residency Road, Jodhpur, Rajasthan-342001

122	office	Rajasthan	Nokha	4/52, Aanand Bhawan, Near Union Bank, Opp- C.O.Office, Bikaner Road,Nokha, Bikaneer, Rajasthan-334803
123	office	Madhya Pradesh	Pachore	First Floor Shop No 8 Shri Faludi Mall Old Ab Road Pachore - Rajgarh, Mp -465683
124	office	Rajasthan	Phalodi	Kheteshwar Palace, Near Nagar Palika, Nagaur Road, Phalodi, Jodhpur District, Rajasthan-342301
125	office	Madhya Pradesh	Sagar	IKF FINANCE LIMITED, INFRONT OF INCOME TAX OFFICE, DWARKAJI COMPLEX, 1ST, FLOOR 5 CIVIL LINES SAGAR PIN 470002
126	office	Telangana	Dilsukhnagar	13-8-110, Plot No 21, Survey No 248, Goutham Nagar, Dilsuknagar Gaddiannaram, Saroor Nagar, Rr District, Telangana 500060
127	office	Maharashtra	Kolhapur	Office No. Sh3-4, Ground Floor, Bharat Tower, Ctc No. 894/1A, Shahupuri 5Th Lane, Kolhapur - Mh - 416005
128	office	Karnataka	Ramanagara	Jaggesh Complex, B M Road, Ramnagar, Bangalore - 562159
129	office	Maharashtra	Gondia	Ikf Finance Limited, Plot No 11/1068, Radhika Complex, Near Gondia Hospital Fulchur Road, Bajrang Nagar, Gondia - Mh - 441601
130	office	Maharashtra	Nanded	Ikf Finance Limited, Plot No 18387/5, 2Nd Floor, Govindaraj Nivas, Mangapura, New Mondha, Nanded, Mh- 431602
131	office	Maharashtra	Shrirampur	Ikf Finance Limited, 1St Floor, T M Sonar Complex, Kalaram Mandir Road, War No 7, Shrirampur, Ahmednagar, Maharastra - 413709

132	office	Maharashtra	Amravati	Ikf Finance Limited, Mangesh Dakhane, Samarthwadi, Sad Guru Nagar, Badnera Road, Amravati, Maharastra-444601
133	office	Madhya Pradesh	Khargone	Ikf Finance Limited,1St Floor,Devi Ahilya Complex, Yash Tower, Diversion Road, Opposite Pwd Office, Khargone, District Khargone Madhya Pradesh-451001
134	office	Madhya Pradesh	Mandsaur	Ikf Finance Limited, Ward No 12, Yashodharman Marg, Mandsaur, Madhya Pradesh - 458002
135	office	Madhya Pradesh	Satna	Ikf Finance Limited, Lal Gulab Tower Above Union Bank, Panna Road Umri, Nh75, Satna, Madhyapradesh- 485001
136	office	Gujarat	Bharuch	Ikf Finance Limited, 10 - Sai Heights, First Floor, Opp Maruti True Value And Commercial Showroom, Bharuch, Gujarat - 392001
137	office	Andhra Pradesh	Narsaraopet	Ikf Finance Limited, 10-1-11, Varalakshmi Complex, 2Nd Floor, Opp: Reddy College, Palnaaadu Bus Stand, Narasaraopeta- Ap - 522601
138	office	Karnataka	Haveri	Ikf Finance Limited, 1St Floor Vidya Nagar, Pb Road Haveri, Karnataka – 581110
139	office	Tamil Nadu	Tambaram	Ikf Finance Limited, 239, 2Nd Floor, Valacherry Main Road, Slayur, Kancheepuram, Tambaram, Tn-600 073

140	office	Madhya Pradesh	Ashta	Ikf Finance Limited, H.No. 166, Ward No. 16, Kannod Road, Ashta, Madyha Pradesh - 466116
141	office	Gujarat	Godhra	G/F -3 Gayatri Complex Bhuravav Godhra Panchmahal Gujarat 389001
142	office	Tamil Nadu	Karaikudi	No: 3/1026 H, Cmd Tower, Old Housing Board Bustop, Near Kalanivasl, Tirchy Bypass Raod, Sivagangai, Karaikudi - 630001
143	office	Maharashtra	Latur	Ikf Finance Limited, 1St Floor , Kiriti Chambernear Water Tank , Above Medplus Barshi Road Latur-Pin 413512
144	office	Maharashtra	Dhule	Cts No. 1494, Plot No. A-4, Navjeevan Nagar, Chitod Road, Fashipool Chowk, Dhule - 424001
145	office	Andhra Pradesh	Vizianagaram	Plot No.Mig-174/B, 1St Floor,East Part,Babametta Area,Near Raithu Bazar,Vizianagaram,Andhra Pradesh-535002
146	office	Tamil Nadu	Kumbakonam	Saravana Towers,Dr Besant Road,2 Nd Floor,Ward No-1,Opp To Vijayalakshmi Theatre,Kumbakonam-6120001
147	office	Odisha	Bhubaneswar	Plot No: 1056/A, 2Nd Floor,Opp To Iskon Temple, Nayapally,Bhubaneswar,Odisha-751012
148	office	Karnataka	Hassan	Ikf Finance Limited, No. 29A Rc Road West Division Avk College Road Hassan
149	office	Karnataka	Gadag	Ikf Finance Limited, Desai Complex, 1St Floor, Dattatraya Raod, Opp One Number Givt School, Near Old Bsnl Office, Gadag, Karnataka - 582103

150	office	Telangana	Vikarabad	Ikf Finance Limited,#H.No:4-2-1118 & 1119 , 2Nd Floor,Venkateshwara Complex. Ntr "X" Road,Vikarabad District – 501101 (T.S)
151	office	Maharashtra	Pandharpur	Singan Empire ,2Nd Floor, Nagaland Chowk, Link Road ,Singan Nagar Pandhapur Maharashtra -413304
152	office	Maharashtra	Dharashiv	Mauli Plaza 1St Floor, Gala No 5&6 Near Central Building,Sambhaji Dharashiv - Maharashtra 413501
153	office	Tamil Nadu	Tuticorin	No 111/11E/11 J , State Bank Colony , Ark Complex , Near Tuticorin City North Zona
154	office	Tamil Nadu	Tiruppur	496/384 B, Kamaraj Rd, Opposite Palladam Main Road, Kattuvalavu, Tirupur
155	office	Tamil Nadu	Namakkal	Kvn Complex, 6/299, Trichy Main Road, Namakkal - 637001
156	office	Odisha	Jeypore	Purnagada Junction, Near Hero Services Station, Jeypore, Koraput, Odisha - 764001
157	office	Tamil Nadu	Theni	44 D, White House Road, Theni- 625531
158	office	Telangana	Choutuppal	H.No.3-330/10/4, Choutuppal, Yadadri Bhuvanagiri (Dist)
159	office	Maharashtra	Sangli	S No 639/1, Office No – 301, 3Rd Floor, Siddivinayak Lamdmark Pushpraj Chowk, Sangli, Mh -416416
160	office	Odisha	Berhampur	Ground Floor, Main Road, Gosaninuagam, Near Old Police Station, Brahampur - 760003 (Orrisa
161	office	Tamil Nadu	Kancheepuram	No. 21, S V N Street, Opposite Tt KSM Super Market, Kancheepuram

162	office	Madhya Pradesh	Katni	Behind Gurudwara Gurunanak Ward Murwara Katni - 483501
163	office	Telangana	Mallepally	H.No.5-34/ff110, 1st floor of the complex,Vishnu shopping mall,Konda mallepally(vi &md),Nalgonda(di),Telangana-508243
164	office	Tamil Nadu	Tiruvanamalai	No. 32G, Gandhi Nagar Bye Pass Road, Near Vijay Nagar Bus Stop, Tiruvannamalai
165	office	Tamil Nadu	Tiruvallur	RAJ PLAZA, No. 3662, TNHB, KAKKALUR BYE PASS, THIRUVALLUR, TAMIL NADU. Pin. : 602001
166	office	Maharashtra	Warud	Shop No 1,1A Khanduja Complex Multai Square In front Of Tehsil Office, Warud, Maharastra - 444906
167	office	Telangana	Shamsabad	H.NO.21-65/C BRUNDAVAN COLONY SHAMSHABAD RANGA REDDY: 501218
168	office	Maharashtra	Udgir	1659 Maruti Complex ,Bidar Naka Udgir -Tal Udgir Dist Latur -Maharashtra -413517
169	office	Maharashtra	TEMBHURNI	New Branch Office address :- Deshmukh Shopping Center , Shop No 12 , Karmala Road ,Tembhurni -Tal - Madha- Dist Solapur -Maharashtra -413211
170	office	Telangana	Nirmal	HNO: 1-3-155/14/1/2, SHASTRY NAGAR, Mancherial Road, NIRMAL,504106
171	office	Telangana	Nalgonda	IKF FINANCE LIMITED, NO:F33&F34, 1st FLOOR,BLOCK NO-1, LPT MARKET BULIDING COMPLEX, HYDERABAD ROAD, NALGONDA - 508001
172	office	Rajasthan	Udaipur	43/6,ICON Tower,Near ICICI Bank,Madhuban,Udaipur
173	office	Tamil Nadu	Pudukottai	No. 2238 South Raja veethi, Pudukottai-622001
174	office	Maharashtra	Yavatmal	2ND FLOOR, BHAJI MANDI SQUARE, 2ST BEHIND DATTA MANDIR,, YAVATMAL-MH- 445001
175	office	Odisha	JAJPUR	PLOT NO.1000, 1ST FLOOR, CHORDA BY PASS, CHORDA, JAJPUR ROAD, DIST - JAJPUR, ODISHA-755019
176	office	Odisha	RAYAGADA	2ND FLOOR, SAIPRIYA NAGAR, 1ST LANE, RAYAGADA, DIST - RAYAGADA, ODISHA-765001
177	office	Maharashtra	GADCHIROLI	Battuwar complex Chandrapur road , opp bank of India Gadchiroli-442605

(c) **Subsidiary details:**

As of the date of this General Information Document, the Company have one subsidiary company IKF Home finance Limited

(d) **Corporate Structure of the Issuer:**

Board of Directors			
Name	**Designation**	**Permanent Account Number**	**Experience**
Shri.V.G.K.Prasad	*Chairman & Executive Director*	ACKPV7061N	Veteran in Vehicle Finance business in the state of Andhra Pradesh with Three decades of rich experience in the field of Finance and Management. Before promoting M/s. IKF Finance Limited, he was associated with various Finance firms as Managing Partner. He served as President of Krishna District Auto Financiers Association and also served as the Member of the Governing Council, Vice President, Secretary General and President of Federation of Indian Hire Purchase Associations (FIHPA), the apex body of Asset Financing NBFCs.
Smt. K Vasumathi Devi	Managing Director	AXEPK4252F	BE (Electronics & Communications), MBA (Global Management) (USA) is having around a decade experience in IT and Telecommunications in USA and has been associated with the Company for the last eight years.
Dr. Sinha S. Chunduri	*N.R.I. Director*	AINPC5966E	Specialist in Diagnostic Gastro Entrology, engaged in medical Profession for last 25 years in U.S.A., is an NRI Director of the Company. Besides medical profession, he is associated with several Medical Institutions as consultant and Director in U.S.A. He is also holds Directorship in M/s. Amara Raja Power Systems (P) Limited, an associate concern of M/s. Amara Raja Batteries Limited.

Board of Directors			
Name	**Designation**	**Permanent Account Number**	**Experience**
Vupputuri Vasantha Lakshmi, Alternate Director to Sri Sinha S Chunduri	Alternate Director to Satyanand Sinha Chunduri	AGEPV4163B	Mrs. Vasantha Lakshmi has completed her B Pharmacy. She has over 10 year of experience in fund management, investment banking, credit rating and corporate development.
Vinit Mukesh Mehta	Nominee Director	AAFPM7769P	Mr.Vineet Mukesh Mehta, a Chartered Accountant is having over 15 years of experience in investment banking (Kotak, KPMG), private equity and Corporate Banking (HDFC Bank). Prior to joining MOPE, Vinit was with Kotak Investment Bank where he led and executed 40+ transaction and successfully helped raise more than USD 25 bn across M&A, Private Equity and Capital Market fund raises. Vinit holds a Bachelor's Degree in Commerce from the Mumbai University and is a member of the Institute of Chartered Accountants of India.
Sunil Rewachand Chandiramani	Independent Director	AABPC6204F	Sunil is passionate about working with high growth entrepreneurs advising them on their growth strategy and helping them design and implement initiatives in the areas of corporate strategy, technology transformation and operational effectiveness, governance and capital management. He is a member of the CII Council for Corporate Governance. He serves as an Independent Director on the Board several public companies such as Sapphire Food Limited, Ganesh Grains Limited, Updater Service Ltd. and a Strategic Advisor and Coach to several other companies such as the Stupa Analytics Pvt Ltd, Davadost Pvt Ltd and VigyanLabs Limited. He

Board of Directors			
Name	**Designation**	**Permanent Account Number**	**Experience**
			has also served on the Boards of Poonawala Fincorp Limited, Jammu & Kashimir Bank, More Retail Ltd. He is also the Senior Adviser and Mentor for Protiviti Consulting in India and Middle East. Prior to his current venture he spent 25 years with Ernst & Young LLP, India's leading professional services firm. He was responsible for leading India Largest Advisory Practice and also led the development of the Global Innovation Strategy for EY Global. He has been the leader for several industries such as Financial Services, Government and Technology and has the experience of working across geographies – USA, Europe, Africa and South East Asia. He is a former member of committees constituted by Reserve Bank of India (RBI), the Securities and Exchange Board of India (SEBI) and CII. Widely regarded as a thought leader, Sunil has been invited to speak at conferences both in India and overseas and at prestigious forums like CII, NASSCOM, American Chamber of Commerce, leading Management institutions and The Institute of Internal Auditors. He has served as an Advisor to the Universal Business School (UBS) and the Information Security Management Group

Board of Directors			
Name	**Designation**	**Permanent Account Number**	**Experience**
Abhishek Agrawal	Nominee director	AECPA4338P	Abhishek Agrawal is Managing Partner for Accion Digital Transformation Fund (ADTx) based out of Mumbai, India. In his earlier role, he was Chief Regional Officer (CRO) for Accion in the Asia region. Abhishek has served on numerous boards and currently serves on the board of Annapurna MFI & IKF Finance. Abhishek comes with extensive experience investment, governance, strategy & business planning, and microfinance operations. Abhishek had made several investments & exits in financial inclusion for Accion and likes to work with entrepreneurs in taking the companies to scale. In earlier roles, Abhishek worked with FINCA International as CFO and before that acted as an advisor to the Institute of Chartered Accountants (ICAI). Abhishek is a social change maker and Aspire Fellow; he is a Ph.D. in Municipal financial reforms and Chartered Accountant (FCA) from ICAI. He is very passionate about digital financial & MSME inclusion
Ganesh Sethuraman	Independent Director	AAWPG4494Q	Mr. Sethuraman Ganesh is a former Principal Chief General Manager of Reserve Bank of India,with 3 decades' PAN India experience, including 10 years at senior management level.Currently, he holds the position of Independent Director on the Boards of two systemically important NBFCs- Sonata Finance Pvt Ltd. and Indel Money Ltd. He has also served as a Non-Executive Director on the board of BSS

Board of Directors			
Name	**Designation**	**Permanent Account Number**	**Experience**
			Microfinance Pvt. Ltd. In addition, he is a Member of the Advisory Board of the Infimind Institute of Skill Development LLP. Mr. Ganesh's work experience spans NBFC MFI board directorship, RBI Nominee Directorship on the Boards of two public sector banks (UCO Bank and Oriental Bank of Commerce), bank supervision, banking ombudsmanship, RBI regional directorship and Management and Delivery of Training as Principal of the Reserve Bank Staff College at Chennai and Faculty Member at the Bankers Training College at Mumbai. Mr. Ganesh has a Master's Degree in English from Bangalore University and is a Certificated Associate of the Indian Institute of Bankers (CAIIB). He is a certified trainer in Neuro Linguistic Programming (NLP) and has deep interest in Training, Learning and Development.
Kannan	Independent Director	ABFPS7579N	Kannan is a seasoned banking professional with extensive experience spanning over four decades. Currently serving as Director (Independent) on the board of Maximus Asset Reconstruction Company Limited in Hyderabad since December 2017, and also contributing as a Member of the Settlement Advisory Committee at Canara Bank. His notable leadership roles include: Chairman and Managing Director of Vijaya Bank

Board of Directors			
Name	**Designation**	**Permanent Account Number**	**Experience**
			(2014) Executive Director of Oriental Bank of Commerce (2010-2013) Director (Independent) on the board of Canara Robecco Asset Management Company Limited (2016-2021) Member of the Debenture Trustee Committee at Catalyst Trustee Company, Pune, representing debenture holders during the resolution of Dewan Housing Finance Limited (DHFL) Director on the boards of SBI Factors and Canara HSBC Oriental Bank of Commerce Insurance Company Limited Contributions to various banking associations including the Indian Banks Association and the Foreign Exchange Dealers Association of India. His illustrious banking career began at Bank of Maharashtra, where he ascended from the position of Probationary Officer to General Manager over a span of 34 years. Kannan has enriched his expertise through diverse training programs and seminars globally, including sessions at Kellogg School of Management, Chicago, and engagements with regulatory bodies like the Financial Services Authority of the United Kingdom. His educational

Board of Directors			
Name	**Designation**	**Permanent Account Number**	**Experience**
			qualifications include a B.Sc. (Hons) from Bangalore University, a P.G. Diploma in Business Administration from St. Josephs Institute Bangalore, and the CAIIB (Certified Associate of the Indian Institute of Bankers) certification.
Raman Uberoi	Independent Director	AAAPU4068L	A seasoned professional with a proven track record in building and managing profitable businesses, adept at fostering strong franchises and leading large teams across diversified sectors. Possessing extensive knowledge of corporate India, industries, and regulatory frameworks, with over three decades of experience in analyzing and engaging with over 2000 large and mid-sized corporates, financial institutions, regulators, and policymakers. He is currently engaged with CRISIL Limited as a Senior Advisor Government & Regulatory Relations as an Independent Director in PG Electroplast Limited, TruBoard Partners Private Limited, Dvara KGFS and as a Member of SEBI Market Data Advisory Committee and Expert Committee for MSMEs for the Tamil Nadu Government. He also consults with various multilateral organisations like ADB and World Bank. His notable leadership roles include: • Receivable Exchange of India (March 2017 – March 2023): Director. •Principal Trustee Company Private Limited (July 2019 – June 2022): Director. • Magma Housing Finance

Board of Directors			
Name	**Designation**	**Permanent Account Number**	**Experience**
			Limited (March 2020 – July 2021): Director. • Piramal Capital & Housing Finance Limited (March 2017 – March 2020): Senior Advisor & Member Advisory Board. • Aspiring Minds Assessments Private Limited (May 2016 – December 2019): Senior Advisor. • CRISIL Limited (March 1992- April 2016): Various roles including President Ratings and Corporate Affairs, President CRISIL Risk & Infrastructure Solutions, Chief Operating Officer. His educational qualifications include Associate Chartered Accountant, Institute of Chartered Accountants of India, 1991, B. Com (Honors), Hans Raj College, Delhi University, 1988.

(e) **Use of proceeds (in the order of priority for which the said proceeds will be utilised): (i) purpose of the placement; (ii) break-up of the cost of the project for which the money is being raised; (iii) means of financing for the project; (iv) proposed deployment status of the proceeds at each stage of the project:**

As stated in the Key Information Document.

(f) **Corporate Structure of the Group:**

Not Applicable

(g) **Expenses of the issue:**

As specified in the relevant Key Information Document.

(h) **Key Operational and Financial Parameters for the last 3 audited years on a consolidated basis (wherever available) else on a standalone basis, as on 30th June 2024 in respect of the financial information provided under clauses 2.10 and 2.11 below:**

Standalone Basis ***(in Lakhs)***

Particulars	30th June 2024 (Unaudited with Limited Review)	FY 2023-24 (Audited)	FY 2022-23 (Audited)	FY 2021-22 (Audited)
BALANCE SHEET				
Assets				
Property, Plant and Equipment	230.46	237.54	250.24	260.11
Financial Assets	378251.05	363487.61	272429.21	169965.13
Non-financial Assets excluding property, plant and equipment	3730.34	3885.28	3750.19	1600.29
Total Assets	382211.86	367610.42	276429.64	171825.53
Liabilities				
Financial Liabilities				
-Derivative financial instruments	0	0	0	0
-Trade Payables	0	0	0	0
-Debt Securities	13457.44	15989.65	18838.54	15186.47
-Borrowings (other than Debt Securities)	256027.61	240928.87	168496.32	109462.84
-Subordinated liabilities	16378.65	16372.47	16345.06	6003.45
-Other financial liabilities	5835.12	5470.71	2921.34	2030.13
Non-Financial Liabilities				
-Current tax liabilities (net)	12.47	0	0	0
-Provisions	289.11	288.37	210.5	306.37
-Deferred tax liabilities (net)	14.74	218.55	188.82	0
-Other non-financial liabilities	234.67	275.74	179.07	99.5
Equity (Equity Share Capital and Other Equity)	89962.05	88066.06	69249.98	38736.77
Total Liabilities and Equity	382211.86	367610.42	276429.64	171825.53
PROFIT AND LOSS				
Revenue from operations	13200.97	43422.54	28641.89	22059.51
Other Income	237.57	325.04	17.79	63.31
Total Income	13438.53	43747.58	28659.68	22122.82
Total Expense	10918.45	33410.13	21928.96	16695.54
Profit after tax for the year	1888.52	7697.26	5000.51	4030.43
Other Comprehensive income	7.47	-3.26	9.86	8.28
Total Comprehensive Income	1895.99	7694	5010.37	4038.71

Earnings per equity share (Basic)	2.69	11.32	9.31	7.8
Earnings per equity share (Diluted)	2.69	11.32	9.31	7.8
Cash Flow				
Net cash from / used in(-) operating activities		-102542.1	-55525.23	-18849
Net cash from / used in(-) investing activities		2984.16	-24628.56	-1948
Net cash from / used in (-) financing activities		80926.47	99816.01	12382
Net increase/decrease(-) in cash and cash equivalents		-18631.47	19662.23	-8416
Cash and cash equivalents as per Cash Flow Statement as at end of Half Year		4407.96	23039.44	3377
Additional Information				
Net worth	89962.05	88066.06	69249.98	38737
Cash and cash equivalents	11064.52	4407.96	23039.42	3377
Loans				
Loans (Principal Amount)	350677.61	329103.77	213727.95	159343.81
Total Debts to Total Assets	74.79%	74.34%	73.68	76.33
Interest Income	13173.34	42803.08	27930.83	21899
Interest Expense	7114.08	20829.3	14610.55	11213.04
Impairment on Financial Instruments	641.96	1640.51	539.85	512
Bad Debts to Loans	0.36%	0.32%	0.49%	0.77%
% Stage 3 Loans on Loans (Principal Amount)	2.38	2.35	2.83	2.72
% Net Stage 3 Loans on Loans (Principal Amount)	1.85	1.8	2.28	1.84
Tier I Capital Adequacy Ratio (%)	22.67	22.67	26.25	21.48
Tier II Capital Adequacy Ratio (%)	2.97	3.84	6.77	2.75

Consolidated Basis ***(In lakhs)***

Particulars	**30th June 2024 (Unaudited with Limited Review)**	**FY 2023-24 (Audited)**	**FY 2022-23 (Audited)**	**FY 2021-22 (Audited)**
BALANCE SHEET				

Assets				
Property, Plant and Equipment	344.93	350.47	363	343
Financial Assets	460659.21	441837.93	328843.06	204629.83
Non-financial Assets excluding Property, Plant and Equipment	5760.22	5898.4	5184.1	2435.92
Total Assets	466764.37	448086.8	334390.17	207408.75
Liabilities				
Financial Liabilities				
-Derivative financial instruments	0	0	5.4	58.68
-Trade Payables				
-Other Payables	76.24	157.85	113.02	7.09
-Debt Securities	17967.46	20999.05	26640.67	23807.91
-Borrowings (other than Debt Securities)	325817.17	307465.24	213081.79	132139.07
-Deposits		0	0	0
-Subordinated liabilities	16378.65	16372.47	16345.06	6003.45
-Lease liabilities	346.96	378.25	322.3	20.09
-Other financial liabilities	7147.35	6,585.64	3704.64	3082.92
Non-Financial Liabilities				
-Current tax liabilities (net)	172.12	114.33	0.00	0
-Provisions	351.62	342.98	261.9	345.34
-Deferred tax liabilities (net)	542.28	639.43	464.37	165.35
-Other non-financial liabilities	369.68	375.65	263.49	157.27
Equity (Equity Share Capital and Other Equity)	96243.16	93407.2	72402.69	41046.8
Non-controlling interest	1351.67	1248.72	784.84	574.79
Total Liabilities and Equity	466764.39	448086.8	334390.17	207408.75
PROFIT AND LOSS				
Revenue from operations	18001.42	57941.84	37444.09	26962
Other Income	455.74	658.34	400.63	208
Total Income	18457.16	58600.18	3784471.55	2717000
			0	0
Total Expenses	14595.17	44899.06	29596.36	20331
			0	0
Profit after tax for the year	2897.70	10,180.51	6,151.96	5,113.01
Other Comprehensive Income	41.19	-19.22	67.98	9.58
Total Comprehensive Income	2938.89	10,161.29	6,219.93	5,122.59
			0	0

Earnings per equity share (Basic)	4.13	14.97	11.46	7.43
Earnings per equity share (Diluted)	4.13	14.97	11.45	7.43
Cash Flow				
Net cash from / used in (-) operating activities		-132111.11	-81025.72	-32085
Net cash from / used in (-) investing activities		8,684.05	-21469.37	-258
Net cash from / used in (-) financing activities		100330.83	120648.04	27535
Net increase/decrease (-) in cash and cash equivalents		-23096.23	18152.94	-4808
Cash and cash equivalents as per Cash Flow Statement as at end of Half Year		4721.03	27817.26	9664
			0	0
Additional Information				
Net worth	96243.16	94655.92	73187.54	41622
Cash and cash equivalents	14699.36	4721.03	27817.26	9664
Loans	440736.21	4,18,831.19	272610.68	192857.37
Total Debts to Total Assets	77.16%	76.95%	76.58%	78.08%
Interest Income	17704.21	56729.62	36553.47	26301
Interest Expense	9025.71	28476.1	19217.53	12988
Impairment on Financial Instruments	976.38	2018.32	628.21	513
Bad Debts to Loans	0.28	0.28	0.21	0.27

5.6 Debt: Equity Ratio of the Company:

Before the issue	3.10
After the issue	As shall be set out in the respective Key Information Document

5.7 Details of any other contingent liabilities of the Issuer based on the latest audited financial statements including amount and nature of liability:

NIL

5.8 The amount of corporate guarantee or letter of comfort issued by the Company along with details of the counterparty (viz. name and nature of the counterparty, whether a subsidiary, joint venture entity, group company etc.) on behalf of whom it has been issued

NIL

5.9 A brief history of Issuer since its incorporation giving details of its following activities:

(a) **Details of Share Capital as on last quarter end, i.e.,** 30th September 2024

Share Capital	**Amount (in Rs.)**
Authorised Share Capital	
8,00,00,000 Equity shares of Rs.10 each	**80,00,00,000**
25,00,000 Preference shares of Rs.100 each	**25,00,00,000**
TOTAL	**1,05,00,00,000**
Issued, Subscribed and Fully Paid- up Share Capital	
7,01,57,445, equity shares of Rs.10 each, fully paid	**70,15,74,450**
TOTAL	**70,15,74,450**

(b) **Changes in its capital structure as at last quarter end i.e., 30th September 2024 for the preceding three financial years and the current year:**

Date (AGM / EGM)	Existing Capital	Revised Capital	Remark
20/03/2023	85,00,00,000	1,05,00,00,000	Equity Share Capital increased from Rs. 60,00,00,000 to Rs. 80,00,00,000 and Preference Share Capital remains same Rs. 25,00,00,000
10/01/2018	50,00,00,000	85,00,00,000	Equity Share Capital increased from Rs. 50,00,00,000 to Rs. 60,00,00,000 and Preference Share Capital increased to Rs. 25,00,00,000
06/05/2015	35,00,00,000	50,00,00,000	Equity Share Capital increased from Rs. 35,00,00,000 to Rs. 50,00,00,000
09/03/2013	30,00,00,000	35,00,00,000	Equity Share Capital increased from Rs. 30,00,00,000 to Rs. 35,00,00,000

(c) **Details of the Equity Share Capital of the Company, for the preceding three financial years and the current financial year:**

Date of Allotment	**No. of Equity Shares**	**Face Value (in Rs) per share**	**Issue Price (in Rs) per share**	**Consideration (Cash, other than cash, etc.)**	**Nature of Allotment**	**Cumulative**			**Remarks**
						No. of equity shares	**Equity share capital (Rs)**	**Equity Share Premium (Rs) per share**	
21.08.2023	55,81,395 fully paid up shares of Rs. 10 each	10	215	1,19,19,99,925	Preferential Issue	7,01,56,445	70,15,64,450	4,63,33,45,621	
31.03.2	75,81,41	10	215	1,63,00,0	Prefere	6,45,75,	64,57,50,5	3,48,91,5	-

023	8 fully paid up shares of Rs. 10 each			4,870	ntial Issue	050	00	9,645	
17.02.2023	24,58,962 fully paid up shares of Rs. 10 each	10	215	52,86,76,830	Preferential Issue	5,69,93,632	56,99,36,320	1,93,49,68,955	-
10.11.2022	18,75,603 fully paid up shares of Rs. 10 each	10	209	39,20,01,027	Preferential Issue	5,45,34,670	54,53,46,700	143,08,81,746	-
31.03.2022	51,79,688 Partly paid up shares of Rs 8.10 paid up 3rd and Final Call Money	10	72.59	7,14,38,774	Preferential Issue	5,26,59,067	52,6,5,90,670	105,76,36,749	-
31.03.2021	51,79,688 Partly paid up shares of Rs 8.10 paid up 2nd Call Money	10	72.59	10,15,18,259	Preferential Issue	5,26,59,067	51,67,49,262.80	99,92,89,377	-
31.03.2019	51,79,688 Partly paid up shares of Rs 5.40 paid up 1st Call Money	10	72.59	10,15,18,259	Preferential Issue	5,26,59,067	50,27,64,106	91,17,56,276	-
22.01.2019	12,22,278	10	128	15,64,51,584	Preferential Issue	5,26,59,067	48,87,78,948	82,42,23,175	-
18.01.2	7,30,84	10	128	9,35,48,4	Prefere	5,14,36,	47,65,56,1	67,99,94,	-

019	7			16	ntial Issue	789	68	371	
17.01.2018	51,79,688 (Application Money)	10	72.59	10,15,18,259	Preferential Issue	5,07,05,942	46,92,47,698	59,37,54,425	-
06/05/2015	80,13,375	10	31	24,84,14,625	Rights Issue	4,55,26,254	45,52,62,540	50,62,21,324	-
30/09/2013	30,00,000	10	13	3,90,00,000	Preferential Issue	3,21,00,000	32,10,00,000	9,00,07,000	-
18/03/2013	36,60,000	10	13.25	4,84,95,000	Preferential Issue	2,91,00,000	29,10,00,000	7,77,57,000	-
16/08/2012	68,50,000	10	13	8,90,50,000	Preferential Issue	254,40,000	25,44,00,000	6,58,63,000	-
21/03/2012	63,60,000	10	13	8,26,80,000	Preferential Issue	1,85,90,000	18,59,00,000	4,53,13,000	-

Notes, if any: NIL

5.10 Details of any Acquisition or Amalgamation with any entity in the preceding 1 (one) year:

NA

5.11 Details of any Reorganization or Reconstruction in the preceding 1 (one) year:

NA

5.12 Details of the shareholding of the Company as at the latest quarter end, i.e., 30th September 2024:

(a) **Shareholding pattern of the Company as on last quarter end, i.e. 30th September 2024 as per the format specified under the listing regulations:**

Particulars	**Equity Shares - Fully Paid Up**		
Indian			
Promoters - Individuals	**No of Shares**	**Amount**	**% to Total**
VUPPUTURI GOPALA KISHAN PRASAD	1,98,53,581	19,85,35,810	28.30%
KOGANTI VASUMATHI DEVI	26,47,266	2,64,72,660	3.77%
VUPPUTURI VASANTHA LAKSHMI	24,91,794	2,49,17,940	3.55%
VUPPUTURI RAGHU RAM	18,00,670	1,80,06,700	2.57%
VUPPUTURI INDIRA DEVI	16,48,142	1,64,81,420	2.35%

Vistra ITCL (India) Limited (TRUSTEE OF BUSINESS EXCELLENCE TRUST II - INDIA BUSINESS EXCELLENCE FUND II)	78,04,018	7,80,40,180	11.12%
Public			
Domestic Companies/LLP/Trusts	15,48,857	1,54,88,570	2.21%
Resident Indians	64,87,147	6,48,71,470	9.25%
HUF	41,513	4,15,130	0.06%
Total Indian Investment	**4,43,22,988**	**44,32,29,880**	**63.18%**
Foreign Investment			
Promoters- Individuals			
DURGA RANI CHUNDURI	14,94,100	1,49,41,000	2.13%
CHUNDURI SINHA SATYANAND	1,17,700	11,77,000	0.17%
Foreign Body Corporates- India Business Excellence Fund- IIA	1,30,51,546	13,05,15,460	18.60%
ACCION DIGITAL TRANSFORMATION FUND, LP	55,81,395	5,58,13,950	7.96%
Teachers Insurance And Annuity Association Of America	55,81,395	5,58,13,950	7.96%
Other Non Resident Shareholders	7,321	73,210	0.01%
Total Foreign Investment	**2,58,33,457**	**25,83,34,570**	**36.82%**
Grand Total	**7,01,56,445**	**70,15,64,450**	**100.00%**

(b) **List of top 10 holders of equity shares of the Company as at the latest quarter end, i.e. 30th Septemebr 2024:**

Sr. No.	Names of the Shareholders	Total no. of equity shares	No. of shares in demat form	Total shareholding as % of total no. equity shares
1	VUPPUTURI GOPALA KISHAN PRASAD	19853581	19853581	28.3
2	INDIA BUSINESS EXCELLENCE FUND IIA	13051546	13051546	18.6
3	Vistra ITCL (India) Limited (TRUSTEE OF BUSINESS EXCELLENCE TRUST II – INDIA BUSINESS EXCELLENCE FUND II)	7804018	7804018	11.12
4	TEACHERS INSURANCE AND ANNUITY ASSOCIATION OF AMERICA	5581395	5581395	7.96
5	ACCION DIGITAL TRANSFORMATION FUND, LP	5581395	5581395	7.96
6	KOGANTI VASUMATHI DEVI	2647266	2647266	3.77
7	VUPPUTURI VASANTHA LAKSHMI	2491794	2491794	3.55
8	VUPPUTURI RAGHU RAM	1800670	1800670	2.57

9	VUPPUTURI INDIRA DEVI	1648142	1648142	2.35
10	DURGA RANI CHUNDURI	1494100	1494100	2.13

5.13 Following details regarding the directors of the Company:

(a) **Details of the current directors of the Company:**

This table sets out the details regarding the Company's Board of Directors as on date of this General Information Document:

Name	Designation	DIN	Age	Address	Date of appointment	Details of other directorship
Gopala Kishan Prasad Vupputuri	Chairman & Wholetime Director	01817992	77	59A-16-4/8 Iii Rd Road Plot No 77 3Rd Cross Road Near Sai Baba Temple R.T.C. Colony Viyaya Wada Urban Polytechnic Krishna 520008	30.05.1991	1. IKF Infratech Private Limited 2. IKF Home Finance Limited
Vasumathi Devi Koganti	Managing Director	03161150	49	Villa 18 Aditya Fort Veiw Puppalaguda Pratibha High School Manikonda Puppalguda Puppalg Uda K V Ranga Reddy 500089	31.10.2006	1. IKF Home Finance Limited
Vasantha Lakshmi Vupputuri	Alternate Director	03610979	48	Plot No 24 Aditya Fort Veiw Villas Shivalayam Road Near Prathibaha High School Manikonda P Uppalguda K V Ranga Reddy 500089	21.10.2015	IKF Home Finance Limited
Satyanand Sinha Chundur i	Director	03644504	79	40-1-144, Corporate Centre MG Road Viajayawada 520010	10.02.1993	Nil
Sunil Rewachand Chandiramani	Independent Director	00524035	58	163-A, Sky Scraper Building, 74, Bhulbhai Desai Road, Cumbhatta Hill, Mumbai, Maharastra-400026	30.09.2022	1. DENAVE INDIA PRIVATE LIMITED 2. ERNST & YOUNG PRIVATE LIMITED 3.

Name	Designation	DIN	Age	Address	Date of appointment	Details of other directorship
						UPDATER SERVICES LIMITED 4. SAPPHIRE FOODS INDIA LIMITED 5. VIGYANLABS INNOVATIONS PRIVATE LIMITED 6. GANESH CONSUMER PRODUCTS LIMITED 7. RUPA & COMPANY LTD 8. DAVADOST PHARMA PRIVATE LIMITED
Vinit Mukesh Mehta	Nominee Director	08792902	41	501, Satguru Towers, Central Avenue, Santacruz West, Mumbai 400054	01.10.2020	FINNOVATION TECH SOLUTIONS PRIVATE LIMITED
Abhishek Agrawal	Nominee Director	06760344	44	Flt No. 401, 4th Flr. Sai Samman, Plot No. 28/29, Union Park, Chembur East, Mumbai	30-05-2023	1. ACCION IMPACT MANAGEMENT INDIA PRIVATE LIMITED 2. ANNAPURNA FINANCE PRIVATE LIMITED 3. IFMR RURAL CHANNELS AND

Name	Designation	DIN	Age	Address	Date of appointment	Details of other directorship
						SERVICES PRIVATE LIMITED
Sethuraman Ganesh	Independent Director	07152185	67	305, Vensa Lakeview, Kempapura Main Road Opp Rachenahalli Lake, Dasarahalli, Bangalore North	14.07.2023	Indel Money Limited
Raman Uberoi	Independent Director	03407353	59	C 32, Kalindi Colony, New Delhi 110065	13.02.2024	1. PG ELECTROPLAST LIMITED 2. TRUBOARD PRIVATE LIMITED 3. DVARA KSHETRIYA GRAMIN FINANCIAL SERVICES PRIVATE LIMITED
Kannan	Independent Director	01354529	70	Ta 1, Third floor, Krishna Regency, K.R. Road, Tata Silk Farm, Basavangudi, Bangalore - 560 004	13.02.2024	Maximus ARC Limited

**Company to disclose name of the current directors who are appearing in the RBI defaulter list and/or ECGC default list, if any: Nil*

(b) **Details of change in directors in the preceding three financial years and the current financial year:**

Name	Designation	DIN	Date of Appointment	Date of Reappointment	Date of Cessation, if applicable	Date of resignation, if applicable	Remarks

Sunkara Veerabhadra Rao	Independent Director	01180981	30.12.2005	-	-	10.02.2023	NIL
V.Indira Devi	Whole time Director	03161174	30.05.1991	-	-	14.07.2023	NIL
Nageswra Rao Yalamanchili	Independent Director	06651230	01.12.2021	-	-	11.08.2023	NIL
Sunil Rewachand Chandiramani	Independent Director	00524035	30.09.2022	-	-	-	NIL
GopalaKrishna Gurappa	Independent Director	06407040	30.09.2022	-	-	11.08.2023	NIL
Abhishek Agrawal	Nominee Director	06760344	30.05.2023	-	-	-	NIL
Ganesh Sethuraman	Independent Director	07152185	14.07.2023	-	-	-	NIL
Raman Uberoi	Independent Director	03407353	13.02.2024	-	-	-	NIL
Kannan	Independent Director	01354529	13.02.2024	-	-	-	NIL

(c) **Details of directors' remuneration, and such particulars of the nature and extent of their interests in the Company (during the current year and preceding three financial years):**

Remuneration payable or paid to a director by the Company, its subsidiary or associate company; shareholding of the director in the company, its subsidiaries and associate companies on a fully diluted basis.

(INR - In Crores)

Director	Fiscal FY 24-25 (Up to September 2024)	Fiscal FY 23-24	Fiscal FY 22-23	Fiscal FY 21-22
V.G.K.Prasad, Chairman	-			
Remuneration	0.72	0.21	0.84	0.76
Commission	-	0.08	0.63	0.51
K Vasumathi Devi, Managing Director	-			
Remuneration	0.36	0.15	0.60	0.54
Commission		0.05	0.44	0.36

Appointment of any relatives to an office or place of profit of the issuer, its subsidiary or associate company	NA

Full particulars of the nature and extent of interest, if any, of every director: **A. in the promotion of the issuer company; or** **B. in any immoveable property acquired by the issuer company in the two years preceding the date of the issue document or any immoveable property proposed to be acquired by it; or** **C. where the interest of such a director consists in being a member of a firm or company, the nature and extent of his interest in the firm or company, with a statement of all sums paid or agreed to be paid to him or to the firm or company in cash or shares or otherwise by any person either to induce him to become, or to help him qualify as a director, or otherwise for services rendered by him or by the firm or company, in connection with the promotion or formation of the issuer company shall be disclosed**	NA
Contribution being made by the directors as part of the offer or separately in furtherance of such objects	NA

5.14 Any financial or other material interest of the directors, promoters, key managerial personnel or senior management in the offer and the effect of such interest in so far as it is different from the interests of other persons – No

5.15 Following details regarding the auditors of the Company:

(a) **Details of the auditor of the Company:**

Name of the Auditor	Address	Date of appointment
Mukund M Chitale & Co	2nd Floor, Kapur House, Above Punjab National Bank, Paranjape B Scheme Road No 1 Vile Parle East, Mumbai 400057, Maharashtra, India.	30.09.2024

(b) **Details of change in auditor for preceding three financial years and current financial year:**

Name of the Auditor	Address	Date of Appointment	Date of cessation, if applicable	Date of resignation, if applicable
M/s. SGCO & Co. LLP	4A Kaledonia, 2nd Floor, Sahar Road,	30.11.2021	30.09.2024	Na

	New Andheri Station, Andheri (East) Mumbai, 400069			
M/S.S.R. Batliboi & Co. LLP.	12th Floor, The Ruby,29 Senapati Bapat Marg, Dadar (West), Mumbai – 400028	30.09.2015	30.11.2021	30.11.2021

5.16 DETAILS OF THE BORROWING OF THE ISSUER

Details of the following liabilities of the Issuer, as at the end of the last quarter, i.e 30th June 2024, or if available, a later date:

(a) **Details of Outstanding Secured Loan Facilities as on the preceding quarter (as on 30th June 2024)**

Note: All Loan facility are having exclusive security.

Name of lender Bank / FI Name	Type of Facility	Amount Sanctioned (INR in Lakhs)	Availed Amt(INR in Lakhs)	Principal Amount Outstanding(INR in Lakhs)	Security	Repayment date /schedule	Credit Rating, if applicable	Asset Classification
Central Bank of India	OD/CC	9500	7507	7507	115% Book Debts/ Receivables	NA	CARE A Stable	Standard
Indian Overseas Bank	OD/CC	4200	3802	3802	110% Book Debts/ Receivables	NA	CARE A Stable	Standard
IDBI Bank Limited	OD/CC	2000	1804	1804	115% Book Debts/ Receivables	NA	CARE A Stable	Standard
Union Bank of India	OD/CC	7700	7355	7355	115% Book Debts/ Receivables	NA	CARE A Stable	Standard
Punjab National Bank	OD/CC	1820	1721	1721	115% Book Debts/ Receivables	NA	CARE A Stable	Standard

Federal Bank Limited	OD/CC	1500	1453	1453	115% Book Debts/ Receivables	NA	CARE A Stable	Standard
HDFC Bank	OD/CC	3000	2278	2278	115% Book Debts/ Receivables	NA	CARE A Stable	Standard
Bandhan Bank	OD/CC	500	-685	-685	110% Book Debts/ Receivables	NA	CARE A Stable	Standard
DCB Bank - WCDL	WCDL	2500	2500	2500	110% Book Debts/ Receivables	NA	CARE A Stable	Standard
State Bank of India	Term Loan	11500	11500	3924	120% Book Debts/ Receivables	31-Mar-25	CARE A Stable	Standard
Union Bank of India	Term Loan	2500	2500	122	110% Book Debts/ Receivables	01-Dec-23	CARE A Stable	Standard
Bank of India - II	Term Loan	5000	5000	361	115% Book Debts/ Receivables	20-Dec-23	CARE A Stable	Standard
Union Bank of India II	Term Loan	5000	5000	1246	110% Book Debts/ Receivables	30-Sep-24	CARE A Stable	Standard
Union Bank of India III	Term Loan	2500	2500	484	110% Book Debts/ Receivables	30-Sep-24	CARE A Stable	Standard
HDFC Bank Limited – V	Term Loan	3500	3500	630	110% Book Debts/ Receivables	07-Feb-24	CARE A Stable	Standard
Bank of India - III	Term Loan	5000	5000	2678	115% Book Debts/ Receivables	30-Jan-26	CARE A Stable	Standard
Central Bank of India	Term Loan	3000	3000	1650	115% Book Debts/ Receivables	31-Mar-26	CARE A Stable	Standard
Federal Bank Limited	Term Loan	1500	1500	656	115% Book Debts/ Receivabl	26-Mar-25	CARE A Stable	Standard

					es			
State Bank of Maritius	Term Loan	2000	2000	500	110% Book Debts/ Receivables	31-Jan-24	CARE A Stable	Standard
HDFC Bank Limited VI	Term Loan	2500	2500	1255	110% Book Debts/ Receivables	07-Apr-25	CARE A Stable	Standard
IDBI Bank Limited	Term Loan	2000	2000	875	110% Book Debts/ Receivables	31-Mar-26	CARE A Stable	Standard
HDFC Bank Limited VII	Term Loan	1500	1500	816	110% Book Debts/ Receivables	07-Jun-25	CARE A Stable	Standard
Suryoday Small Finance Bank	Term Loan	2000	2000	897	110% Book Debts/ Receivables	05-Sep-24	CARE A Stable	Standard
Bank of Maharashtra	Term Loan	2500	2500	1500	115% Book Debts/ Receivables	30-Jul-25	CARE A Stable	Standard
Dhanalaxmi Bank	Term Loan	1500	1500	750	110% Book Debts/ Receivables	14-Sep-24	CARE A Stable	Standard
DBS Bank	Term Loan	3000	3000	1364	115% Book Debts/ Receivables	30-Sep-24	CARE A Stable	Standard
AU Small Finance Bank-III	Term Loan	5000	5000	2361	110% Book Debts/ Receivables	03-Nov-24	CARE A Stable	Standard
Federal bank Limited-II	Term Loan	1500	1500	945	115% Book Debts/ Receivables	29-Dec-25	CARE A Stable	Standard
Ujjivan Small Finance Bank LTD-III	Term Loan	2000	2000	944	110% Book Debts/ Receivables	30-Nov-24	CARE A Stable	Standard
Yes Bank Limited	Term Loan	3000	3000	1500	120% Book Debts/ Receivables	30-Dec-24	CARE A Stable	Standard
HDFC Bank -VIII	Term Loan	1500	1500	1032	110% Book	07-Jan-26	CARE A Stable	Standard

					Debts/ Receivables			
Dhanalaxmi Bank -II	Term Loan	2500	2500	1500	116.67% Book Debts/ Receivables	31-Dec-24	CARE A Stable	Standard
Au Small Finance Bank IV	Term Loan	2500	2500	1528	110% Book Debts/ Receivables	03-Apr-25	CARE A Stable	Standard
Bank of Baroda	Term Loan	5000	5000	3438	115% Book Debts/ Receivables	25-Mar-26	CARE A Stable	Standard
Woori Bank Limited II	Term Loan	3000	3000	1833	110% Book Debts/ Receivables	07-Apr-25	CARE A Stable	Standard
Utkarsh Small Finance Bank II	Term Loan	1800	1800	1100	110% Book Debts/ Receivables	25-Apr-25	CARE A Stable	Standard
Jana Small Finance Bank	Term Loan	5000	5000	3518	110% Book Debts/ Receivables	03-Jul-25	CARE A Stable	Standard
Central Bank of India - TL II	Term Loan	5000	5000	4000	110% Book Debts/ Receivables	30-Jun-27	CARE A Stable	Standard
Federal Bank TL - II	Term Loan	2500	2500	1875	115% Book Debts/ Receivables	23-Jun-26	CARE A Stable	Standard
CSB Bank Ltd	Term Loan	3000	3000	2000	110% Book Debts/ Receivables	30-Jun-26	CARE A Stable	Standard
IDFC First Bank Ltd TL	Term Loan	7500	7500	5682	110% Book Debts/ Receivables	04-Jul-25	CARE A Stable	Standard
Karnataka Bank Ltd	Term Loan	2500	2500	2031	110% Book Debts/ Receivables	30-Jul-26	CARE A Stable	Standard
Kotak Mahindra Bank	Term Loan	2500	2500	2031	110% Book Debts/ Receivables	02-Sep-26	CARE A Stable	Standard

Indian Overseas Bank	Term Loan	5000	5000	4500	110% Book Debts/ Receivables	31-Mar-28	CARE A Stable	Standard
UCO Bank	Term Loan	5000	5000	4711	110% Book Debts/ Receivables	31-Aug-27	CARE A Stable	Standard
SIDBI VI	Term Loan	9000	4590	3978	110% Book Debts/ Receivables	10-Aug-25	CARE A Stable	Standard
Bank of Maharashtra II	Term Loan	5000	5000	4333	115% Book Debts/ Receivables	01-Sep-26	CARE A Stable	Standard
Indian Bank	Term Loan	7500	7500	6373	110% Book Debts/ Receivables	28-Sep-27	CARE A Stable	Standard
Bandhan Bank	Term Loan	7000	7000	5091	110% Book Debts/ Receivables	01-Jul-25	CARE A Stable	Standard
Karur Vyasya Bank	Term Loan	2500	2500	2344	110% Book Debts/ Receivables	27-Mar-27	CARE A Stable	Standard
DBS Bank II	Term Loan	3000	3000	2727	110% Book Debts/ Receivables	31-Dec-25	CARE A Stable	Standard
AU Small Finance V	Term Loan	3000	3000	2583	110% Book Debts/ Receivables	18-Jan-26	CARE A Stable	Standard
Utkarsh Small Finance Bank III	Term Loan	2200	2200	1956	110% Book Debts/ Receivables	25-Feb-26	CARE A Stable	Standard
Ujjivan Small Finance Bank-IV	Term Loan	2500	2500	2222	110% Book Debts/ Receivables	28-Feb-26	CARE A Stable	Standard
HDFC Bank IX	Term Loan	2500	2500	2413	110% Book Debts/ Receivables	07-Apr-27	CARE A Stable	Standard
Woori Bank III	Term Loan	3000	3000	2750	110% Book Debts/ Receivabl	27-Mar-26	CARE A Stable	Standard

					es			
Dhanalaxmi Bank III	Term Loan	1250	1250	1250	110% Book Debts/ Receivables	31-Mar-26	CARE A Stable	Standard
Federal Bank TL - IV	Term Loan	4000	4000	4000	110% Book Debts/ Receivables	30-Jun-27	CARE A Stable	Standard
Nabkisan Finance Limited II	Term Loan	3500	3500	2042	110% Book Debts/ Receivables	01-Feb-25	CARE A Stable	Standard
Mudra	Term Loan	2500	2500	1350	110% Book Debts/ Receivables	01-Dec-24	CARE A Stable	Standard
Sundaram Finance Limited -8	Term Loan	2500	2500	1540	115% Book Debts/ Receivables	22-Mar-25	CARE CARE A Stable A	Standard
Bajaj Finance Ltd	Term Loan	3500	3500	2819	110% Book Debts/ Receivables	27-Oct-25	CARE A Stable	Standard
Mahindra & Mahindra Finance	Term Loan	4000	4000	3213	110% Book Debts/ Receivables	27-Oct-25	CARE A Stable	Standard
Aditya Birla	Term Loan	2500	2500	2213	110% Book Debts/ Receivables	30-Jan-26	CARE A Stable	Standard
Mudra II	Term Loan	5000	5000	4545	110% Book Debts/ Receivables	10-Oct-25	CARE A Stable	Standard
Sundaram Finance	Term Loan	2500	2500	2314	115% Book Debts/ Receivables	22-Mar-25	CARE A Stable	Standard
STCI Finance Limited	Term Loan	2500	2500	2344	110% Book Debts/ Receivables	28-Mar-27	CARE A Stable	Standard
MAS Financial Limited	Term Loan	2000	2000	1833	110% Book Debts/ Receivables	25-Mar-26	CARE A Stable	Standard
Total		**2,37,970.00**	**2,28,574.00**	**1,60,206.00**				

(b) **Details of Outstanding Unsecured Loan Facilities as on the preceding quarter (as on 30th June 2024)**:

NIL

(c) **Details of Outstanding Non-Convertible Securities as on the preceding quarter (as on 30th June 2024:**

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	37500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	37500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	225000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	75000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	A37500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	37500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBOR	INE859C08111	24 months	10.6	75000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
DINATED, NON-CONVERTIBLE DEBENTURES									
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	75000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	337500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	75000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECUR	INE859C08111	24 mon	10.6	37500	27.03.2023	27.03.2025	CARE A	UNSECURE	-

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
ED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES		ths					Stable	D	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	112500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	487500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-	INE859C08111	24 months	10.6	300000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
CONVERTIBLE DEBENTURES									
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	37500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	112500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	37500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED,	INE859C08111	24 months	10.6	412500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES									
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	225000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	75000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE	INE859C08111	24 months	10.6	412500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
DEBENTURES									
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	412500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	1687500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	825000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE,	INE859C08111	24 months	10.6	187500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
BLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES									
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	2625000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	2625000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	12750000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	2625000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	2362500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	13275000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBOR	INE859C08111	24 months	10.6	2512500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
DINATED, NON-CONVERTIBLE DEBENTURES									
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	48750000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	450000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	2400000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECUR	INE859C08111	24 mon	10.6	9075000	27.03.2023	27.03.2025	CARE A	UNSECURE	-

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
ED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES		ths					Stable	D	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	10462500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	1912500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-	INE859C08111	24 months	10.6	900000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
CONVERTIBLE DEBENTURES									
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	1125000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	1125000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	300000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED,	INE859C08111	24 months	10.6	450000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES									
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	2325000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	19125000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE	INE859C08111	24 months	10.6	2250000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
DEBENTURES									
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	6150000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	375000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	262500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	112500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
BLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES									
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	187500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	6262500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	37500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	37500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	24750000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	75000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBOR	INE859C08111	24 months	10.6	1012500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
DINATED, NON-CONVERTIBLE DEBENTURES									
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	487500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	637500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	675000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECUR	INE859C08111	24 mon	10.6	487500	27.03.2023	27.03.2025	CARE A	UNSECURE	-

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
ED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES		ths					Stable	D	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	1087500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	637500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	600000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-									

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
CONVERTIBLE DEBENTURES									
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	5700000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	1125000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	2700000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED,	INE859C08111	24 months	10.6	562500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES									
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	412500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	525000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE	INE859C08111	24 months	10.6	750000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
DEBENTURES									
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	675000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	600000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	75000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMA	INE859C08111	24 months	10.6	675000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
BLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES									
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	675000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	450000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	2062500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	750000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	675000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	112500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBOR	INE859C08111	24 months	10.6	5212500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
DINATED, NON-CONVERTIBLE DEBENTURES									
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	600000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	937500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	1050000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECUR	INE859C08111	24 mon	10.6	675000	27.03.2023	27.03.2025	CARE A	UNSECURE	-

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
ED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES		ths					Stable	D	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	1800000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	337500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-	INE859C08111	24 months	10.6	337500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
CONVERTIBLE DEBENTURES									
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	637500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	637500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	487500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED,	INE859C08111	24 months	10.6	712500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES									
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	225000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	150000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE	INE859C08111	24 months	10.6	1200000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
DEBENTURES									
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	562500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	2700000	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	862500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMA	INE859C08111	24 months	10.6	37500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
BLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES									
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	37500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	39487500	27.03.2023	27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	37500		27.03.2025	CARE A Stable	UNSECURED	-

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	150000		27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	37500		27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	75000		27.03.2025	CARE A Stable	UNSECURED	-
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBOR	INE859C08111	24 months	10.6			27.03.2025	CARE A Stable	UNSECURED	-

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
DINATED, NON-CONVERTIBLE DEBENTURES									
13.25% Rated, Subordinated, Unsecured, Unlisted, Taxable, Transferable, Redeemable Non Convertible Debentures	INE859C08079	5.5 years	13.25	1000000	18.01.2021	20.07.2026	CARE A Stable	UNSECURED	-
13.25% Rated, Subordinated, Unsecured, Unlisted, Taxable, Transferable, Redeemable Non Convertible Debentures	INE859C08079	5.5 years	13.25	6000000	18.01.2021	20.07.2026	CARE A Stable	UNSECURED	-
13.25% Rated, Subordinated, Unsecured, Unlisted, Taxable, Transferable, Redeemable Non Convertible Debentures	INE859C08079	5.5 years	13.25	100000	18.01.2021	20.07.2026	CARE A Stable	UNSECURED	-
13.25% Rated, Subordinated, Unsecured,	INE859C08079	5.5 years	13.25	242900000	18.01.2021	20.07.2026	CARE A Stable	UNSECURED	-

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
Unlisted, Taxable, Transferable, Redeemable Non Convertible Debentures									
13.20%(Floating) Unsecured, Rated, Listed, Redeemable, Subordinated, Tier-II Non-convertible Debentures	INE859C08103	5.5 years	13.85	1400000000	28.10.2023	28.04.2028	CARE A Stable	UNSECURED	-
9.75% SECURED, LISTED, RATED, UNSUBORDINATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES	INE859C07154	24 months	9.75	1062500	11.08.2023	11.08.2025	CARE A Stable	SECURED	TRADE RECEIVABLES
9.75% SECURED, LISTED, RATED, UNSUBORDINATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES	INE859C07154	24 months	9.75	12500000	11.08.2023	11.08.2025	CARE A Stable	SECURED	TRADE RECEIVABLES

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
9.75% SECURED, LISTED, RATED, UNSUBORDINATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES	INE859C07154	24 months	9.75	1562500	11.08.2023	11.08.2025	CARE A Stable	SECURED	TRADE RECEIVABLES
9.75% SECURED, LISTED, RATED, UNSUBORDINATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES	INE859C07154	24 months	9.75	82375000	11.08.2023	11.08.2025	CARE A Stable	SECURED	TRADE RECEIVABLES
9.75% SECURED, LISTED, RATED, UNSUBORDINATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES	INE859C07154	24 months	9.75	71437500	11.08.2023	11.08.2025	CARE A Stable	SECURED	TRADE RECEIVABLES
9.75% SECURED, LISTED, RATED, UNSUBOR	INE859C07154	24 months	9.75	93750000	11.08.2023	11.08.2025	CARE A Stable	SECURED	TRADE RECEIVABLES

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
DINATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES									
9.75% SECURED, LISTED, RATED, UNSUBORDINATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES	INE859C07154	24 months	9.75	6250000	11.08.2023	11.08.2025	CARE A Stable	SECURED	TRADE RECEIVABLES
9.75% SECURED, LISTED, RATED, UNSUBORDINATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES	INE859C07154	24 months	9.75	1562500	11.08.2023	11.08.2025	CARE A Stable	SECURED	TRADE RECEIVABLES
9.75% SECURED, LISTED, RATED, UNSUBORDINATED, REDEEMABLE, TRANSFERABLE,	INE859C07154	24 months	9.75	1625000	11.08.2023	11.08.2025	CARE A Stable	SECURED	TRADE RECEIVABLES

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
NON-CONVERTIBLE DEBENTURES									
9.75% SECURED, LISTED, RATED, UNSUBORDINATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES	INE859C07154	24 months	9.75	1750000	11.08.2023	11.08.2025	CARE A Stable	SECURED	TRADE RECEIVABLES
9.75% SECURED, LISTED, RATED, UNSUBORDINATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES	INE859C07154	24 months	9.75	312500	11.08.2023	11.08.2025	CARE A Stable	SECURED	TRADE RECEIVABLES
9.75% SECURED, LISTED, RATED, UNSUBORDINATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES	INE859C07154	24 months	9.75	1731250 0	11.08.2023	11.08.2025	CARE A Stable	SECURED	TRADE RECEIVABLES

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
9.75% SECURED, LISTED, RATED, UNSUBORDINATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES	INE859C07154	24 months	9.75	375000	11.08.2023	11.08.2025	CARE A Stable	SECURED	TRADE RECEIVABLES
9.75% SECURED, LISTED, RATED, UNSUBORDINATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES	INE859C07154	24 months	9.75	1250000	11.08.2023	11.08.2025	CARE A Stable	SECURED	TRADE RECEIVABLES
9.75% SECURED, LISTED, RATED, UNSUBORDINATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES	INE859C07154	24 months	9.75	1062500	11.08.2023	11.08.2025	CARE A Stable	SECURED	TRADE RECEIVABLES
9.75% SECURED, LISTED, RATED, UNSUBOR	INE859C07154	24 months	9.75	562500	11.08.2023	11.08.2025	CARE A Stable	SECURED	TRADE RECEIVABLES

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
DINATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES									
9.75% SECURED, LISTED, RATED, UNSUBORDINATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES	INE859C07154	24 months	9.75	1125000	11.08.2023	11.08.2025	CARE A Stable	SECURED	TRADE RECEIVABLES
9.75% SECURED, LISTED, RATED, UNSUBORDINATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES	INE859C07154	24 months	9.75	1625000	11.08.2023	11.08.2025	CARE A Stable	SECURED	TRADE RECEIVABLES
9.75% SECURED, LISTED, RATED, UNSUBORDINATED, REDEEMABLE, TRANSFERABLE,	INE859C07154	24 months	9.75	312500000	11.08.2023	11.08.2025	CARE A Stable	SECURED	TRADE RECEIVABLES

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
NON-CONVERTIBLE DEBENTURES									
9.75% SECURED, LISTED, RATED, UNSUBORDINATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES	INE859C07154	24 months	9.75	11875000	11.08.2023	11.08.2025	CARE A Stable	SECURED	TRADE RECEIVABLES
9.75% SECURED, LISTED, RATED, UNSUBORDINATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES	INE859C07154	24 months	9.75	3125000	11.08.2023	11.08.2025	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	183334	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95%	INE859	36	9.95	91667	27.03	27.03.	CARE	SECU	TRADE

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	C07162	months			.2024	2027	A Stable	RED	RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	91667	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	1100004	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMA	INE859C07162	36 months	9.95	229167500	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
BLE NONCONVERTIBLE DEBENTURES									
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	123750450	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	2750010	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	458335	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBOR	INE859C07162	36 months	9.95	366668	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
DINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES									
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	61416890	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	183334	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONV	INE859C07162	36 months	9.95	458335	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
ERTIBLE DEBENTURES									
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	6050022	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	2841677	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	550002	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED	INE859C07162	36 months	9.95	366668	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES									
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	733336	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	733336	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTU	INE859C07162	36 months	9.95	458335	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
RES									
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	2016674	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	1833340	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	733336	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFE	INE859C07162	36 months	9.95	2200008	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
RABLE REDEEMABLE NONCONVERTIBLE DEBENTURES									
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	275001	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	183334	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	91667	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95%	INE859	36	9.95	91667	27.03	27.03.	CARE	SECU	TRADE

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	C07162	months			.2024	2027	A Stable	RED	RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	183334	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	91667	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMA	INE859C07162	36 months	9.95	1375005	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
BLE NONCONVERTIBLE DEBENTURES									
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	183334	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	183334	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	293344	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBOR	INE859C07162	36 months	9.95	458335	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
DINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES									
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	1375005	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	275001	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONV	INE859C07162	36 months	9.95	275001	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
ERTIBLE DEBENTURES									
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	366668	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	91667	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	91667	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED	INE859C07162	36 months	9.95	91667	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES									
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	91667	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	550002	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTU	INE859C07162	36 months	9.95	366668	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
RES									
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	458335	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	183334	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	91667	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFE	INE859C07162	36 months	9.95	825003	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
RABLE REDEEMABLE NONCONVERTIBLE DEBENTURES									
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	3208345	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	183334	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	275001	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95%	INE859	36	9.95	18333	27.03	27.03.	CARE	SECU	TRADE

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	C07162	months		4	.2024	2027	A Stable	RED	RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	183334	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	275001	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMA	INE859C07162	36 months	9.95	91667	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
BLE NONCONVERTIBLE DEBENTURES									
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	91667	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	183334	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	183334	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBOR	INE859C07162	36 months	9.95	183334	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
DINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES									
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	183334	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	91667	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONV	INE859C07162	36 months	9.95	275001	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
ERTIBLE DEBENTURES									
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	183334	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	275001	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES	INE859C07162	36 months	9.95	366668	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES
9.95% RATED UNSUBORDINATED SECURED	INE859C07162	36 months	9.95	220008	27.03.2024	27.03.2027	CARE A Stable	SECURED	TRADE RECEIVABLES

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
LISTED TRANSFERABLE REDEEMABLE NONCONVERTIBLE DEBENTURES									

(d) **Details of Outstanding commercial papers as on the preceding quarter (as on June 30, 2024)**:

Nil

5.17 List of top 10 holders of non-convertible securities in terms of value as on the preceding quarter (as on 30th June 2024) (in cumulative basis)

Sr. No.	Name of holder	Category of holder	Face value of holding	% of total non-convertible security outstanding
1	PIRAMAL STRUCTURED CREDIT OPPORTUNITIES FUND	TRUSTS - DOMESTIC COMPANIES	10000000	49.33920705
2	Kotak Mahindra Investments Limited	CORPORATE BODIES - DOMESTIC COMPANIES	100000	13.21585903
3	NORTHERN ARC CAPITAL LIMITED	CORPORATE BODIES - DOMESTIC COMPANIES	100000	8.560352423
4	NEO WEALTH MANAGEMENT PRIVATE LIMITED	CLEARING MEMBER - DOMESTIC COMPANIES	100000	7.651982379
5	KOGTA FINANCIAL INDIA LTD	CORPORATE BODIES - DOMESTIC COMPANIES	100000	3.964757709
6	NAVAL GROUP INSURANCE FUND	TRUSTS - DOMESTIC COMPANIES	100000	2.863436123

7	NORTHERN ARC CAPITAL LIMITED	CORPORATE BODIES - DOMESTIC COMPANIES	100000	2.416299559
8	UNIFI AIF	ALTERNATE INVESTMENT FUND - DOMESTIC COMPANIES	100000	2.306167401
9	PROFECTUS CAPITAL PRIVATE LIMITED	CORPORATE BODIES - DOMESTIC COMPANIES	100000	1.453744493
10	PRAKASH COTTON MILLS PRIVATE LIMITED	CORPORATE BODIES - DOMESTIC COMPANIES	100000	0.614537445

5.18 List of top 10 holders of commercial papers in terms of value as on the preceding quarter (as on 30th June 2024) (in cumulative basis):

NA

5.19 Details of the bank fund based facilities/ rest of the borrowing (if any, including hybrid debt like Foreign Currency Convertible Bonds (FCCB), Optionally Convertible Debentures/ Preference Shares) from financial institutions or financial creditors:

Nil

Name of Party (in case of facility) / Name of Instrument	Type of facility / Instrument	Amount sanctioned / issued	Principal Amount outstanding	Date of Repayment / Schedule	Credit Rating	Secured /Unsecured	Security

NA

5.20 The amount of corporate guarantee or letter of comfort issued by the issuer along with name of the counterparty (like name of the subsidiary, joint venture entity, group company, etc.) on behalf of whom it has been issued, contingent liability including debt service reserve account guarantees/ any put option etc.

NIL

5.21 Details of any outstanding borrowing taken / debt securities issued for consideration other than cash. This information shall be disclosed whether such borrowing / debt securities have been taken / issued: (i) in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option or not:

Not Applicable

5.22 Details of all defaults and/or delay in payments of interest and principal of any kind of term loans, debt securities, commercial paper (including technical delay) and other financial indebtedness including corporate guarantee or letters of comfort

issued by the Company, in the preceding 3 (three) years, including the current financial year:

Not Applicable

5.23 Where the Issuer is a non-banking finance company or housing finance company, the following disclosures on Asset Liability Management (ALM) shall be provided for the latest audited financials:

As set out in **Annexure VIII** hereinbelow.

5.20 Financial Information

(a) **The audited financial statements (i.e. profit and loss statement, balance sheet and cash flow statement) both on a standalone and consolidated basis for a period of three completed years, which shall not be more than six months old from the date of the issue document or issue opening date, as applicable. Such financial statements shall be audited and certified by the statutory auditor(s) who holds a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India ("ICAI").**

(Amount in Crores)

Parameters	FY 2023-24		FY 2022-23		FY 2021-22		FY 2020-21	
	Audited		Audited		Audited		Audited	
	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated
Balance sheet								
Net Fixed Assets	8.14		7.49	9.85	5.39	6.53	4.42	5.79
Current Assets	1357.40		1253.31	1333.07	715.26	787.96	755.88	790.91
Non-Current Assets	2310.54		1503.49	2000.99	997.60	1279.60	864.75	1017.61
Total Assets	3676.10		2764.30	3343.90	1718.25	2074.09	1625.05	1814.30
Non-Current Liabilities (including maturities of long-term borrowings);	1509.58		1067.08	1414.14	595.88	838.77	512.49	649.47
Financial (borrowings, trade payables, and	0		0		0.00	0.00	0.00	0.00
other financial liabilities);			4.69	2.80	2.21	2.30	2.83	2.93
Provisions;			1.84	2.35	2.74	3.14	2.48	2.76
Deferred tax liabilities			0.00	2.76	0.00	1.65	0.27	1.17

(net);								
Other non-current liabilities			0.00	0.00	0.00	0.00	0.00	0.00
Current Liabilities								
(including maturities of long-term borrowings and short-term borrowings);			969.72	1146.54	710.64	780.73	741.81	763.99
Financial (borrowings, trade payables, and other financial liabilities);			26.41	38.65	18.09	29.39	23.87	33.14
Provisions;			0.00	0.27	0.32	0.32	0.27	0.27
Current tax liabilities(net)			0.00	0.00	0.00	0.00	0.00	0.72
Other current liabilities			2.06	4.52	0.99	1.57	1.12	1.49
Total liabilities			2071.80	2612.03	1330.88	1657.87	1285.15	1455.94
Equity (equity and other equity)			692.50	731.88	387.37	416.22	339.90	358.36
Total equity and liabilities			2764.30	3343.90	1718.25	2074.09	1625.05	1814.30
Profit & Loss statement								
Total revenue from operations			286.42	374.44	220.60	269.62	204.07	237.52
Other income			0.18	4.01	0.63	2.08	0.16	0.57
Total Expenses			219.29	295.96	166.95	203.31	160.03	184.98
Total comprehensive income			286.60	378.45	221.23	298.70	204.23	238.09
Profit / loss			67.31	82.48	54.28	95.39	44.20	53.11
Other Comprehe			0.10	0.68	0.08	0.10	0.10	0.12

nsive income								
Profit / loss after tax			50.10	62.20	40.39	51.23	32.01	38.02
Earnings per equity share:				0.00				
(a) basic; and			7.74	11.46	7.80	9.89	6.35	7.54
(b) diluted			7.74	11.45	7.80	9.89	6.34	7.53
Continuing Operations			50.10	62.20	40.39	51.23	32.01	38.02
Discontinued operations			0	0.00	0.00	0.00	0.00	0.00
Total Continuing and discontinued operations			50.10	62.20	40.39	51.23	32.01	38.02
Net cash generated from operating activities			-555.25	-810.26	(188.49)	(320.85)	(194.85)	(252.49)
Net cash used in / generated from investing Activities			-246.29	-214.69	(19.48)	(2.58)	(0.59)	(0.87)
Net cash used in financing activities			998.16	1206.48	123.82	275.35	288.51	365.81
Cash and Cash Equivalents			196.62	181.53	(84.16)	(48.08)	93.08	112.45
Balance as per statement of cash flows			230.39	278.17	33.77	96.64	117.93	144.74
Net worth			692.50	731.88	387.37	416.22	339.90	358.36
Cash and Cash Equivalents			230.39	278.17	33.77	96.64	117.93	144.74

Current Investments			0	212.48	0.00	0.00	0.00	0.00
Assets Under Management			2451.86	3132.00	1742.27	2143.53	1489.27	1742.48
Net sales			276.73	365.53	217.57	261.46	204.07	232.01
EBITDA			223.98	278.08	173.52	206.47	161.83	183.70
EBIT			221.33	274.66	172.23	204.56	160.39	181.77
Dividend amounts			0	0	0.00	0.00	0.00	0.00
Long term debt to working capital			4.09	5.33	1.82	2.51	1.94	2.44
Current Liability ratio – Current liabilities / Non – current liabilities			48:52	46:54	55:45	49:51	60:40	55:45
Total Debts to Total assets			73.68%	76.58%	76.33%	78.08%	77.51%	77.91%
Debt Service Coverage Ratios			2.26	N.A.	1.99	N.A.	1.52	N.A.
Interest Income			279.31	365.53	218.99	263.01	202.96	234.23
Interest Expense			146.11	192.18	112.13	129.88	111.19	123.33
Interest service coverage ratio			1.45	N.A.	1.48	N.A.	1.40	N.A.
Provisioning & Write-offs			5.40	6.28	5.12	5.13	6.47	7.82
Bad debts to Account receivable ratio			2.83%	2.42%	2.72%	2.41%	2.98%	2.74%
Gross NPA (%)			2.83%	2.42%	2.72%	2.41%	2.98%	2.74%
Net NPA (%)			2.28%	1.90%	1.84%	1.60%	2.19%	1.98%

Tier I Capital Adequacy Ratio (%)			26.25%	N.A.	21.48%	N.A.	21.50%	N.A.
Tier II Capital Adequacy Ratio (%)			6.77%	N.A.	2.75%	N.A.	2.17%	N.A.
Interest service coverage ratio			1.45	N.A.	1.48	N.A.	1.40	N.A.

(b) **However, if the issuer being a listed REIT/listed InvIT has been in existence for a period less than three completed years and historical financial statements of such REIT/InvIT are not available for some portion or the entire portion of the reporting period of three years and interim period, then the combined financial statements need to be disclosed for the periods when such historical financial statements are not available.**

Not Applicable

Provided that, issuers whose non-convertible securities are listed as on the date of filing of the offer document or placement memorandum, may provide only a web-link and a static quick response code of the audited financial statements in the offer document or placement memorandum subject to the following conditions:

i. **Such listed issuers shall disclose a comparative key operational and financial parameter on a standalone and consolidated basis, certified by the statutory auditor(s) who holds a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India, for the last three completed years in the offer document.**
ii. **The scanning of such static quick response code or clicking on the weblink, shall display the audited financial statements for last three financial years of such issuer on the website of the stock exchange where such data is hosted.**

(c) **Listed issuers (whose debt securities or specified securities are listed on recognised stock exchange(s)) in compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, may disclose unaudited financial information for the stub period in the format as prescribed therein with limited review report in the General Information Document, as filed with the stock exchanges, instead of audited financial statements for stub period, subject to making necessary disclosures in this regard in General Information Document including risk factors.**

Please refer to **Annexure I** for the financial statements for the financial year ending March 31, 2024, March 31, 2023 and March 31, 2022 and limited review for a period ending 30th June 2024

(d) **Issuers other than unlisted REITs / unlisted InvITs desirous of issuing debt securities on private placement basis and who are in existence for less than three years may disclose financial statements mentioned at (a) above for such period of existence, subject to the following conditions:**

(i) The issue is made on the EBP platform irrespective of the issue size; and

(ii) The issue is open for subscription only to Qualified Institutional Buyers.

Not Applicable as the Issuer has been in existence for a period of more that 3 (three) years prior to the date of this General Information Document.

5.21 Any material event/ development or change having implications on the financials/ credit quality (e.g. any material regulatory proceedings against the Issuer/ promoters, tax litigations resulting in material liabilities, corporate restructuring event etc.) at the time of Issue which may affect the Issue or the investor's decision to invest / continue to invest in the non-convertible securities / commercial papers.

The Issuer hereby declares that there has been no material event, development or change on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, tax litigations resulting in material liabilities, corporate restructuring event etc.) at the time of issue, which may affect the Issue or the Investor's decision to invest/ continue to invest in the debt securities of the Issuer.

5.22 Any litigation or legal action pending or taken by a Government Department or a statutory body or a regulatory body during the last three years immediately preceding the year of the issue of prospectus against the promoter of the Company;

Nil

5.23 Details of default and non-payment of statutory dues for the preceding three financial years and current financial year

Nil

5.24 Details of pending litigation involving the issuer, promoter, director, subsidiaries, group companies or any other person, whose outcome could have material adverse effect on the financial position of the issuer, which may affect the issue or the investor's decision to invest / continue to invest in the debt securities and/or non-convertible redeemable preference shares. – Nil

5.25 Details of acts of material frauds committed against the Company in the preceding 3 (three) financial years and current financial year, if any, and if so, the action taken by the Company

Nil

5.26 Details of pending proceedings initiated against the Company for economic offences, if any

Nil

5.27 Consent of directors, auditors, bankers to issue, trustees, solicitors or advocates to the issue, legal advisors to the issue, lead managers to the issue, Registrar to the Issue, and lenders (if required, as per the terms of the agreement) and experts.

This has been procured to the extent applicable.

5.28 The name(s) of the debentures trustee(s) shall be mentioned with statement to the effect that debenture trustee(s) has given its consent for appointment along with copy of the consent letter from the debenture trustee.

As specified in the relevant Key Information Document.

5.29 Details of credit rating along with reference to the rating letter issued (not older than one month on the date of opening of the issue) by the rating agencies in relation to the issue shall be disclosed. The detailed press release of the Credit Rating

Agencies along with rating rationale(s) adopted (not older than one year on the date of opening of the issue) shall also be disclosed.

As specified in the relevant Key Information Document.

5.30 If the security is backed by a guarantee or letter of comfort or any other document / letter with similar intent, a copy of the same shall be disclosed. In case such document does not contain detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the General Information Document.

As specified in the relevant Key Information Document.

5.31 Disclosure of Cash flow with date of interest/dividend/ redemption payment as per day count convention

(a) ***The day count convention for dates on which the payments in relation to the non-convertible securities which need to be made:***

Coupon and all other charges shall accrue based on actual/actual day count convention in accordance with Chapter III (*Day count convention, disclosure of cash flows and other disclosures in the offer document*) of the SEBI circular no. SEBI/HO/DDHS/PoD1/P/CIR/ 2024/54 dated May 22, 2024 on "*Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper*", as may be amended and modified from time to time;

(b) ***Procedure and time schedule for allotment and issue of securities:***

Please refer to the column on "*Issue Timing*" under Section 5.34 (*Issue Details*) of this General Information Document.

(c) ***Cash flows emanating from the non-convertible securities shall be mentioned in the General Information Document, by way of an illustration:***

The cashflows emanating from the Non-Convertible Securities, by way of an illustration, are set out in the respective Key Information Document.

5.32 Name(s) of the stock exchange(s) where the non-convertible securities are proposed to be listed and the details of their in-principle approval for listing obtained from these stock exchange(s). If non-convertible securities are proposed to be listed on more than one stock exchange(s) then the issuer shall specify the designated stock exchange for the issue. The issuer shall specify the stock exchange where the recovery expense fund is being/has been created as specified by the Board:

The Non-Convertible Securities are proposed to be listed on the WDM segment of the BSE . The Issuer shall comply with the requirements of the listing agreement for debt securities to the extent applicable to it on a continuous basis.

The Issuer has obtained the in-principle approval for the listing of the Non-Convertible Securities from BSE and the same is annexed in **Annexure VII** hereto. The Issuer shall also be creating the recovery expense fund prescribed as per the SEBI Debenture Trustees Circular and relevant applicable SEBI regulations with BSE

The Non-Convertible Securities are not proposed to be listed on more than one stock exchange.

5.33 Other details:

(a) **Creation of Debenture Redemption Reserve** ("**DRR**") – **relevant legislations and applicability:**

(i) The Company hereby agrees and undertakes that, if required under Applicable Law, it will create a debenture redemption reserve ("**DRR**") in accordance with the provisions of the Act (and the rules and regulations made thereunder) and the guidelines issued by the relevant Governmental Authorities.

(ii) If any guidelines are formulated (or modified or revised) by any Governmental Authority in respect of creation of the DRR prior to the Final Settlement Date, then the Company shall comply with such guidelines and shall do all deeds, acts and things as may be required by the Debenture Trustee in respect of the creation and maintenance of the DRR.

(iii) Where applicable, the Company shall submit to the Debenture Trustee a certificate duly certified by a chartered accountant certifying that the Company has transferred the required amount to the DRR at the end of each Financial Year.

(iv) In addition to the above, to the extent required by Applicable Law, the Company shall, in any Financial Year, in respect of any amounts of the Non-Convertible Securities maturing in such Financial Year, invest or deposit amounts up to such thresholds as may be prescribed by Applicable Law and in such form and manner as prescribed therein and within the time periods prescribed therein.

(b) **Issue / instrument specific regulations - relevant details (Companies Act, Reserve Bank of India guidelines etc.):**

i. The Debentures are governed by and will be construed in accordance with the Indian Law. The Issuer, the Debentures and Issuer's obligations under the Debentures shall, at all times, be subject to the directions of the Reserve Bank of India (RBI), Securities & Exchange Board of India (SEBI), Stock Exchanges, Companies Act, 2013 and other applicable laws and regulations from time to time.

a) the Companies Act, 2013;
b) the Companies Act, 1956 (to the extent applicable and in force);
c) the Securities Contracts (Regulation) Act, 1956;
d) the Companies (Share Capital and Debentures) Rules, 2014;
e) the Companies (Prospectus and Allotment of Securities) Rules, 2014;
f) the Securities and Exchange Board of India Act, 1992;
g) the Depositories Act, 1996;
h) the NCS Listing Regulations, as amended from time to time;
i) the SEBI LODR Regulations, as amended from time to time;
j) the Master Circular for Debenture Trustees, as amended from time to time;
k) the Listed NCDs Master Circular, as amended from time to time;
l) the SEBI Merchant Banker Regulations, as amended from time to time;
m) the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as amended from time to time; and
n) all other relevant laws (including rules, regulations, clarifications, notifications, directives, circulars as may be issued by the Securities Exchange Board of India, the Reserve Bank of India and any statutory, regulatory, judicial, quasi-judicial authority).

Over and above, the said debentures shall be subject to the term and conditions as contained in the General Information Document/ Key Information Document, application form and the Debenture Trust Deed / Trustee Agreement.

ii. In the event the Issuer proposed to issue Debentures with face value of INR 10,000/- (Indian Rupees Ten Thousand Only), the Issuer shall appoint a Merchant Banker for the

issue for performing the role, responsibilities and obligations same as they would be in case of public issue of debt security or non- convertible redeemable preference share, as provided under **clause 1.3 of Chapter V** (*Denomination of issuance and trading of Non-convertible Securities*) of the Listed NCDs Master Circular,

> "*Issuer may issue debt security or non-convertible redeemable preference share on private placement basis at a face value of Rs. Ten Thousand;*
>
> *(i) Subject to the following conditions:*
>
> *a) The issuer shall appoint at least one Merchant Banker. Provided that the role, responsibilities and obligations of the Merchant Banker(s) shall be same as they would be in case of public issue of debt security or non-convertible redeemable preference share.*
>
> *b) Such debt security or non-convertible redeemable preference share shall be interest/ dividend bearing security paying coupon/ dividend at regular intervals with a fixed maturity without any structured obligations….*"

(c) **Default in payment**:

Please refer to the terms and conditions of the Non-Convertible Securities set out in Section 5.34 (Issue Details) of this General Information Document.

As specified in the relevant Key Information Document.

(d) **Delay in listing:**

In accordance with the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time, read together with the requirements in respect of the timelines for listing of debt securities issued on a private placement basis prescribed in Chapter VII (*Standardization of timelines for listing of securities issued on a private placement basis*) of the SEBI circular no. SEBI/HO/DDHS/PoD1/P/CIR/2024/54 dated May 22, 2024 on "*Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper*" (as amended and modified from time to time), the Issuer confirms that in the event there is any delay in listing a of the Non-Convertible Securities beyond (T+3) working days, wherein "**T**" shall be referred to the issue closing date, the Company will (i) pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Interest Rate, from the date of allotment of the Non-Convertible Securities until the listing of the Non-Convertible Securities is completed; and (ii) be permitted to utilise the issue proceeds of its 2 (two) subsequent privately placed issuances of securities only after receiving final listing approval from the stock exchange(s).

(e) **Delay in allotment of securities**:

(i) The Issuer shall ensure that the Non-Convertible Securities are allotted to the respective Debenture Holders and are credited into the demat accounts of the relevant Debenture Holders within the timelines prescribed under the SEBI Listing Timelines Requirements.

(ii) If the Issuer fails to allot the Non-Convertible Securities to the Applicants within 60 (sixty) calendar days from the date of receipt of the Application Monies ("**Allotment Period**"), it shall repay the Application Monies to the Applicants within 15 (fifteen) calendar days from the expiry of the Allotment Period ("**Repayment Period**").

(iii) If the Issuer fails to repay the Application Monies within the Repayment Period, then Issuer shall be liable to repay the Application Monies along with interest at the applicable Interest Rate or 12% (twelve percent) per annum, whichever is higher,

from the expiry of the Allotment Period.

(f) **Issue details**:

Please refer to Section 5.34 (*Issue Details*) of this General Information Document

(g) **Application process:**

The application process for the Issue is as provided in Section 8 of this General Information Document.

(h) **Disclosure prescribed under PAS-4 of Companies (Prospectus and Allotment of Securities), Rules, 2014 but not contained in this schedule, if any:**

All disclosures under Form No. PAS-4 of Companies (Prospectus and Allotment of Securities), Rules, 2014 have been set out in Section 10.

(i) **Project details: gestation period of the project; extent of progress made in the project; deadlines for completion of the project; the summary of the project appraisal report (if any), schedule of implementation of the project:**

Not Applicable

5.34 The issue document shall include the following other matters and reports, namely:

(a) If the proceeds, or any part of the proceeds, of the issue of the debt securities/ non-convertible redeemable preference shares are or is to be applied directly or indirectly:

(1) in the purchase of any business; or

(2) in the purchase of an interest in any business and by reason of that purchase, or anything to be done in consequence thereof, or in connection therewith, the company shall become entitled to an interest in either the capital or profits and losses or both, in such business exceeding fifty per cent. thereof, a report made by a chartered accountant (who shall be named in the issue document) upon –

1. **the profits or losses of the business for each of the three financial years immediately preceding the date of the issue of the issue document; and**
2. **the assets and liabilities of the business as on the latest date to which the accounts of the business were made up, being a date not more than one hundred and twenty days before the date of the issue of the issue document.**

(b) In purchase or acquisition of any immoveable property including indirect acquisition of immoveable property for which advances have been paid to third parties, disclosures regarding:

(1) the names, addresses, descriptions and occupations of the vendors;

(2) the amount paid or payable in cash, to the vendor and where there is more than one vendor, or the company is a sub-purchaser, the amount so paid or payable to each vendor, specifying separately the amount, if any, paid or payable for goodwill;

(3) the nature of the title or interest in such property proposed to be acquired by the company; and

(4) the particulars of every transaction relating to the property completed within the two preceding years, in which any vendor of the property or any person who is or was at the time of the transaction, a promoter or a director or proposed director of the company, had any interest, direct or indirect, specifying the date of the transaction and the name of such promoter, director or proposed director and stating the amount payable by or to such vendor, promoter, director or proposed director in respect of the transaction:

Provided that if the number of vendors is more than five, then the disclosures as required above shall be on an aggregated basis, specifying the immoveable property being acquired on a contiguous basis with mention of the location/total area and the number of vendors from whom it is being acquired and the aggregate value being paid. Details of minimum amount, the maximum amount and the average amount paid/ payable should also be disclosed for each immovable property.

Provided that the disclosures specified in sub-clauses (i) to (iv) above shall be provided for the top five vendors on the basis of value viz. sale consideration payable to the vendors.

Provided further that for the remaining vendors, such details may be provided on an aggregated basis in the offer document, specifying number of vendors from whom it is being acquired and the aggregate value being paid; and the detailed disclosures as specified in sub-clauses (i) to (iv) above may be provided by way of static QR code and web link. If the issuer provides the said details in the form of a static QR code and web link, the same shall be provided to the debenture trustee as well and kept available for inspection as specified in clause (g) of paragraph 5.34 of this Section to this Key Information Document. A checklist item in the 'Security and Covenant Monitoring System' shall also be included for providing the detailed disclosures, as specified in sub-clauses (i) to (iv) above, to the debenture trustee and confirmation of the same by the debenture trustee.

(c) If:

(1) the proceeds, or any part of the proceeds, of the issue of the debt securities/non-convertible redeemable preference shares are or are to be applied directly or indirectly and in any manner resulting in the acquisition by the company of shares in any other body corporate; and

(2) by reason of that acquisition or anything to be done in consequence thereof or in connection therewith, that body corporate shall become a subsidiary of the company, a report shall be made by a Chartered Accountant (who shall be named in the issue document) upon –

1. **the profits or losses of the other body corporate for each of the three financial years immediately preceding the issue of the issue document; and**
2. **the assets and liabilities of the other body corporate as on the latest date to which its accounts were made up.**

(d) The said report shall:

(1) indicate how the profits or losses of the other body corporate dealt with by the report would, in respect of the shares to be acquired, have concerned members of the issuer company and what allowance would have been required to be made, in relation to assets and liabilities so dealt with for the

holders of the balance shares, if the issuer company had at all material times held the shares proposed to be acquired; and

(2) where the other body corporate has subsidiaries, deal with the profits or losses and the assets and liabilities of the body corporate and its subsidiaries in the manner as provided in paragraph (c) (ii) above.

(e) The broad lending and borrowing policy including summary of the key terms and conditions of the term loans such as re-scheduling, prepayment, penalty, default; and where such lending or borrowing is between the issuer and its subsidiaries or associates, matters relating to terms and conditions of the term loans including rescheduling, prepayment, penalty, default shall be disclosed.

(f) The aggregate number of securities of the issuer company and its subsidiary companies purchased or sold by the promoter group, and by the directors of the company which is a promoter of the issuer company, and by the directors of the issuer company and their relatives, within six months immediately preceding the date of filing the issue document with the Registrar of Companies, shall be disclosed.

NA

(g) The matters relating to:

(1) Material contracts:

S. No.	Nature of Contract
1.	Certified true copy of the Memorandum & Articles of Association of the Issuer.
2.	Resolution of the Management Committee of the Board dated 08th October 2024 authorizing the issue of Non-Convertible Securities offered under the terms of this General Information Document.
3.	Board Resolution authorizing the respective Tranche/Issuance of Debentures offered under the terms of this Key Information Document shall be as more particularly as set out in the relevant Key Information Document, from time to time.
4.	Shareholders Resolution dated 30th September 2024 authorizing the issue of non-convertible debentures by the Company.
5.	Copies of Annual Reports of the Company for the last three financial years.
6.	Credit rating letter from the Rating Agent, rating rationale from the Rating Agent along with detailed press release dated 07th October 2024 for the first issuance under this General Information Document. The credit rating for the subsequent Tranche / Issuances of the Non-Convertible Securities shall be as more particularly as set out in the relevant Key Information Document, as shall be issued from time to time.
7.	Letter from Debenture Trustee as more particularly as set out in the relevant Key Information Document, as shall be issued from time to time.
8.	Letter from the Registrar and Transfer Agent dated 09th October 2024 giving its consent to act as the Registrar and Transfer Agent, for the first issuance under this General Information Document. The consent letter from the Registrar and Transfer Agent for the subsequent Tranche / Issuances of the Debentures shall be as more particularly as set out in the relevant Key Information Document, as shall be issued from time to time.
9.	Letter from the Merchant Banker as more particularly as set out in the relevant Key Information Document, as shall be issued from time to time.
10.	Certified true copy of the certificate of incorporation of the Company.
11.	Certified true copy of the tripartite agreement between the Company, the Registrar & Transfer Agent and the NSDL/CDSL.

S. No.	Nature of Contract
12.	Copy of application made to BSE for grant of in-principle approval for listing of Non-Convertible Securities.
13.	Relevant Tranche/Issuance Debenture Trustee Agreement to be executed by the Issuer and the Debenture Trustee.
14.	Relevant Tranche/Issuance Debenture Trust Deed to be executed by the Issuer and the Debenture Trustee.
15.	Relevant Tranche/Issuance Deed of Hypothecation(s) to be executed by the Issuer and the Debenture Trustee.
16.	Any other document as deemed relevant and applicable.

(2) Time and place at which the contracts together with documents will be available for inspection from the date of issue document until the date of closing of subscription list.

The contracts and documents referred to hereunder are material to the Issue, may be inspected at the registered office of the Company between on 10.00 am to 4.00 pm on Business Days.

(h) Reference to the relevant page number of the audit report which sets out the details of the related party transactions entered during the three financial years immediately preceding the issue of issue document.

Detailed Financial statements forms part of this Document

(i) The summary of reservations or qualifications or adverse remarks of auditors in the three financial years immediately preceding the year of issue of issue document, and of their impact on the financial statements and financial position of the company, and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remarks.

Nil

(j) The details of: any inquiry, inspections or investigations initiated or conducted under the securities laws or Companies Act, 2013 (18 of 2013) or any previous companies law; prosecutions filed, if any (whether pending or not); and fines imposed or offences compounded, in the three years immediately preceding the year of issue of issue document in the case of the issuer being a company and all of its subsidiaries.

Nil

(k) The details of acts of material frauds committed against the issuer in the preceding three financial years and current financial year, if any, and actions taken by the issuer.

Nil

(l) Issue Details applicable for this first issuance of the Debentures under the General Information Document. The issue details of the subsequent issuance of the relevant Non-Convertible Securities shall be set out in the relevant Key Information Document that shall be issued from time to time.

(a) The Issuer shall submit all duly completed documents to the BSE and / or NSE, SEBI, ROC or any other Governmental Authority, as are required under Applicable Law and procure

permission for listing of the Non-Convertible Securities from the Stock Exchange within (T+3) working days, wherein "**T**" shall be referred to the issue closing date ("**Listing Period**") of the relevant Tranche / Issuance of Debentures.

(b) The Issuer shall ensure that the Non-Convertible Securities continue to be listed on the wholesale debt market segment of the BSE and / or NSE.

In the event there is any delay in listing of the Debentures beyond (T+3) working days, wherein "**T**" shall be referred to the issue closing date of the relevant issuance of the Debenture, the Issuer will pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Interest Rate, from the date of allotment of the Debentures until the listing of the Debentures is completed.

Security Name (*Name of the non-convertible securities which includes Coupon / dividend, Issuer Name and maturity year*)	As specified in the relevant Key Information Document.
Issuer	IKF Finance Limited
Type of Instrument	As specified in the relevant Key Information Document.
Nature of Instrument (Secured or Unsecured)	As specified in the relevant Key Information Document.
Seniority (Senior or subordinated)	As specified in the relevant Key Information Document.
Eligible Investors	As specified in the relevant Key Information Document.
Listing (name of stock Exchange(s) where it will be listed and timeline for listing)	As specified in the relevant Key Information Document.
Rating of Instrument	As specified in the relevant Key Information Document.
Minimum Subscription	As specified in the relevant Key Information Document.
Option to retain oversubscription (Amount)	As specified in the relevant Key Information Document.
Objects of the Issue / Purpose for which there is requirement of funds	As specified in the relevant Key Information Document.
In case the issuer is a NBFC and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the prescribed format:	As specified in the relevant Key Information Document.
Details of the utilization of the Proceeds	As specified in the relevant Key Information Document.
Coupon Rate	As specified in the relevant Key Information Document.
Step Up Coupon Rate	As specified in the relevant Key Information Document.
Coupon Payment Frequency	As specified in the relevant Key Information Document.

Coupon Payment Dates	As specified in the relevant Key Information Document.
Coupon Type (Fixed, floating or other structure)	As specified in the relevant Key Information Document.
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.)	As specified in the relevant Key Information Document.
Day Count Basis (Actual / Actual)	Actual / Actual. The Coupon (if any) shall be computed on the basis of actual number of days elapsed in a year, for this purpose a year shall comprise of a period of 365 (Three Hundred and Sixty-Five) days. In case of a leap year, if 29th February of the relevant leap year falls during the Tenor of the Non-Convertible Securities, then the number of days shall be reckoned as 366 (Three Hundred and Sixty-Six) days for the one-year period.
Interest on Application Monies	As specified in the relevant Key Information Document.
Default Interest Rate	As specified in the relevant Key Information Document.
Tenor	As specified in the relevant Key Information Document.
Redemption Date / Maturity Date	As specified in the relevant Key Information Document.
Redemption Amount	As specified in the relevant Key Information Document.
Redemption Premium/ Discount	As specified in the relevant Key Information Document.
Issue Price	As specified in the relevant Key Information Document.
Discount at which security is issued and the effective yield as a result of such discount	As specified in the relevant Key Information Document.
Premium / Discount at which security is redeemed and the effective yield as a result of such premium / discount	As specified in the relevant Key Information Document.
Put Date	As specified in the relevant Key Information Document.
Put Price	As specified in the relevant Key Information Document.
Call Date	As specified in the relevant Key Information Document.
Call Price	As specified in the relevant Key Information Document.
Put Notification Time (Timelines by which the investor need to intimate Issuer before exercising the put)	As specified in the relevant Key Information Document.

Call Notification Time (Timelines by which the Issuer need to intimate investor before exercising the call)	As specified in the relevant Key Information Document.
Face Value	As specified in the relevant Key Information Document.
Minimum Application and in multiples of thereafter	As specified in the relevant Key Information Document.
Issue Timing 1) Issue Opening Date 2) Issue Closing Date 3) Date of earliest closing of the Issue, if any 4) Pay-in Date 5) Deemed Date of Allotment	As specified in the relevant Key Information Document.
Settlement mode of the Instrument	As specified in the relevant Key Information Document.
Depositories	NSDL and CDSL
Disclosure of Interest / Dividend / Redemption Dates	As specified in the relevant Key Information Document.
Record Date	As specified in the relevant Key Information Document.
All covenants of the issue (including side letters, accelerated payment clause, etc.)	**Representations and Warranties** As shall be more particularly set out in the respective Key Information Document. **Affirmative Covenants** As shall be more particularly set out in the respective Key Information Document. **Negative Covenants** As shall be more particularly set out in the respective Key Information Document. **Reporting Covenants** As shall be more particularly set out in the respective Key Information Document. **Financial Covenants** As shall be more particularly set out in the respective Key Information Document.
Description regarding Security (where applicable) including type of security (movable / immovable / tangible etc.), type of charge (pledge / hypothecation / mortgage etc.), date of creation of security / likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to	As specified in the relevant Key Information Document.

the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the General Information Document.	
Transaction Documents	As specified in the relevant Key Information Document.
Conditions Precedent to Disbursement	As specified in the relevant Key Information Document.
Conditions Subsequent to Disbursement	As specified in the relevant Key Information Document.
Events of Default (including manner Of voting /conditions of joining Inter Creditor Agreement)	As shall be more particularly set out in the respective Key Information Document.
Creation of recovery expense fund	Details and purpose of the recovery expense fund (a) The Issuer shall create and maintain the Recovery Expense Fund up to the amounts prescribed under the SEBI Debenture Trustees Circular, in accordance with and within the timelines prescribed in the Chapter IV of the SEBI Debenture Trustees Circular. The Issuer proposing to list debt securities shall deposit an amount equal to 0.01% of the Tranche/Issuance issue size of the Secured Debentures subject to maximum of INR 25,00,000/- (Indian Rupees Twenty-Five Lakhs only) per issuer towards the recovery expense fund with the 'Designated Stock Exchange', pursuant to the SEBI Debenture Trustees Circular, as may be amended from time to time. (b) The Recovery Expense Fund shall be created to enable the Debenture Trustee to take prompt action in relation to the enforcement of the Security in accordance with the Transaction Documents. (c) The amounts in the Recovery Expense Fund shall be utilised in the manner as may be prescribed by the Debenture Holders by a Special Resolution duly passed at the meeting of the Debenture Holders held in accordance with the provisions set out in the Transaction Documents. (d) On the occurrence of an Event of Default, if the Security is proposed to be enforced, the Debenture Trustee shall follow the procedure set out in the SEBI Debenture Trustees Circular for utilisation of the Recovery Expense Fund.
Conditions for breach of covenants	As shall be more particularly set out in the

(as Specified in the relevant Tranche/Issuance Debenture Trust Deed)	respective Key Information Document.
Provisions related to Cross Default Clause	As specified in the relevant Key Information Document.
Role and Responsibilities of Debenture Trustee	The Debenture Trustee shall comply with all its roles and responsibilities as prescribed under Applicable Law and the Transaction Documents, including: (a) the Debenture Trustee may, in relation to the relevant Tranche/Issuance Debenture Trust Deed and other Transaction Documents, act on the opinion or advice of or any information obtained from any solicitor, counsel, advocate, valuer, surveyor, broker, auctioneer, qualified accountant or other expert whether obtained by the Issuer or by the Debenture Trustee or otherwise; (b) subject to the approval of the Debenture Holders by way of a Special Resolution passed at a meeting of the Debenture Holders held for determining the liability of the Debenture Trustee, the Debenture Trustee shall, as regards all trusts, powers, authorities and discretions, have the discretion as to the exercise thereof and to the mode and time of exercise thereof. In the absence of any fraud, gross negligence, willful misconduct or breach of trust the Debenture Trustee shall not be responsible for any loss, costs, charges, expenses or inconvenience that may result from the aforementioned exercise or non-exercise thereof. The Debenture Trustee shall not be bound to act at the request or direction of the Debenture Holders under any provisions of the Transaction Documents unless sufficient amounts shall have been provided or provision to the satisfaction of the Debenture Trustee has been made for providing such amounts and the Debenture Trustee is indemnified to its satisfaction against all further costs, charges, expenses and liability which may be incurred in complying with such request or direction; (c) with a view to facilitating any dealing under any provisions of the relevant Tranche/Issuance Debenture Trust Deed or the other Transaction Documents, subject to the Debenture Trustee obtaining the consent of the Majority Debenture Holders, the Debenture Trustee shall have (i) the power to

		consent (where such consent is required) to a specified transaction or class of transactions (with or without specifying additional conditions); and (ii) to determine all questions and doubts arising in relation to the interpretation or construction any of the provisions of the relevant Tranche/Issuance Debenture Trust Deed;
	(d)	the Debenture Trustee shall not be responsible for the amounts paid by the Applicants for the Debentures;
	(e)	the Debenture Trustee shall not be responsible for acting upon any resolution purporting to have been passed at any meeting of the Debenture Holders in respect whereof minutes have been made and signed even though it may subsequently be found that there was some defect in the constitution of the meeting or the passing of the resolution or that for any reason the resolution was not valid or binding upon the Debenture Holders;
	(f)	the Debenture Trustee and each receiver, attorney, manager, agent or other person appointed by it shall, subject to the provisions of the Act, be entitled to be indemnified by the Issuer in respect of all liabilities and expenses incurred by them in the execution or purported execution of the powers and trusts thereof;
	(g)	subject to the approval of the Debenture Holder(s) by way of a Special Resolution passed at a meeting of Debenture Holder(s) held for determining the liability of the Debenture Trustee and in the absence of fraud, gross negligence, willful misconduct or breach of trust, the Debenture Trustee shall not be liable for any of its actions or deeds in relation to the Transaction Documents;
	(h)	subject to the approval of the Debenture Holder(s) by way of Special Resolution passed at a meeting of Debenture Holders held for determining the liability of the Debenture Trustee and in the absence of fraud, gross negligence, willful misconduct or breach of trust, the Debenture Trustee, shall not be liable for any default, omission or delay in performing or exercising any of the powers or trusts herein expressed or contained herein or in enforcing the covenants contained herein or in giving notice to any person of the execution

	hereof or in taking any other steps which may be necessary, expedient or desirable or for any loss or injury which may be occasioned by reason thereof unless the Debenture Trustee shall have been previously requested by notice in writing to perform, exercise or do any of such steps as aforesaid given in writing by the Majority Debenture Holder(s) or by a Majority Resolution duly passed at a meeting of the Debenture Holders. The Debenture Trustee shall not be bound to act at the request or direction of the Debenture Holders under any provisions of the Transaction Documents unless sufficient amounts shall have been provided or provision to the satisfaction of the Debenture Trustee has been made for providing such amounts and the Debenture Trustee is indemnified to its satisfaction against all further costs, charges, expenses and liability which may be incurred in complying with such request or direction; (i) notwithstanding anything contained to the contrary in the relevant Tranche/Issuance Debenture Trust Deed, the Debenture Trustee shall before taking any action on behalf of the Debenture Holders or providing any consent on behalf of the Debenture Holders, obtain the written consent of the Majority Debenture Holders; (j) the Debenture Trustee shall forward to the Debenture Holders copies of any information or documents from the Issuer pursuant to the relevant Tranche/Issuance Debenture Trust Deed within 2 (two) Business Days of receiving such information or document from the Issuer; and (k) the Debenture Trustee shall, until the Final Settlement Date, adhere to and comply with its obligations and responsibilities under the SEBI Debenture Trustees Circular.
Risk factors pertaining to the issue	Please refer to Section 3 (*Risk Factors*) of this General Information Document
Governing Law	As specified in the relevant Key Information Document.
Additional Disclosures (Security Creation)	As specified in the relevant Key Information Document.
Additional Disclosures (Default in Payment)	As specified in the relevant Key Information Document.

Additional Disclosures (Delay in Listing)	(i)	In accordance with the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time, read together with the requirements in respect of the timelines for listing of debt securities issued on a private placement basis prescribed in Chapter VII (*Standardization of timelines for listing of securities issued on a private placement basis*) of the SEBI circular no. SEBI/HO/DDHS/PoD1/P/CIR/2024/54 dated May 22, 2024 on "*Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper*" (as amended and modified from time to time), the Issuer confirms that In the event there is any delay in listing of the Non-Convertible Securities beyond the Listing Period, the Issuer will pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Interest Rate, from the date of allotment the Non-Convertible Securities until the listing of the Non-Convertible Securities is completed; and
	(ii)	be permitted to utilise the issue proceeds of its 2 (two) subsequent privately placed issuances of securities only after receiving final listing approval from the stock exchange(s).

Note:

1. If there is any change in Coupon Rate pursuant to any event including lapse of certain time period or downgrade in rating, then such new Coupon Rate and events which lead to such change should be disclosed.

2. The list of documents which has been executed in connection with the issue and subscription of debt securities shall be annexed.

3. While the Secured Debentures are secured to the tune of at least 100% (One Hundred percent) of the principal and interest amount or as per the terms of General Information Document, in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained.

4. The Issuer shall provide granular disclosures in the relevant Key Information Document, with regards to the “Object of the Issue” including the percentage of the issue proceeds earmarked for each of the “object of the issue”.

   As specified in the relevant Key Information Document.

5. Debt securities shall be considered as secured only if the charged asset is registered with Sub-registrar and Registrar of Companies or CERSAI or Depository etc., as applicable, or is independently verifiable by the debenture trustee.

6. Before making the application for listing of debt securities, the Issuer shall create charge as specified in the Debenture Trust Deed/ General Information Document/ Key Information Document, in favour of the debenture trustee and also execute debenture trust deed (DTD) with the Debenture trustee. The Stock Exchange(s) shall list the debt securities only upon receipt of a due diligence certificate as per format specified in NCS Listing Regulations from debenture trustee confirming creation of charge and execution of the Debenture Trust Deed. The charge created by Issuer shall be registered with Sub-registrar, Registrar of Companies, CERSAI, Depository etc., as applicable, within 30 days of creation of such charge. In case the charge is not registered anywhere or is not independently verifiable, then the same shall be considered a breach of covenants/ terms of the issue by the Issuer.

7. Future Borrowings

As specified in the relevant Key Information Document.

SECTION 6: DISCLOSURES PERTAINING TO WILFUL DEFAULT

The following disclosures shall be made if the issuer or its promoter or director is declared wilful defaulter:

(a) Name of the bank declaring the entity as a Wilful Defaulter: NIL

(b) The year in which the entity is declared as a Wilful Defaulter: NA

(c) Outstanding amount when the entity is declared as a Wilful Defaulter: NA

(d) Name of the entity declared as a Wilful Defaulter: NA

(e) Steps taken, if any, for the removal from the list of wilful defaulters: NA

(f) Other disclosures, as deemed fit by the Issuer in order to enable investors to take informed decisions: NA

(g) Any other disclosure as specified by SEBI: NA

SECTION 7: TRANSACTION Documents and Key Terms

7.1 Transaction Documents

As specified in the relevant Key Information Document.

7.2 Representations and Warranties of the Issuer

As specified in the relevant Key Information Document.

7.3 COVENANTS OF THE ISSUER:

(a) **AFFIRMATIVE COVENANTS**

As specified in the relevant Key Information Document.

(b) **NEGATIVE COVENANTS**

As specified in the relevant Key Information Document.

(c) **REPORTING COVENANTS**

As specified in the relevant Key Information Document.

(d) **FINANCIAL COVENANTS**

As specified in the relevant Key Information Document.

7.4 EVENTS OF DEFAULT

As specified in the relevant Key Information Document.

7.5 CONSEQUENCES OF AN EVENTS OF DEFAULT AND REMEDIES

As specified in the relevant Key Information Document.

SECTION 8: OTHER INFORMATION AND APPLICATION PROCESS

The Non-Convertible Securities being offered as part of the Issue are subject to the provisions of the Act, the Memorandum and Articles of Association of the Issuer, the terms of this General Information Document, Application Form and other terms and conditions as may be incorporated in the Transaction Documents.

8.1 Mode of Transfer/Transmission of Debentures

The Debentures shall be transferable freely; however, it is clarified that no Investor shall be entitled to transfer the Debentures to a person who is not entitled to subscribe to the Debentures. The Debenture(s) shall be transferred and/or transmitted in accordance with the applicable provisions of the Act and other applicable laws. The Debentures held in dematerialized form shall be transferred subject to and in accordance with the rules/procedures as prescribed by NSDL and CDSL and the relevant DPs of the transferor or transferee and any other applicable laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, amounts due will be paid/redemption will be made to the person, whose name appears in the Register of Debenture Holders maintained by the R&T Agent as on the Record Date, under all circumstances. In cases where the transfer formalities have not been completed by the transferor, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in dematerialised form. The seller should give delivery instructions containing details of the buyer's DP account to his DP.

8.2 Non-Convertible Securities held in Dematerialised Form

The Non-Convertible Securities shall be held in dematerialised form and no action is required on the part of the Non-Convertible Securities Holder(s) for redemption purposes and the redemption proceeds will be paid by cheque/EFT/RTGS to those Debenture Holder(s) whose names appear on the list of beneficiaries maintained by the R&T Agent. The names would be as per the R&T Agent's records on the Record Date fixed for the purpose of redemption. All such Non-Convertible Securities will be simultaneously redeemed through appropriate debit corporate action.

The list of beneficiaries as of the relevant Record Date setting out the relevant beneficiaries' name and account number, address, bank details and DP's identification number will be given by the R&T Agent to the Issuer. If permitted, the Issuer may transfer payments required to be made in any relation by EFT/RTGS to the bank account of the Debenture Holder(s) for redemption payments.

8.3 Sharing of Information

The Issuer may, at its option, but subject to applicable laws, use on its own, as well as exchange, share or part with any financial or other information about the Debenture Holder(s) available with the Issuer, with its subsidiaries and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither the Issuer nor its subsidiaries and affiliates nor their agents shall be liable for use of the aforesaid information.

8.4 Non-Convertible Securities Holder not a Shareholder

The Debenture Holder(s) shall not be entitled to any right and privileges of shareholders other than those available to them under the Act. The Non-Convertible Securities shall not confer upon the Debenture Holders the right to receive notice(s) or to attend and to vote at any general meeting(s) of the shareholders of the Issuer.

8.5 Modification of Non-Convertible Securities

The Debenture Trustee and the Issuer will agree to make any modifications in the General Information Document which, in the opinion of the Debenture Trustee, is of a formal, minor or technical nature or is to correct a manifest error.

Any other change or modification to the terms of the Non-Convertible Securities shall require approval by the Majority Debenture Holders.

8.6 Right to accept or reject Applications

The Board of Directors/Committee of Directors reserves its full, unqualified and absolute right to accept or reject any application for subscription to the Non-Convertible Securities, in part or in full, without assigning any reason thereof.

8.7 Notices

Any notice in respect of the Non-Convertible Securities may be served by the Issuer upon the Debenture Trustee/Debenture Holders in accordance with the terms of the Transaction Documents.

8.8 Issue Procedure

Only Eligible Investors as given hereunder may apply for the Non-Convertible Securities by completing the Application Form in the prescribed format in block letters in English as per the instructions contained therein. The minimum number of Non-Convertible Securities that can be applied for and the multiples thereof shall be set out in the Application Form. No application can be made for a fraction of a Debenture. Application Forms should be duly completed in all respects and applications not completed in the said manner are liable to be rejected. The name of the applicant's bank, type of account and account number must be duly completed by the applicant. This is required for the applicant's own safety and these details will be printed on the refund orders and /or redemptions warrants.

8.9 Application Procedure through EBP Bid Process as per EBP Guidelines:

a. In order to be able to bid under the BSE EBP Platform, Eligible Investors must have provided the requisite documents (including but not limited to know your customer) in accordance with the EBP Guidelines or applicable law. The Company is entitled at any time to require an Eligible Investor to provide any know your customer or other documents as may be required to be maintained by it or delivered to a third party by it in accordance with applicable laws.

   All Eligible Investors are required to register themselves as a one-time exercise (if not already registered) with the BSE EBP Platform for participating in electronic book building mechanism.

   Eligible Investors should refer the operating guidelines for issuance of debt securities on private placement basis through an electronic book mechanism as available on the website of BSE.

   Eligible Investors will also have to complete the mandatory know your customer verification process. Eligible Investors should refer to the EBP Guidelines in this respect.

   The details of the Issue shall be entered on the BSE EBP Platform by the Company at least 2 (two) Business Days prior to the Issue Opening Date, in accordance with the EBP Guidelines.

b. The Issue will be open for bidding for the duration of the bidding window that would be communicated through the Issuer's bidding announcement on the BSE EBP Platform, at least 1 (one) Business Day before the start of the Issue Opening Date.

   Some of the key guidelines in terms of the current EBP Guidelines on issuance of securities on private placement basis through an EBP mechanism, are as follows:

a) Modification of Bid: Eligible Investors may note that modification of bid is allowed during the bidding period or window. However, in the last 10 minutes of the bidding period or window, revision of bid is only allowed for upward revision of the bid amount placed or to improve the coupon or yield by the Eligible Investor.

b) Cancellation of Bid: Eligible Investors may note that cancellation of bid is allowed during the bidding period or window. However, in the last 10 minutes of the bidding period or window, no cancellation of bids is permitted.
c) Multiple Bids: Bidders are permitted to place multiple bids on the BSE EBP Platform in line with the BSE EBP Guidelines and the EBP Guidelines.
d) Manner of bidding: The Issue will be through closed bidding on the BSE EBP platform in line with the BSE EBP Guidelines and the EBP Guidelines.
e) Manner of allotment: The allotment will be done on uniform yield basis in line with the BSE EBP Guidelines and the EBP Guidelines.
f) Manner of settlement: Settlement of the Issue will be done through online transfer and the account details are given in the section on Payment Mechanism of this General Information Document.
g) Settlement cycle: The process of pay-in of funds by investors and pay-out to Company will be done on T+2 trading day, where T is the Issue Closing Date.

Offer or Issue of executed offer letters cum application forms to successful Eligible Investors. The offer letters cum application forms along with the Application Form will be issued to the successful Eligible Investors, who are required to complete and submit the Application form to the Company in order to accept the offer of Debentures.

No person other than the successful Eligible Investors to whom the offer letters cum application forms has been issued by the Company may apply for the issue through the offer letters cum application forms received from a person other than those specifically addressed will be invalid. However, Eligible Investors should refer to the EBP Guidelines as prevailing on the date of the bid.

The final subscription to the Non-Convertible Securities shall be made by the Eligible Investors through the electronic book mechanism as prescribed by SEBI under the EBP Guidelines by placing bids on the electronic book platform during the Issue period. In case the Eligible Investors are not registered on the EBP Platform, they will have to register themselves as investor on the said platform (as a one-time exercise) and also complete the mandatory KYC verification process. The Eligible Investors should also refer to the operational guidelines of the EBP in this respect. The disclosures required pursuant to the EBP Guidelines are set out hereinbelow:

Details of size of issue including green shoe option, if any and a range within which green shoe may be retained (if applicable)	Base Issue Size - As specified in the relevant Key Information Document. Green shoe option – As specified in the relevant Key Information Document.
Anchor Portion Details	As per respective Key Information Document
Interest rate parameter	As per respective Key Information Document
Bid opening and closing date	Bid opening date: As specified in the relevant Key Information Document. Bid closing date: As specified in the relevant Key Information Document.
Minimum Bid Lot	100 (One Hundred) Debentures (aggregating to INR 1,00,00,000 (Indian Rupees One Crore), and 1 (one) Debenture thereafter
Manner of allotment in the Issue	Uniform Yield Allotment
Manner of settlement in the Issue	Pay-in of funds through ICCL. The pay-in of the Application Money for the Debentures shall be made by way of transfer of funds from the bank account(s) of the Eligible Investors (whose bids have been accepted) as registered with the Electronic Book Provider into the account of the ICCL, as specified in this regard

	below.
Settlement Cycle & Deemed Date of Allotment	T+1 (T being the day of bidding as per working day convention of recognized stock exchanges) Settlement of the Issue will be as per respective Key Information Document

8.10 Process flow of settlement:

The Eligible Investors whose bids have been accepted by the Issuer and to whom a signed copy of this General Information Document along with the PPOA have been issued by the Issuer and who have submitted/shall submit the Application Form ("**Successful Bidders**"), shall make the payments in respect of the Application Money in respect of the Debentures towards the allocation made to them, into the bank account of the ICCL, the details of which are as set out below:

Name of Bank	As per the respective Key Information Document
IFSC Code	As per the respective Key Information Document
Account number	As per the respective Key Information Document
Name of beneficiary	As per the respective Key Information Document

The pay-in of the Application Money by the Successful Bidders will be made only from the bank account(s), which have been provided / updated by them in the EBP system. Any amount received from third party accounts or from accounts not specified in the EBP system will be refunded and no allotment will be made against such payments. Upon the transfer of funds into the aforesaid account of ICCL and the Issuer confirming its decision to proceed with the allotment of the Debentures in favour of the Successful Bidders to the ICCL, the R&T Agent and the EBP and initiating the requisite corporate action for allotment of Debentures and credit of the demat letter of allotment into the relevant demat account of the Successful Bidders through the R&T Agent, the R&T Agent shall provide corporate action file along with all requisite documents to the relevant Depositories by 12:00 hours and also intimate the EBP of the aforesaid actions. Upon the Depositories confirming the allotment of the Debentures and the credit of the Debentures into the demat account of the Successful Bidders to EBP, the subscription monies in respect of the Debentures from the aforesaid account of ICCL shall be released into the Issuer's bank account, the details of which are as set out below:

Beneficiary Name:	As per the respective Key Information Document
Bank Account No.	As per the respective Key Information Document
SWIFT CODE:	As per the respective Key Information Document
IFSC CODE:	As per the respective Key Information Document
Bank Name	As per the respective Key Information Document
Branch Address:	As per the respective Key Information Document

It must be noted that all funds pay-in obligations need to be fulfilled in totality. Partial fund receipt against any given obligation will be treated as a default and debarment penalties will be applicable as specified by the EBP Requirements and other Applicable Law.

Basis of Allocation or Allotment: Allocation shall be made as approved by the Company in accordance with applicable NCS Listing Regulations, Operations Guidelines, and applicable laws. Post completion of bidding process, the Company will upload the provisional allocation on the BSE EBP Platform. Post receipt of details of the successful Eligible Investors, the Company will upload the final allocation file on the BSE EBP Platform.

Payment Mechanism: Payment of subscription money for the Debentures should be made by the successful Eligible Investor as notified by the Company. Successful Eligible Investors should do the funds pay-in to the account.

Successful Eligible Investors should ensure to make payment of the subscription amount for the Debentures from their same bank account which is updated by them in the BSE EBP Platform while

placing the bids. In case of mismatch in the bank account details between BSE EBP Platform and the bank account from which payment is done by the successful bidder, the payment would be returned.

Note: In case of failure of any successful bidders to complete the subscription amount payments by the Pay-in Time or the funds are not received in the Designated Bank Account by the Pay-in Time for any reason whatsoever, the bid will be liable to be rejected and the Company shall not be liable to issue the Debentures to such successful bidders.

Settlement Process: Upon final allocation by the Issuer, the Company or the Registrar and Transfer Agent on behalf of the Company shall instruct the Depositories on the Pay-in Date, and the Depositories shall accordingly credit the allocated Debentures to the demat account of the successful Eligible Investor. The Company shall give the instruction to the Registrar and Transfer Agent for crediting the Debentures by 12:00 noon on the Pay-In Date. The Registrar shall provide corporate action file along with all requisite documents to Depositories by 12:00 noon on the Pay-In Date. On the Pay-In Date, the Depositories shall confirm to effect the transfer of Debentures in the demat account(s) of the successful Eligible Investors post-allocation disclosures by the EBP. Upon final allocation by the Issuer, the Company shall disclose the Issue Size, coupon rate, ISIN, number of successful bidders, category of the successful bidder(s), etc., in accordance with the EBP Guidelines.

The EBP shall upload such data, as provided by the Issuer, on its website to make it available to the public. Deemed Date of Allotment Interest on Debentures shall accrue to the Debenture Holder(s) from and including the Deemed Date of Allotment. All benefits relating to the Debentures will be available to the investor(s) from the Deemed Date of Allotment. The actual allotment of Debentures may take place on a date other than the Deemed Date of Allotment. The Company reserves the right to modify allotment date or Deemed Date of Allotment at its sole and absolute discretion without any notice. In case if the issue closing date is changed, the Deemed Date of Allotment may also be changed by the Company at its sole and absolute discretion.

Withdrawal of Issue: The Company may, at its discretion, withdraw the issue process on the conditions set out under the EBP Guidelines. Provided that the Company shall accept or withdraw the issue on the BSE EBP Platform within 1 (one) hour of the closing of the bidding window, and not later than 6 pm on the Issue Closing Date. However, Eligible Investors should refer to the EBP Guidelines as prevailing on the date of the bid. If the Company has withdrawn the Issue, and the cutoff yield of the Issue is higher that the estimated cutoff yield disclosed to the BSE EBP Platform, the estimated cut off yield shall be mandatorily disclosed by the BSE EBP Platform to the Eligible Investors. The expression ‘estimated cut off yield’ means yield so estimated by the Company, prior to opening of issue on the BSE EBP Platform. The disclosure of estimated cut off yield by BSE EBP Platform to the Eligible Investors, pursuant to closure of the issue, shall be at the discretion of the Company.

8.11 Application Procedure

Potential Investors will be invited to subscribe by way of the Application Form prescribed in the General Information Document during the period between the Issue Opening Date and the Issue Closing Date (both dates inclusive). The Issuer reserves the right to change the issue schedule including the Deemed Date of Allotment at its sole discretion, without giving any reasons. The Issue will be open for subscription during the banking hours on each day during the period covered by the Issue Schedule, and the procedure will be subject to the EBP Guidelines.

8.12 Fictitious Applications

All fictitious applications will be rejected.

8.13 Basis of Allotment

Notwithstanding anything stated elsewhere, the Issuer reserves the right to accept or reject any application, in part or in full, without assigning any reason. In case of over subscription, allotment

shall be made on a "price time priority basis" in accordance with the EBP Guidelines. The investors will be required to remit the funds in the account of the ICCL as well as submit the duly completed Application Form along with other necessary documents to the Issuer by the Deemed Date of Allotment.

8.14 Payment Instructions for Non-EBP

Upon receipt of intimation of allotment, Application Form along either demand draft(s) or cheque(s) drawn or made payable in favour of the Issuer or otherwise as may be set out in the Application Form and crossed “Account Payee Only”. Applicants can alternatively, remit the application amount through RTGS on the below mentioned bank. The RTGS details of the Issuer are as under:

Bank Name and Address	As per the respective Key Information Document
IFSC Code	As per the respective Key Information Document
Bank Account No:	As per the respective Key Information Document
Type of Account	As per the respective Key Information Document

8.15 Eligible Investors

As specified in the relevant Key Information Document.

8.16 Procedure for Applying for Dematerialised Facility

(a) The applicant must have at least one beneficiary account with any of the DP’s of NSDL and CDSL prior to making the application.

(b) The applicant must necessarily fill in the details (including the beneficiary account number and DP - ID) appearing in the Application Form under the heading “Details for Issue of Non-Convertible Securities in Electronic/Dematerialised Form”.

(c) Non-Convertible Securities allotted to an applicant will be credited to the applicant’s respective beneficiary account(s) with the DP.

(d) For subscribing to the Non-Convertible Securities, names in the Application Form should be identical to those appearing in the details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details maintained with the DP.

(e) Non-transferable allotment advice/refund orders will be directly sent to the applicant by the Registrar and Transfer Agent to the Issue.

(f) If incomplete/incorrect details are given under the heading “Details for Issue of Non-Convertible Securities in Electronic/Dematerialised Form” in the Application Form, it will be deemed to be an incomplete application and the same may be held liable for rejection at the sole discretion of the Issuer.

(g) For allotment of Non-Convertible Securities, the address, nomination details and other details of the applicant as registered with his/her DP shall be used for all correspondence with the applicant. The applicant is therefore responsible for the correctness of his/her demographic details given in the Application Form vis-a-vis those with his/her DP. In case the information is incorrect or insufficient, the Issuer would not be liable for the losses, if any.

(h) The redemption amount or other benefits would be paid to those Debenture Holders whose names appear on the list of beneficial owners maintained by the R&T Agent as on the Record Date. In case of those Non-Convertible Securities for which the beneficial owner is not identified in the records of the R&T Agent as on the Record Date, the Issuer would keep in abeyance the payment of the redemption amount or other benefits, until such time that the beneficial owner is identified by the R&T Agent and conveyed to the Issuer,

whereupon the redemption amount and benefits will be paid to the beneficiaries, as identified.

8.17 Depository Arrangements

The Issuer shall make necessary arrangement with CDSL and NSDL for issue and holding of Debenture in dematerialised form.

8.18 List of Beneficiaries

The Issuer shall request the R&T Agent to provide a list of beneficiaries as at the end of each Record Date. This shall be the list, which will be used for payment or repayment of redemption monies.

8.19 Application under Power of Attorney

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signature(s) of all the authorized signatories of the Investor and the tax exemption certificate/document of the Investor, if any, must be lodged along with the submission of the completed Application Form. Further modifications/additions in the power of attorney or authority should be notified to the Issuer or to its agents or to such other person(s) at such other address(es) as may be specified by the Issuer from time to time through a suitable communication.

In case of an application made by companies under a power of attorney or resolution or authority, a certified true copy thereof along with memorandum and articles of association and/or bye-laws along with other constitutional documents must be attached to the Application Form at the time of making the application, failing which, the Issuer reserves the full, unqualified and absolute right to accept or reject any application in whole or in part and in either case without assigning any reason thereto. Names and specimen signatures of all the authorized signatories must also be lodged along with the submission of the completed Application Form.

8.20 Procedure for application by Mutual Funds and Multiple Applications

In case of applications by mutual funds and venture capital funds, a separate application must be made in respect of each scheme of an Indian mutual fund/venture capital fund registered with the SEBI and such applications will not be treated as multiple application, provided that the application made by the asset management company/trustee/custodian clearly indicated their intention as to the scheme for which the application has been made.

The Application Forms duly filled shall clearly indicate the name of the concerned scheme for which application is being made and must be accompanied by certified true copies of:

(a) SEBI registration certificate

(b) Resolution authorizing investment and containing operating instructions

(c) Specimen signature of authorized signatories

8.21 Documents to be provided by Investors

Investors need to submit the following documents, as applicable:

(a) Memorandum and Articles of Association or other constitutional documents

(b) Resolution authorising investment

(c) Certified true copy of the Power of Attorney to custodian

(d) Specimen signatures of the authorised signatories

(e) SEBI registration certificate (for Mutual Funds)

(f) Copy of PAN card

(g) Application Form (including EFT/RTGS details)

8.22 Applications to be accompanied with Bank Account Details

Every application shall be required to be accompanied by the bank account details of the applicant and the magnetic ink character reader code of the bank for the purpose of availing direct credit of redemption amount and all other amounts payable to the Debenture Holder(s) through cheque/EFT/RTGS.

8.23 Succession

In the event of winding up of a Debenture Holder (being a company), the Issuer will recognise the legal representative as having title to the Debenture(s). The Issuer shall not be bound to recognize such legal representative as having title to the Debenture(s), unless they obtains legal representation, from a court in India having jurisdiction over the matter.

The Issuer may, in its absolute discretion, where it thinks fit, dispense with production of such legal representation, in order to recognise any person as being entitled to the Debenture(s) standing in the name of the concerned Debenture Holder on the production of sufficient documentary proof and an indemnity.

8.24 Mode of Payment

All payments must be made through cheque(s) demand draft(s), EFT/RTGS as set out in the Application Form.

8.25 Effect of Holidays

(a) If any Due Date on which any interest or additional interest is payable falls on a day which is not a Business Day, the payment to be made on such Due Date shall be made on the succeeding Business Day.

(b) If any Due Date on which any Outstanding Principal Amounts are payable falls on a day which is not a Business Day, the payment to be made on such Due Date shall be made on the preceding Business Day.

(c) If the Final Redemption Date falls on a day which is not a Business Day, the payment of any amounts in respect of any interest and the Outstanding Principal Amounts to be made shall be made on the preceding Business Day.

8.26 Tax Deduction at Source

(a) All payments to be made by the Company to the Debenture Holders under the Transaction Documents shall be made free and clear of and without any Tax Deduction unless the Company is required to make a Tax Deduction pursuant to Applicable Law.

(b) The Company shall promptly upon becoming aware that it must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Debenture Trustee accordingly.

(c) If the Company is required to make a Tax Deduction, it shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by Applicable Law.

(d) Within the earlier of (A) 60 (sixty) days of making either a Tax Deduction or any payment required in connection with that Tax Deduction or (B) 60 (sixty) days of each Due Date, the Company shall deliver to the Debenture Trustee evidence reasonably satisfactory to the Debenture Trustee that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.

8.27 Letters of Allotment

In accordance with the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time, read together with the requirements in respect of the timelines for listing of debt securities issued on a private placement basis prescribed in Chapter VII (*Standardization of timelines for listing of securities issued on a private placement basis*) of the SEBI circular no. SEBI/HO/DDHS/PoD1/P/CIR/2024/54 dated May 22, 2024 on "*Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper*" (as amended and modified from time to time), the Issuer shall ensure that the Non-Convertible Securities are credited into the demat accounts of the Debenture Holders of the Non-Convertible Securities within 2 (two) Business Days from the Deemed Date of Allotment.

8.28 Deemed Date of Allotment

As specified in the relevant Key Information Document.

8.29 Record Date

As specified in the relevant Key Information Document.

8.30 Refunds

For applicants whose applications have been rejected or allotted in part, refund orders will be dispatched within 7 (seven) days from the Deemed Date of Allotment of the Debentures.

In case the Issuer has received money from applicants for Debentures in excess of the aggregate of the application money relating to the Debentures in respect of which allotments have been made, the R&T Agent shall upon receiving instructions in relation to the same from the Issuer repay the moneys to the extent of such excess, if any.

8.31 Interest on Application Monies

Not applicable

8.32 Pan Number

Every applicant should mention its Permanent Account Number ("**PAN**") allotted under Income Tax Act, 1961, on the Application Form and attach a self-attested copy as evidence. Application forms without PAN will be considered incomplete and are liable to be rejected.

8.33 Redemption

The face value of the Debentures shall be redeemed at par, on the Redemption Date. The Debentures will not carry any obligation, for interest or otherwise, after the Redemption Date. The Debentures shall be taken as discharged on payment of the Redemption Amount by the Issuer on the Final Redemption Date to the registered Debenture Holders whose name appear in the Debenture Register on the Record Date. Such payment will be a legal discharge of the liability of the Issuer towards the Debenture Holders.

8.34 Payment on Redemption

Payment on redemption will be made by way of cheque(s)/redemption warrant(s)/demand draft(s)/credit through RTGS system/funds transfer in the name of the Debenture Holder(s) whose names appear on the list of beneficial owners given by the Depository to the Issuer as on the Record Date.

The Debentures shall be taken as discharged on payment of the redemption amount by the Issuer on maturity to the registered Debenture Holder(s) whose name appears in the Register of Debenture Holder(s) on the Record Date. On such payment being made, the Issuer will inform NSDL and CDSL and accordingly the account of the Debenture Holder(s) with NSDL and CDSL will be adjusted.

On the Issuer dispatching the amount as specified above in respect of the Debentures, the liability of the Issuer shall stand extinguished.

8.35 Payment of Coupon

Payment of Coupon on the Debenture(s) will be made on Coupon Payment Dates as specified in this General Information Document to those Debenture Holders whose name(s) appear in the Register of Debenture Holder(s) (or to the first holder in case of joint holders) as on the relevant Record Date fixed by the Issuer for this purpose and /or as per the list provided by the Depository to the Issuer of the beneficiaries who hold Debentures in demat form on such Record Date, and are eligible to receive Coupon. Payment will be made by the Issuer after verifying the bank details of the Debenture Holders, by way of direct credit through Electronic Clearing Service ("**ECS**"), Real Time Gross Settlement ("**RTGS**") or National Electronic Funds Transfer ("**NEFT**").

In the event of any default in the payment of Coupon and/or in the redemption of the Debentures on the respective Payment Dates and all other monies payable pursuant to the Transaction Documents read with this General Information Document, the Issuer shall pay to the Debenture Holders, default interest at the rate specified in **Section VI** (*Summary Term Sheet*) for the default in payment of Coupon, and/or Redemption Amount till the dues are cleared.

8.36 Eligibility to come out with the Issue

The Issuer or the Person in control of the Issuer, or its promoter, has not been restrained or prohibited any Governmental Authority from accessing the securities market or dealing in securities and such direction or order is in force.

8.37 Registration and Government approvals

The Issuer can undertake the activities proposed by it in view of the present approvals and no further approval from any Governmental Authority(ies) is required by it to undertake the proposed activities save and except those approvals which may be required to be taken in the normal course of business from time to time.

8.38 Authority for the Issue

This present private placement of Debentures is being made pursuant to the resolution passed by the Management committee of board of directors of the Company at its meeting held on 08th October 2024 and shareholders of the Company at its meeting held on 30th September 2024. A copy of the board resolution and shareholders resolution is attached hereto as **Annexure X** and **Annexure XI** respectively**.**

8.39 Date of Allotment

All benefits relating to Debentures will be available to the Investors from the Deemed Date of Allotment. The actual allotment of Debentures may take place on a date other than the Deemed Date of Allotment. In case if the issue closing date of Debentures is changed (pre-poned/ postponed), the Deemed Date of Allotment of Debentures may also be changed (pre-poned/ postponed) by the Issuer at its sole and absolute discretion.

Disclaimer: Please note that only those persons to whom this General Information Document has been specifically addressed are eligible to apply. However, an application, even if complete in all respects, is liable to be rejected without assigning any reason for the same. The list of documents provided above is only indicative, and an investor is required to provide all those documents / authorizations / information, which are likely to be required by the Issuer. The Issuer may, but is not bound to, revert to any investor for any additional documents / information, and can accept or reject an application as it deems fit. Provisions in respect of investment by investors falling in the categories mentioned above are merely indicative and the Issuer does not warrant that they are permitted to invest as per extant laws, regulations, etc. Each of the above categories of investors is required to check and comply with extant rules/regulations/ guidelines, etc. governing or regulating their investments as applicable to them and the Issuer is not, in any way, directly or indirectly, responsible for any statutory or regulatory breaches by any investor, neither is the Issuer required to check or confirm the same.

8.40 Governing law

The Debentures shall be construed to be governed in accordance with Indian Law.

The courts and tribunals as stated in the respective transaction documents and Key Information Document for specific Debenture issuance shall have exclusive jurisdiction in connection with any dispute arising out of or in connection with this Debentures. The Debenture Holders and the Debenture Trustee shall not be prevented from taking proceedings relating to a dispute in any other courts and tribunals with jurisdiction. To the extent allowed by applicable law, the Debenture Holders and the Debenture Trustee may take concurrent proceedings in any number of jurisdictions. Over and above the aforesaid Terms and Conditions, the said Debentures shall be subject to the Terms and Conditions to be incorporated in the Debentures to be issued to the Debenture Holders and the Debenture Trust Deed.

SECTION 9: UNDERTAKING

(1) UNDERTAKINGS IN RELATION TO THE ISSUER BEING ELIGIBLE UNDER THE SEBI NCS REGULATIONS

The Issuer hereby undertakes and confirms that the following (as set out in Regulation 5 of the SEBI NCS Regulations) are not applicable to the Issuer as on the date of this General Information Document:

(a) the Issuer, any of its promoters, promoter group or directors are debarred from accessing the securities market or dealing in securities by the Board;

(b) any of the promoters or directors of the Issuer is a promoter or director of another company which is debarred from accessing the securities market or dealing in securities by the Board;

(c) the Issuer or any of its promoters or directors is a wilful defaulter;

(d) any of the promoters or whole-time directors of the issuer is a promoter or whole-time director of another company which is a wilful defaulter;

(e) any of its promoters or directors is a fugitive economic offender; or

(f) any fine or penalties levied by the Board / Stock Exchanges is pending to be paid by the Issuer at the time of filing this General Information Document.

(2) UNDERTAKING ON CREATION OF SECURITY PURSUANT TO REGULATION 48(2) OF THE SEBI NCS REGULATIONS

The Issuer hereby undertakes that the assets on which charge is proposed to be created as security for the Debentures are free from any encumbrances. The Issuer further undertakes that the charge proposed to be created is a first ranking exclusive, current and continuing charge and therefore no permission or consent to create a second or pari-passu charge on the assets of the Issuer is required to be obtained from any creditor (whether or not existing) of the Issuer.

(3) UNDERTAKING PURSUANT TO REGULATION 23(6) OF THE SEBI NCS REGULATIONS

Issuer undertakes to amend/or has amended and incorporate provisions in their Articles of Association, authorizing the Debenture Holders and the Debenture Trustee to appoint a nominee director on the board of directors of the Company as per Clause 15 (1)(e) of the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 and Rule 18(3) (e) of Companies (Share Capital and Debentures) Rules, 2014.

(4) UNDERTAKING PURSUANT TO SCHEDULE I OF THE SEBI NCS REGULATIONS

The Issuer undertakes and states as follows:

a. Prospective investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and the offer including the risks involved. The securities have not been recommended or approved by the any regulatory authority in India, including the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of ‘Risk factors’ given on page number 19 under the section ‘GENERAL RISKS AND RISKS IN RELATION TO THE NON-CONVERTIBLE SECURITIES;

b. the Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this General Information Document contains all information with regard to the issuer and the issue, that the information contained in this General Information Document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect; and

c. the Issuer has no side letter with any debt securities holder except the one(s) disclosed in this General Information Document. Any covenants later added shall be disclosed on the stock exchange website where the debt is listed and shall be disclosed by the Company in the Transaction Documents.

d. The Issuer confirms that the Permanent Account Number, Aadhaar Number, Driving License Number, Bank Account Number(s), Passport Number and personal addresses of the promoters of the Issuer and Permanent Account Number of the directors of the Issuer have been submitted to the stock exchange(s) on which the non-convertible securities are proposed to be listed, at the time of filing of the General Information Document.

(5) DISCLOSURES PURSUANT TO THE CHAPTER II OF SEBI DEBENTURE TRUSTEES CIRCULAR

(a) Details of assets, movable property and immovable property on which charge is proposed to be created

Movable assets comprising receivables from loans provided by the Issuer.

(b) Title deeds (original/ certified true copy by issuers/ certified true copy by existing charge holders, as available) or title reports issued by a legal counsel/ advocates, copies of the relevant agreements/ Memorandum of Understanding

No title deeds are applicable or available for movable assets comprising receivables from loans provided by the Issuer over which security is proposed to be created by the Issuer. The details of the underlying loan agreements will be set out in the Deed of Hypothecation.

(c) Copy of evidence of registration with Sub-registrar, Registrar of Companies, Central Registry of Securitization Asset Reconstruction and Security Interest (CERSAI) etc

The details of the charge created over the movable assets comprising receivables from loans provided by the Issuer over which security is proposed to be created by the Issuer under the Deed of Hypothecation will be reported to the relevant registrar of companies and the Central Registry of Securitisation Asset Reconstruction and Security Interest (CERSAI) within the timelines prescribed under Applicable Law. As the charge is being created over movable assets, no filings are required to be made with any sub-registrar.

(d) For unencumbered assets, an undertaking that the assets on which charge is proposed to be created are free from any encumbrances

The Issuer hereby undertakes that the assets on which charge is proposed to be created as security for the Secured Debentures are free from any encumbrances.

(e) In case of corporate guarantee or any other document/ letter with similar intent is offered as security or a part of security:

(i) ***Details of guarantor viz. holding/ subsidiary/ associate company etc.***:

As set out in the respective Key Information Document

(ii) ***Audited financial statements (not older than 6 months from the date of debenture trustee agreement) of guarantor including details of all contingent liabilities***:

As set out in the respective Key Information Document

(iii) ***List of assets of the guarantor along-with undertakings/consent/NOC as per the Chapter II of SEBI Debenture Trustees Circular:***

As set out in the respective Key Information Document

(iv) ***Conditions of invocation of guarantee including details of put options or any other terms and conditions which may impact the security created****:*

As set out in the respective Key Information Document

(v) ***Impact on the security in case of restructuring activity of the guarantor:***

As set out in the respective Key Information Document

(vi) ***Undertaking by the guarantor that the guarantee shall be disclosed as "contingent liability" in the "notes to accounts" of financial statement of the guarantor***:

As set out in the respective Key Information Document

(vii) ***Copy of Board resolution of the guarantor for the guarantee provided in respect of the debt securities of the Issuer***:

As set out in the respective Key Information Document

(viii) ***The Guarantor provides guarantees on a routine basis in the ordinary course of its business.***

As set out in the respective Key Information Document

(f) **In case securities (equity shares etc.) are being offered as security then a holding statement from the depository participant along-with an undertaking that these securities shall be pledged in favour of debenture trustee(s) in the depository system:** Not Applicable

(g) **Details of any other form of security being offered viz. Debt Service Reserve Account etc.:**

Not Applicable.

(h) **Any other information, documents or records required by debenture trustee with regard to creation of security and perfection of security:** Not applicable.

(i) **Declaration:** The Issuer declares that debt securities shall be considered as secured only if the charged asset is registered with Sub-registrar and Registrar of Companies or CERSAI or Depository etc., as applicable, or is independently verifiable by the debenture trustee.

(j) **Terms and conditions of debenture trustee agreement including fees charged by debenture trustees(s):** Please refer consent letter of the Debenture Trustee for terms and conditions of the appointment of the Debenture Trustee and the Engagement Letter for fee of the Debenture Trustee.

(k) **Details of security to be created:** Please refer section named "Security (Including description, type of security, type of charge, likely date of creation of security, minimum security cover, revaluation, replacement of security)" in Section 5.34 (Issue Details).

(l) **Process of due diligence carried out by the debenture trustee:** The Debenture Trustee has carried out due diligence in accordance with the manner prescribed in the SEBI Debenture Trustees Circular. The due diligence broadly includes the following:

(i) A chartered accountant appointed by the Debenture Trustee will be conducting an independent due diligence as per scope provided by the Debenture Trustee and the information provided by the Issuer in respect of the security being provided by the Issuer in respect of the Secured Debentures.

(ii) The chartered accountant will verify and ensure that the assets provided by the Issuer for creation of security are free from any encumbrances or necessary permission or consent has been obtained from existing charge holders.

(iii) Periodical due diligence will be carried out by the Debenture Trustee in accordance with the SEBI Debenture Trustees Circular read along with the SEBI (Debenture Trustees) Regulations, 1993 and the relevant circulars issued by SEBI from (as amended from time to time) as per the nature of security provided by the Issuer in respect of the Secured Debentures.

(iv) The Debenture Trustee will issue such necessary certificate(s) in relation to the due diligence carried out by it and such certificate(s) will be available on Stock Exchanges from time to time for information of the Debenture Holders.

Even though the Secured Debentures are to be secured to the extent of at least 100% (One Hundred percent) of the principal and interest amount or as per the terms of this General Information Document, in favor of the Debenture Trustee, the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.

Due diligence will be carried out for maintenance of the prescribed security cover depending on information provided by the Issuer and the chartered accountant appointed by the Debenture Trustee or the Debenture Trustee will not be responsible for misinformation provided by Issuer.

(m) **Due diligence certificate as per the format specified in Annexure A:** Enclosed as Annexure XII.

(n) **Due diligence certificate as per the format specified in Annexure II-A of the Chapter II of SEBI Debenture Trustees Circular:** Enclosed as Annexure XII.

(6) **OTHER UNDERTAKINGS**

The Issuer hereby confirms that:

(a) the Issuer is eligible and in compliance with Securities and Exchange Board of

India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended from time to time, to make the private placement of debt instruments;

(b) (to the extent applicable) the Issuer or its promoters or whole-time directors are not in violation of the provisions of Regulation 24 of the SEBI Delisting Regulations, 2009;

(c) neither the Issuer nor any of its promoters or directors is a willful defaulter as defined under Regulation 2 (1) (ss) of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; and

(d) the Issuer, its promoters, its directors are not in violation of the restrictions imposed by SEBI under SEBI circular no. SEBI/HO/ MRD/DSA/CIR/P/2017/92 dated August 01, 2017.

For **IKF FINANCE LIMITED**

Vasumathi Koganti

Digitally signed by Vasumathi Koganti
Date: 2024.10.16 13:25:17 +05'30'

Authorised Signatory

Name: Vasumathi Devi Koganti

Title: Managing Director

Date: 09th October 2024

Serial No: 001
Addressed to: _____ (Name of the Debenture Holder(s))

SECTION 10: FORM NO. PAS-4

(Pursuant to Section 42 of the Companies Act, 2013 and Rule 14(3) of the Companies (Prospectus and Allotment of Securities) Rules, 2014)

Note: This Form No PAS-4 is prepared in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014.

ISSUE OF SENIOR / UNSUBORDINATED / SUBORDINATED, SECURED / UNSECURED, RATED, LISTED, NON-CONVERTIBLE SECURITIES AGGREGATING FOR AN AMOUNT AS SHALL BE MORE PARTICULARLY SET OUT IN THE KEY INFORMATION DOCUMENT, IN MULTIPLE TRANCHES / ISSUANCE, FOR CASH, AT PAR OR AT PREMIUM OR AT DISCOUNT, UNDER SAME ISIN OR DIFFERENT ISIN, IN A DEMATERIALISED FORM ON A PRIVATE PLACEMENT BASIS (THE "ISSUE") BY IKF FINANCE LIMITED (THE "COMPANY") OR ("ISSUER").

1. General Information:

(a) **Name, address, website, if any, and other contact details of the Company, indicating both registered office and the corporate office:**

Issuer / Company:	IKF Finance Limited (the "**Issuer**" or "**Company**")
Registered Office:	40-1-144, 3rd Floor, Corporate –entre, M.G. Road, Vijayawada - 520010
Corporate Office:	Plot Nos: 30/A, Survey No: 83/1, 11th Floor, Myhome Twitza, APIIC Hyderabad Knowledge City, Raidurg (Panmaqtha) Village, Serilingampally Mandal, Rangareddy District, Hyderabad- 500081, Telanagana
Telephone No.:	**0866-2474644**
Website:	www.ikffinance.com
Fax:	NA
Contact Person:	Ch Sreenivasa Rao
Email:	sreenivas@ikffinfance.com

(b) **Date of Incorporation of the Company:**

May 30, 1991

(c) **Business carried on by the Company and its subsidiaries with the details of branches or units, if any;**

Please refer to paragraph 5.4(a) of the Section 5 of this General Information Document.

Branch details:

Please refer to paragraph 5.4 (b) of the Section 5 of this General Information Document.

Subsidiary details:

As of the date of this General Information Document, the Company does not have any subsidiaries.

(d) **Brief particulars of the management of the Company:**

Please refer to paragraph 5.4(a) of the Section 5 of this General Information Document.

(e) **Name, addresses, Director Identification Number (DIN) and occupations of the directors**:

Please refer to Section 5 of this General Information Document.

2. MANAGEMENT PERCEPTION OF RISK FACTORS:

Please refer to Section 3 of this General Information Document.

3. RISKS RELATED TO THE BUSINESS OF THE ISSUER

Please refer to Section 3 of this General Information Document.

4. Details of defaults, if any, including therein the amount involved, duration of default, and present status, in repayment of:

(i) Statutory Dues: Nil

(ii) Debentures and interest thereon: Nil

(iii) Deposits and interest thereon: Nil

(iv) Loan from any bank or financial institution and interest thereon: Nil

5. Name, designation, address and phone number, email ID of the nodal / compliance officer of the Company, if any, for the private placement offer process:

Name of Nodal/Compliance officer	Designation	Address	Phone No.	Email ID
Ch Sreenivasa Rao	Compliance Officer	40-1-144, Corporate Centre, M.G.Road, Vijayawada – 520010, Andhra Pradesh	0866-2474644	sreenivas@ikffinance.com

6. Any default in annual filing of the Company under the Companies Act, 2013 or the rules made thereunder:

Nil

7. Particulars of the Offer:

Financial position of the Company for the last 3 (three) financial years	Please refer to **CHAPTER A** below.
Date of passing of Board Resolution for the current issue of Debentures that forms the part of issuance under the General	Management Committee of Board resolution dated 08th October 2024

Information Document	
Date of passing of resolution in the general meeting, authorizing the offer of securities	Shareholders resolutions under Section 42 of the Companies Act, 2013 dated 30th September 2024
Kind of securities offered (i.e. whether share or debenture) and class of security; the total number of shares or other securities to be issued	Base Issue Size – As specified in the relevant Key Information Document. Green shoe option – As specified in the relevant Key Information Document.
Price at which the security is being offered, including premium if any, along with justification of the price	As specified in the relevant Key Information Document.
Name and address of the valuer who performed valuation of the security offered, and basis on which the price has been arrived at along with report of the registered valuer	As specified in the relevant Key Information Document.
Relevant date with reference to which the price has been arrived at **(Relevant Date means a date at least 30 days prior to the date on which the general meeting of the Company is scheduled to be held)**	As specified in the relevant Key Information Document.
The class or classes of persons to whom the allotment is proposed to be made	As specified in the relevant Key Information Document.
Intention of promoters, directors or key managerial personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer) [Not required in case of issue of non-convertible debentures]	As specified in the relevant Key Information Document.
The proposed time within which the allotment shall be completed	As specified in the relevant Key Information Document.
The names of the proposed allottees and the percentage of post private placement capital that may be held by them [Not applicable in case of issue of non-convertible debentures]	As specified in the relevant Key Information Document.
The change in control, if any, in the company that would occur consequent to the private placement	As specified in the relevant Key Information Document.
The number of persons to whom allotment on preferential basis / private placement / rights issue has already been made during the year, in terms of securities as well as price	NIL
The justification for the allotment proposed to be made for consideration other than cash together with valuation report of	As specified in the relevant Key Information Document.

<table>
<tr><td>the registered valuer</td><td></td></tr>
<tr><td>Amount, which the Company intends to raise by way of proposed offer of securities</td><td>As specified in the relevant Key Information Document.</td></tr>
<tr><td>Terms of raising of securities:</td><td>
<table>
<tr><td>Duration, if applicable:</td><td>As specified in the relevant Key Information Document.</td></tr>
<tr><td>Rate of Interest or Coupon:</td><td>As specified in the relevant Key Information Document.</td></tr>
<tr><td>Mode of Payment</td><td>As specified in the relevant Key Information Document.</td></tr>
<tr><td>Mode of Repayment</td><td>As specified in the relevant Key Information Document.</td></tr>
</table>
</td></tr>
<tr><td>Proposed time schedule for which the Issue/Offer Letter is valid</td><td>Issue Open Date: As specified in the relevant Key Information Document.
Issue Closing Date: As specified in the relevant Key Information Document.
Pay-in Date: As specified in the relevant Key Information Document.
Deemed Date of Allotment: As specified in the relevant Key Information Document.</td></tr>
<tr><td>Purpose and objects of the Issue/Offer</td><td>As specified in the relevant Key Information Document.</td></tr>
<tr><td>Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects</td><td>As specified in the relevant Key Information Document.</td></tr>
<tr><td>Principal terms of assets charged as security, if applicable</td><td>As specified in the relevant Key Information Document.</td></tr>
<tr><td>The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the Company and its future operations</td><td>NIL</td></tr>
<tr><td colspan="2">The pre-issue and post-issue shareholding pattern of the Company in the following format:
<table>
<tr><th rowspan="2">S. No.</th><th rowspan="2">Category</th><th colspan="2">Pre-issue</th><th colspan="2">Post-issue</th></tr>
<tr><th>No. of shares held</th><th>Percentage (%) of shareholding</th><th>No. of shares held</th><th>Percentage (%) of shareholding</th></tr>
<tr><td>A</td><td>Promoters' holding</td><td></td><td></td><td></td><td></td></tr>
<tr><td></td><td>Indian</td><td></td><td></td><td></td><td></td></tr>
</table>
</td></tr>
</table>

1	Individual	2,84,41,453	40.54	2,84,41,453	40.54
	Bodies Corporate	-		-	
	Sub-total	2,84,41,453	40.54	2,84,41,453	40.54
2	Foreign promoters	16,11,800	2.30	16,11,800	2.50
	Sub-total *(A)*	3,00,53,253	42.84	3,00,53,253	42.84
B	*Non-promoters' holding*				
1	Institutional Investors	3,20,18,354	45.64	3,20,18,354	45.64
2	Non-Institutional Investors	-		-	
	Private Corporate Bodies	15,48,857	2.21	15,48,857	2.21
	Directors and relatives	- -		- -	
	Indian public	64,87,147	9.25	64,87,147	9.25
	Others (including Non-resident Indians)	48,834	0.07	48,834	0.07
	Sub-total *(B)*	4,01,03,192	57.16	4,01,03,192	57.16
	GRAND TOTAL	7,01,56,445	100.00	7,01,56,445	100.00

8. Mode of payment for subscription:

- Cheque
- Demand Draft
- Other Banking Channels

9. Disclosure with regard to interest of directors, litigation, etc:

Any financial or other material interest of the directors, promoters or key managerial personnel in the offer/ Issue and the effect of such interest in so far as it is different from the interests of other persons	Nil

<table>
<tr><td>Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the Company during the last 3 (three) years immediately preceding the year of the issue of this private placement offer cum application letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed</td><td>Nil</td></tr>
<tr><td>Remuneration of directors (during the current year and last 3 (three) financial years)</td><td>
<table>
<tr><th>Director</th><th>Fiscal FY 24-25 (Up to September 2024)</th><th>Fiscal FY 23-24</th><th>Fiscal FY 22-23</th><th>Fiscal FY 21-22</th></tr>
<tr><td>V.G.K.Prasad, Chairman</td><td></td><td></td><td></td><td></td></tr>
<tr><td>Remuneration</td><td>0.72</td><td>0.21</td><td>0.84</td><td>0.76</td></tr>
<tr><td>Commission</td><td>-</td><td>0.08</td><td>0.63</td><td>0.51</td></tr>
<tr><td>K Vasumathi Devi, Managing Director</td><td></td><td></td><td></td><td></td></tr>
<tr><td>Remuneration</td><td>0.36</td><td>0.15</td><td>0.60</td><td>0.54</td></tr>
<tr><td>Commission</td><td>-</td><td>0.05</td><td>0.44</td><td>0.36</td></tr>
</table>
</td></tr>
<tr><td>Related party transactions entered during the preceding 3 (three) financial years immediately preceding the year of issue of this private placement offer cum application letter and current financial year with regard to loans made or, guarantees given or securities provided</td><td>Please refer to CHAPTER C of this General Information Document.</td></tr>
<tr><td>Summary of reservations or qualifications or adverse remarks of auditors in the last 5 (five) financial years immediately preceding the year of issue of this private placement offer cum application letter and of their impact on the financial statements and financial position of the Company and the corrective steps taken and proposed to be taken by the Company for each of the said reservations or qualifications or adverse remark</td><td>2018-19 Observations:
The Company’s internal financial controls over segregation of duties and recording of journal entries are not operating effectively which could potentially effect the internal control environment of the Company

The Company Response
The management has taken all reasonable steps over segregation of duties and recording of journal entries and as such there was no impact on internal control environment of the Company.

FY 20-21, FY 21-22, FY 22-23, FY 2023-24: No Summary</td></tr>
</table>

	of reservations or qualifications or adverse remarks of auditors.
Details of any inquiry, inspections or investigations initiated or conducted under the securities law or Companies Act or any previous company law in the last 3 (three) years immediately preceding the year of circulation of this private placement offer cum application letter in the case of the Company and all of its subsidiaries and if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last 3 (three) years immediately preceding the year of this private placement offer cum application letter and if so, section-wise details thereof for the Company and all of its subsidiaries	Nil

10. Financial Position of the Company:

The capital structure of the company in the following manner in a tabular form:

The authorized, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value)		**Share Capital**	**Aggregate Nominal Value**
		Authorised	
		Authorised Capital	1,05,00,00,000
		Equity Share Capital	
		8,00,00,000 Equity shares of Rs.10 each	80,00,00,000
		Preference Share Capital	
		25,00,000 Preference shares of Rs.100 each	25,00,00,000
		TOTAL	1,05,00,00,000
		Issued, Subscribed and Paid-up Equity Capital	
		6,45,75,050 equity shares of Rs.10 each, fully paid	70,15,64,450
		TOTAL	70,15,64,450
Size of the Present Offer	As specified in the relevant Key Information Document.		
Paid-up Capital: **a. After the offer:** **b. After the conversion of convertible instruments (if applicable)**	70,15,64,450 Not applicable as each Debenture is a non-convertible debt instrument which is being issued at face value.		
Share Premium Account: **a. Before the offer:** **b. After the offer:**	Rs. 4,63,33,45,621/- Rs. 4,63,33,45,621/-		
Details of the existing share capital of the Issuer in a tabular form, indicating therein with regard to each			

allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration:

Date of Allotment	No. of Equity Shares	Face Value (in Rs) per share	Issue Price (in Rs) per share	Consideration (Cash, other than cash, etc.)	Nature of Allotment	Cumulative No. of equity shares	Cumulative Equity share capital (Rs)	Cumulative Equity Share Premium (Rs) per share	Remarks
21.08.2023	55,81,395 fully paid up shares of Rs. 10 each	10	215	1,19,19,99,925	Preferential Issue	7,01,56,445	70,15,64,450	4,63,33,45,621	
31.03.2023	75,81,418 fully paid up shares of Rs. 10 each	10	215	1,63,00,04,870	Preferential Issue	6,45,75,050	64,57,50,500	3,48,91,59,645	-
17.02.2023	**24,58,962 fully paid up shares of Rs. 10 each**	**10**	**215**	**52,86,76,860**	**Preferential Issue**	**24,58,962**	**56,99,36,320**	**193,49,68,956/-**	
10.11.2022	**18,75,603 fully paid up shares of Rs. 10 each**	**10**	**209**	**39,20,01,027**	**Preferential Issue**	**5,45,34,670**	**54,53,46,700**	**143,08,81,746**	**-**
31.03.2022	**51,79,688 Partly paid up shares of Rs 8.10 paid up 3rd and Final Call Money**	**10**	**72.59**	**7,14,38,774**	**Preferential Issue**	**5,26,59,067**	**52,6,5,90,670**	**105,76,36,749**	**-**
31.03.2021	**51,79,688 Partly paid up shares of Rs 8.10 paid up**	**10**	**72.59**	**10,15,18,259**	**Preferential Issue**	**5,26,59,067**	**51,67,49,262.80**	**99,92,89,377**	**-**

31.03.2019	**2nd Call Money 51,79,688 Partly paid up shares of Rs 5.40 paid up 1st Call Money**	**10**	**72.59**	**10,15,18,259**	**Preferential Issue**	**5,26,59,067**	**50,27,64,106**	**91,17,56,276**	**-**
22.01.2019	**12,22,278**	**10**	**128**	**15,64,51,584**	**Preferential Issue**	**5,26,59,067**	**48,87,78,948**	**82,42,23,175**	**-**
18.01.2019	**7,30,847**	**10**	**128**	**9,35,48,416**	**Preferential Issue**	**5,14,36,789**	**47,65,56,168**	**67,99,94,371**	**-**
17.01.2018	**51,79,688 (Application Money)**	**10**	**72.59**	**10,15,18,259**	**Preferential Issue**	**5,07,05,942**	**46,92,47,698**	**59,37,54,425**	**-**
06/05/2015	**80,13,375**	**10**	**31**	**24,84,14,625**	**Rights Issue**	**4,55,26,254**	**45,52,62,540**	**50,62,21,324**	**-**
30/09/2013	**30,00,000**	**10**	**13**	**3,90,00,000**	**Preferential Issue**	**3,21,00,000**	**32,10,00,000**	**9,00,07,0000**	**-**
18/03/2013	**36,60,000**	**10**	**13.25**	**4,84,95,000**	**Preferential Issue**	**2,91,00,000**	**29,10,00,000**	**7,77,57,000**	**-**
16/08/2012	**68,50,000**	**10**	**13**	**8,90,50,000**	**Preferential Issue**	**254,40,000**	**25,44,00,000**	**6,58,63,000**	**-**
21/03/2012	**63,60,000**	**10**	**13**	**8,26,80,000**	**Preferential Issue**	**1,85,90,000**	**18,59,00,000**	**4,53,13,000**	**-**

The number and price at which each of allotments were made by the Company in the last 1 (one) year preceding the date of this placement offer cum application letter separately indicating the allotments made for consideration other than cash and details of the consideration in each case	Nil
Profits of the Company, before and after making provision for tax, for the 3 (three) financial years immediately preceding the date of circulation of this private placement offer cum application letter.	**(INR in Crores)**

Year	Fiscal FY 23-24	Fiscal FY 22-23	Fiscal FY 21-22
Profit before tax	103.37	67.31	54.27
Profit after tax	76.97	50.10	40.30

<table>
<tr><td>Dividends declared by the Company in respect of the said 3 (three) financial years; interest coverage ratio for last three years (cash profit after tax plus interest paid/interest paid)</td><td>
<table>
<tr><th>Year</th><th>Fiscal FY 23-24</th><th>Fiscal FY 22-23</th><th>Fiscal FY 21-22</th></tr>
<tr><td>Dividend Declared</td><td>NIL</td><td>NIL</td><td>NIL</td></tr>
<tr><td>Interest Coverage Ratio</td><td>1.47</td><td>1.46</td><td>1.48</td></tr>
</table>
</td></tr>
<tr><td>A summary of the financial position of the Company as in the 3 (three) audited balance sheets immediately preceding the date of circulation of this private placement offer cum application letter</td><td>Please refer CHAPTER A of this General Information Document.</td></tr>
<tr><td>Audited Cash Flow Statement for the 3 (three) years immediately preceding the date of circulation of this private placement offer cum application letter</td><td>Please refer CHAPTER B of this General Information Document.</td></tr>
<tr><td>Any change in accounting policies during the last 3 (three) years and their effect on the profits and the reserves of the Company</td><td>Nil</td></tr>
</table>

PART B

FORM NO PAS-4
PRIVATE PLACEMENT OFFER LETTER
(To be filled by the applicant)

Sl No.	Particulars	First Holder	Second Holder
1	Name	**[•]**	**[•]**
2	Father's Name	**[•]**	**[•]**
3	Complete Address (including Flat/ House Number, Street, Locality, Pin Code)	**[•]**	**[•]**
4	Phone Number, if any	**[•]**	**[•]**
5	Email ID, if any	**[•]**	**[•]**
6	PAN Number	**[•]**	**[•]**
7	Bank Account Details	**[•]**	**[•]**
8	Number of Non-Convertible Debentures subscribed	**[•]**	**[•]**
9	Total value of Non- Convertible Debentures subscribed	**[•]**	**[•]**
10	Tick whichever is applicable: - (a) The applicant is not required to obtain Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares. (b) The applicant is required to obtain Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares and the same has been obtained, and is enclosed herewith	**[•]**	

_____
Signature of the Subscriber

DECLARATION (To be provided by the Directors)

A. The Company has complied with the provisions of the Companies Act, 2013 and the rules made hereunder;

B. The compliance with the Companies Act, 2013 and the rules made thereunder do not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government; and

C. the monies received under the offer shall be used only for the purposes and objects indicated in this General Information Document.;

I am authorized by the Management Committee of the Board of Directors of the Issuer vide resolution dated 08th October 2024 to sign this General Information Document and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with.

Whatever is stated in this General Information Document and in the attachments thereto is true, correct and complete and no information material to the subject matter of this General Information Document has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this General Information Document.

The Issuer declares that all the relevant provisions in the regulations/guideline issued by SEBI and other applicable laws have been complied with and no statement made in this General Information Document is contrary to the provisions of the regulations/guidelines issued by SEBI and other applicable laws, as the case may be. The information contained in this General Information Document is as applicable to privately placed debt securities and subject to the information available with the Issuer. The extent of disclosures made in this General Information Document is consistent with disclosures permitted by regulatory authorities to the issue of securities made by the companies in the past.

For **IKF FINANCE LIMITED**

Vasumathi Koganti
Digitally signed by Vasumathi Koganti
Date: 2024.10.16 13:25:43 +05'30'

_____
Authorised Signatory

Name: Vasumathi Devi Koganti
Title: Managing Director
Date: 09th October 2024

Enclosed

Chapter A *– A summary of the financial position of the Company as in the 3 (three) audited balance sheets immediately preceding the date of circulation of this Offer Letter*

Chapter B *– Audited Cash Flow Statement for the 3 (three) years immediately preceding the date of circulation of this Offer Letter*

Chapter C *– Related party transactions entered during the last 3 (three) financial years immediately preceding the year of issue of this General Information Document and the current financial year with regard to loans made or, guarantees given or securities provided*

Optional Attachments, if any

CHAPTER A: FINANCIAL POSITION OF THE COMPANY AS IN THE 3 (THREE) AUDITED BALANCE SHEETS IMMEDIATELY PRECEDING THE DATE OF CIRCULATION OF THIS GENERAL INFORMATION DOCUMENT

Audited Financials for FY 2021-2022, FY 2022-2023 and FY 2023-2024 and limited review for a period ending June 30, 2024 are attached separately to this General Information Document

Please refer to **Annexure I** of the General Information Document

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CHAPTER B: AUDITED CASH FLOW STATEMENT FOR THE 3 (THREE) YEARS IMMEDIATELY PRECEDING THE DATE OF CIRCULATION OF THIS GENERAL INFORMATION DOCUMENT

Audited Financials for FY 2021-2022, FY 2022-2023 and FY 2023-2024 and limited review for a period ending June 30, 2024 are attached separately to this General Information Document

Please refer to **Annexure I** of the General Information Document

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CHAPTER C- RELATED PARTY TRANSACTIONS ENTERED DURING THE LAST 3 (THREE) FINANCIAL YEARS IMMEDIATELY PRECEDING THE YEAR OF ISSUE AND THE CURRENT FINANCIAL YEAR

Audited Financials for FY 2021-2022, FY 2022-2023 and FY 2023-2024 and limited review for a period ending June 30, 2024 are attached separately to this General Information Document

Please refer to **Annexure I** of the General Information Document

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SECTION 11: DECLARATION BY THE DIRECTORS

The Company and the persons authorised by the Company, confirm and attest that:

A. The Issuer undertakes that this General Information Document contain full disclosures in accordance with NCS Listing Regulations, as amended, and Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended and Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 and the Master Direction – Reserve Bank of India (Commercial Paper and Non-Convertible Debentures of original or initial maturity upto one year) Directions, 2024 (if applicable);

B. the compliance with the Companies Act, 2013 and the rules does not imply that payment of dividend or interest or repayment of non-convertible securities, if applicable, is guaranteed by the Central Government;

C. the monies received under the Issue shall be used only for the purposes and objects indicated in this General Information Document; and

D. whatever is stated in this General Information Document and in the attachments thereto is true, correct and complete and no information material to the subject matter of this General Information Document has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and the Articles of Association.

E. It is hereby declared that this General Information Document contains full disclosures in accordance with the NCS Regulations, as amended from time to time, the LODR Regulations, as amended from time to time and the Companies Act and the rules made thereunder.

F. The Issuer undertakes and confirms that this General Information Document does not omit disclosure of any material fact which may make the statements made therein, in light of the circumstances under which they are made, misleading. The General Information Document also does not contain any false or misleading statement.

G. the contents of the document have been perused by the Board of Directors, and the final and ultimate responsibility of the contents mentioned herein shall also lie with the Board of Directors; and

H. The Issuer accepts no responsibility for the statements made otherwise than in this General Information Document or in any other material issued by or at the instance of the Issuer and that anyone placing reliance on any other source of information would be doing so at his own risk.

General Risk

Investment in non-convertible securities is risky and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained under Section 3 of this General Information Document. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or investor's decision to purchase such securities.

Confidentiality

The information and data contained herein is submitted to each recipient of this General Information Document on a strictly private and confidential basis. By accepting a copy of this General Information Document, each recipient agrees that neither it nor any of its employees or advisors will use the information contained herein for any purpose other than evaluating the specific transactions described herein or will divulge to any other party any such information.

I am authorized by the Management Committee of the Board of Directors of the Company vide resolution number 3 dated 08th October 2024 sign this General Information Document and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this General Information Document and matters incidental thereto have been complied with.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

For **IKF FINANCE LIMITED**

_____
Authorised Signatory
Vasumathi Koganti
Digitally signed by Vasumathi Koganti
Date: 2024.10.16 13:26:05 +05'30'
Name: Vasumathi Devi Koganti
Title: Managing Director
Date: 09th October 2024

ANNEXURE I: LAST AUDITED FINANCIAL STATEMENTS

Audited Financials for FY 2021-2022, FY 2022-2023 and FY 2023-2024 and limited review for a period ending June 30, 2024 are attached separately to this General Information Document

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ANNEXURE II: RATING LETTER, RATING RATIONALE AND DETAILED PRESS RELEASE FROM THE RATING AGENT

(As specified in the relevant Key Information Document)

No. CARE/CRO/RL/2024-25/1325

Ms. K Vasumathi Devi
Managing Director
IKF Finance Limited
40-1-144, 3rd floor, Corporate centre,
MG Road
Vijayawada
Andhra Pradesh 520010

October 07, 2024

Confidential

Dear Madam,

Credit rating for Non-Convertible Debentures

Please refer to our letter no. CARE/CRO/RL/2024-25/1138 dated July 18, 2024 and letter no. CARE/CRO/RL/2024-25/1139 dated July 19, 2024 and your request for revalidation of the rating assigned to the non convertible debentures of your company, for a limit of Rs.250.00 crore.

2. The following rating(s) have been reviewed:

Sr. No.	Instrument	Amount (₹ crore)	Rating[1]	Rating Action
1.	Non Convertible Debentures – XIII	50.00	CARE A; Stable (Single A; Outlook: Stable)	Reaffirmed
2.	Non Convertible Debentures - XIV	200.00	CARE A; Stable (Single A; Outlook: Stable)	Reaffirmed

3. Refer **Annexure** for details of the rated instruments.
4. Please arrange to get the rating revalidated, in case the proposed issue is not made within **six months** from the date of this letter.

[1]Complete definitions of the ratings assigned are available at www.careedge.in and in other CARE Ratings Ltd.'s publications.

5. Please inform us the below-mentioned details of issue immediately, but not later than 7 days from the date of placing the instrument:

Instrument type	ISIN	Issue Size (Rs cr.)	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Trustee/IPA	Details of top 10 investors

6. CARE Ratings Ltd. reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.

7. CARE Ratings Ltd. reserves the right to revise/reaffirm/withdraw the rating assigned as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE Ratings Ltd. warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE Ratings Ltd. so as to enable it to carry out continuous monitoring of the rating of the debt instruments, CARE Ratings Ltd. shall carry out the review on the basis of best available information throughout the life time of such instruments. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE Ratings Ltd. shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.

8. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

9. Users of this rating may kindly refer our website www.careedge.in for latest update on the outstanding rating.

10. CARE Ratings Ltd. ratings are **not** recommendations to buy, sell, or hold any securities.

If you need any clarification, you are welcome to approach us in this regard.

Thanking you,

Yours faithfully,

Hareesh H
Lead Analyst
hareesh.h@careedge.in

Ravi Shankar R
Associate Director
ravi.s@careedge.in

Encl.: As above

Disclaimer
The ratings issued by CARE Ratings Limited are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings Limited has based its ratings/outlooks based on information obtained from reliable and credible sources. CARE Ratings Limited does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings Limited have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings Limited or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE Ratings Limited is, inter-alia, based on the capital deployed by the partners/proprietor and the current financial strength of the firm. The rating/outlook may undergo a change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE Ratings Limited is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE Ratings Limited's rating. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

Annexure
Details of rated Instruments

Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Amount Rated (Rs. Crore)
NCD – XIII	Proposed	-	-	-	50.00
NCD - XIV	INE859C07170	July 25, 2024	9.95%	Jul 25, 2026	70.00
	INE859C07188	August 01, 2024	10.30%	Jul 30, 2027	60.00
	Proposed	-	-	-	70.00

Annexure
Press Release
IKF Finance Limited

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long Term Bank Facilities	2,600.00	CARE A; Stable	Reaffirmed
Subordinated debt – I	25.00	CARE A; Stable	Reaffirmed
Subordinated debt – II	140.00	CARE A; Stable	Reaffirmed
Non Convertible Debentures - XIV	200.00	CARE A; Stable	Assigned
Non Convertible Debentures – XI	70.00	CARE A; Stable	Reaffirmed
Non Convertible Debentures – XII	150.00	CARE A; Stable	Reaffirmed
Non Convertible Debentures - XIII	50.00	CARE A; Stable	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Ratings assigned to bank facilities and debt instruments of IKF Finance Limited (IKF) continue to derive strength from the long and established track record of operations in the lending business with a strong brand image and seasoned and gradual growth in portfolio over the past several years. Ratings further derive strength from the well-defined credit and recovery policy with strong collection systems adopted, healthy profitability indicators, comfortable capital adequacy further supported by equity raise of ₹255 crore in FY23 and ₹120 crore in FY24 and moderately diversified resource profile. Ratings are constrained by regional concentration of portfolio, relatively moderate scale of operations, inherent risks associated with its borrower profile mostly being self-employed in the informal segment, high ticket exposure to small and medium enterprises (SME) and non-banking financial companies (NBFC) segments, and moderate asset quality, characterised by higher delinquencies in softer buckets, notwithstanding the improvement witnessed during FY24.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors: Factors that could, individually or collectively, lead to positive rating action/upgrade:

- Sustainable improvement in asset quality along with improvement in delinquencies in softer buckets.
- Growth in the scale of operations while maintaining profitability and capitalisation at comfortable levels.

Negative factors: Factors that could, individually or collectively, lead to negative rating action/downgrade:

- Deterioration in the asset quality with the gross non-performing assets (GNPA) above 4%, thereby impacting the profitability for an extended period.
- Moderation of the capital structure with a weakening of the overall gearing ratio to more than 4.5x on a sustained basis.
- Aggressive growth or migration of the portfolio to segments that lack seasoning benefits.

Analytical approach: Standalone

Outlook: Stable

The stable outlook reflects the likely continuation of stable credit profile with comfortable capitalisation levels and healthy profitability levels.

[1]Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Detailed description of the key rating drivers:

Key strengths

Long and established track record of operations

IKF has a long track record of about three decades in the vehicle financing segment. VGK Prasad, Chairman, has an established experience of more than three decades, and IKF's business operations have benefitted from his long-established track record in the auto finance segment and vast industry network developed over the years. He has also been associated with other industry associations and has been the President of the Federation of Indian Hire Purchase Associations (FIHPA). His daughter, K Vasumathi Devi, has succeeded as the Managing Director in January 2022. The company is well-supported by a qualified and experienced management team.

Well-defined credit policy and improving MIS system

IKF has a presence in commercial vehicles (CV), construction equipment (CE), and three-wheeler/four-wheeler segments, along with the SME financing segment, and has a well-defined credit policy for each segment. With a view to manage growing scale of operations and exposure in each segment, the company has been improving its technology platform. Its loan origination and credit appraisal processes are now tab-based, resulting in improved efficiency and a better underwriting process. The company has implemented a customised mobile collection module (tab-based system) software for ease of the underwriting process and to ensure lower turn-around time. IKF has strengthened its collection system by establishing stringent collection processes, with early delinquency checks, establishing bucket-wise collection, and strengthening its collection team by hiring professionals with substantial experience in the domain. IKF also prefers selling its repossessed vehicles to its existing customers rather than auctioning them to reduce loss on sale of repossessed assets.

Healthy profitability profile

In FY24, IKF reported a profit after tax (PAT) of ₹77 crore on a total income of ₹437 crore as against a PAT of ₹50 crore on a total income of ₹287 crore in FY23. Yield on advances improved from 15.07% in FY23 to 15.38% in FY24. The cost of funds remained stable at 9.22% in FY24 as against 9.21% in FY23. The net interest margin (NIM) improved to 6.99% in FY24 from 6.16% in FY23. Opex (as a percentage of total assets) increased to 3.03% in FY24 as against 2.67% in FY23. The credit cost increased from 0.24% in FY23 to 0.51% in FY24 on account of the increase in bad debt write-off amounting to Rs.10 crore. Return on total assets (ROTA) improved to 2.39% in FY24 as against 2.23% in FY23.

Comfortable capitalisation supported by further capital raise in FY23 and FY24

Aided by regular capital infusion by promoters and private equity (PE) investors and retention of internal accruals, IKF has maintained capital adequacy at comfortable levels over the past few years. In FY23, the company has raised equity of ₹255 crore from Accion and HNIs. Notably, the company has also infused ₹45 crore in its housing finance subsidiary, IKF Home in FY23. Post the infusion, shareholding (on a fully dilutive basis) of IKF in IKF Home stood at 89.13% as on March 31, 2024. During FY24, the company has raised ₹120 crore from Teachers Insurance and Annuity Association of America and capital adequacy ratio (CAR) and Tier-I CAR post the capital raise stood at 26.50% and 22.66% as on March 31, 2024. Overall gearing and adjusted gearing (excluding investments in the subsidiary) as on March 31, 2024, stood at 3.11x and 4.31x, respectively, as against 2.95x and 3.96x, respectively, as on March 31, 2023. CARE Ratings expects capitalisation levels to remain comfortable over the medium term.

Improving scale of operations

IKF has been in the vehicle finance business since 1991. That said, despite having a track record close to three decades, the size of operations remained moderate with assets under management (AUM) of ₹3,775 crore as on March 31, 2024. The company has been able to register continuous growth with comfortable capitalisation. Over the last three-years ended March 31, 2024, IKF has

grown at a compounded annual growth rate (CAGR) of 36%, from ₹1,489 crore as on March 31, 2021, to ₹3,775 crore as on March 31, 2024 (PY: ₹2,452 crore), including a growth of 54% in FY24. In FY24, IKF disbursed ₹2,676 crore, which is 60% higher than the disbursements in FY23. Vehicle finance continues to be key focus area for IKF, and the share has remained at around 78% over the past few years, mainly dominated by CV (31.75%), cars and multi-utility vehicles (MUVs; 14.97%), and CE (26.23%). Loans to other NBFCs remained at 11.11% as on March 31, 2023, to 10.55% as on March 31, 2024. The share of SME loans moderated over the last few years, from 21.8% as on March 31, 2019, to 11.23% as on March 31, 2024 (PY:8.75%). The company largely has a seasoned portfolio with a long presence in the vehicle finance segment. Hence, any large deviation from the same to any other asset class will be key monitorable. CARE Ratings expects the portfolio to grow at a higher rate in the medium term with the company raising equity in the recent past. CARE Ratings expects the growth momentum in AUM to continue for the medium term.

Moderately diversified resource profile with an inclination towards banks

Bank borrowings were the key source of funding for IKF and proportion of bank borrowings stood at 67.80% as on March 31, 2024 (PY: 72.93%). Notably, the company has a cash credit (CC) facility of ₹315 crore outstanding from different banks as on March 31, 2024. Borrowings as term loans from NBFCs and financial institutions (FI) stood at 20.36% as on March 31, 2023 (PY:15.32%). Borrowings through instruments such as non-convertible debentures (NCDs) and sub-debt stood at 5.85% and 5.99%, respectively, as on March 31, 2024, as against 3.73% and 8.02% respectively, as on March 31, 2023.

Key weaknesses

Geographical concentration of portfolio

During FY24, IKF has expanded its operations to Odisha and is currently operating in Nine states, covering Andhra Pradesh, Telangana, Gujarat, Tamil Nadu, Karnataka, Maharashtra, Madhya Pradesh, Rajasthan and Odisha, through 165 branches as on March 31, 2024 (PY: 134 branches). The portfolio is concentrated in South India, with 64% of AUM as on March 31, 2024, as against 67% of AUM as on March 31, 2023. The home states of IKF – Andhra Pradesh and Telangana – constituted 46% of AUM as on March 31, 2024, against 53% as on March 31, 2023.

CARE Ratings expects IKF's portfolio to remain concentrated in south Indian states, especially in Andhra Pradesh and Telangana, in the medium term.

Exposure to high-ticket SME financing and loans to NBFCs

IKF has been limiting disbursements in the high ticket size SME financing segment over the last three years ended March 31, 2024. The company is now focusing more on lower ticket size SME loans rather than higher ticket size loans, which is expected to reduce overall risk of the SME portfolio. The company has started a separate vertical for the low-ticket size SME and the proportion of SME financing on overall AUM has increased to 11.23% as on March 31, 2024, from 8.75% as on March 31, 2023. The proportion of SME portfolio in the overall AUM is expected to grow going forward.

Loans to other NBFCs stood at 10.55% as on March 31, 2024 as against 11.11% as on March 31, 2023.

Moderate asset quality characterised by high delinquency in softer buckets

GNPA stood at 2.35% as on March 31, 2024, as against 2.83% as on March 31, 2023. The company has written off a portfolio amounting to ₹10.41 crore in FY24 as against ₹3.43 crore in FY23. Provision coverage ratio stood at 23% as on March 31, 2024, from 21% as on March 31, 2023. In line with the same, the net NPA decreased from 2.25% as on March 31, 2023, to 1.80% as on March 31, 2024. With higher collection efforts and repossession activities, delinquency in softer buckets has shown improvement in FY24 though remained high with the 0+ dpd improving from 29% as on March 31, 2023, to 21% as on March 31, 2024.

Liquidity: Adequate

IKF's asset liability maturity (ALM) stood adequate, with no negative cumulative mismatches in any time buckets up to one year as on March 31, 2024. As on June 30, 2024, the company had cash and cash equivalents of ₹131 crore and un-availed lines of credit (including unutilised CC of ₹51 crore) of ₹407 crore. Of the total borrowings raised in FY24, majority were bank borrowings. The company's ability to mobilise funds from banks at a competitive rate with improved incremental cost of borrowings adds

Applicable criteria

Definition of Default
Rating Outlook and Rating Watch
Financial Ratios - Financial Sector
Non Banking Financial Companies

About the company and industry

Industry classification

Macro Economic Indicator	Sector	Industry	Basic Industry
Financial Services	Financial Services	Finance	Non Banking Financial Company (NBFC)

IKF was incorporated as IndraKeela Financiers Private Limited in 1991. The company became a closely held public company in 1994, with a change in name to IKF Finance & Investments Limited. The company had a public issue in 1995 and IKF's shares were listed on the Bombay Stock Exchange Limited (BSE) and Ahmedabad Stock Exchange. In 1998, the company was renamed IKF Finance Limited and shares were subsequently delisted on February 18, 2015. IKF is registered as a non-deposit taking NBFC and is primarily engaged in used vehicle and SME financing. As on March 31, 2024, vehicle and SME finance (including loan to NBFC) constitutes 78% and 22% of the total AUM respectively.

The company is promoted by VGK Prasad, Chairman, who has more than three decades of experience in the industry and is currently managed by Vasumathi Devi, Managing Director. As on March 31, 2024, promoters held a 42.84% share, followed by two funds (India Business Excellence Fund II – 11.12% and IIA – 18.60%) managed by Motilal Oswal Private Equity (MOPE), 7.96% by Accion digital transformation fund, 7.96% by Teachers Insurance and Annuity Association of America and the rest by others.

The company has presence majorly in South India across Andhra Pradesh, Telangana, Karnataka, Tamil Nadu and has been expanding across Gujarat, Maharashtra, Madhya Pradesh, Rajasthan and Odisha in the last few years. It has total of 165 branches as on March 31, 2024.

IKF has a subsidiary, IKF Home, with a shareholding of 90.55% (rest by promoters) as on March 31, 2024. It is primarily engaged in providing home loan products and refinancing solutions and loan against property (LAP).

Brief Financials (₹ crore)	31-03-2023 (A)	30-03-2024 (A)
Total income	287	437
PAT	50	77
Interest coverage (times)	1.44	1.47
Total assets	2,763	3,675
Net NPA (%)	2.25	1.80
ROTA (%)	2.23	2.39

A: Audited UA: Unaudited; Note: 'the above results are latest financial results available'

Status of non-cooperation with previous CRA: Not applicable
Any other information: Not applicable

Rating history for last three years: Please refer Annexure-2

Covenants of rated instrument / facility: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Debentures-non-convertible debentures - XII	INE859C07154	11-08-2023	9.75%	11-08-2025	50.00	CARE A; Stable
Debentures-non-convertible debentures - XII	INE859C07154	05-09-2023	9.75%	11-08-2025	50.00	CARE A; Stable
Debentures-non-convertible debentures - XII	INE859C07162	27-03-2024	9.95%	27-03-2027	50.00	CARE A; Stable
Debentures-non-convertible debentures – XIII (Proposed)	-	-	-	-	50.00	CARE A; Stable
Debentures-non-convertible debentures – XIV (Proposed)	-	-	-	-	200.00	CARE A; Stable
Fund-based - LT-cash credit	-	-	-	-	400.00	CARE A; Stable
Fund-based - LT-term loan	-	-	-	March, 2028	2200.00	CARE A; Stable
Debentures-Non-convertible debentures – XI	INE859C08111	27-03-2023	10.60%	27-03-2025	70.00	CARE A; Stable
Debt-subordinate debt – I	INE859C08079	19-01-2021	13.25%	20-07-2026	25.00	CARE A; Stable
Debt-subordinate debt – II	INE859C08103	28-10-2022	13.85%	28-04-2028	140.00	CARE A; Stable

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based - LT-Cash Credit	LT	400.00	CARE A; Stable	-	1)CARE A; Stable (21-Mar-24) 2)CARE A; Stable (06-Jul-23)	1)CARE A; Stable (20-Mar-23) 2)CARE A; Stable (27-Sep-22)	1)CARE A; Stable (29-Sep-21)
2	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1)Withdrawn (29-Sep-21)
3	Fund-based - LT-Term Loan	LT	2200.00	CARE A; Stable	-	1)CARE A; Stable (21-Mar-24) 2)CARE A; Stable (06-Jul-23)	1)CARE A; Stable (20-Mar-23) 2)CARE A; Stable (27-Sep-22)	1)CARE A; Stable (29-Sep-21)
4	Debentures-Non Convertible Debentures	LT	-	-	-	-	1)Withdrawn (27-Sep-22)	1)CARE A; Stable (29-Sep-21)
5	Debentures-Non Convertible Debentures	LT	-	-	-	1)Withdrawn (06-Jul-23)	1)CARE A; Stable (20-Mar-23) 2)CARE A; Stable (27-Sep-22)	1)CARE A; Stable (29-Sep-21)
6	Debentures-Non Convertible Debentures	LT	-	-	-	-	1)Withdrawn (27-Sep-22)	1)CARE A; Stable (29-Sep-21)
7	Debentures-Non Convertible Debentures	LT	-	-	-	-	1)Withdrawn (27-Sep-22)	1)CARE A; Stable (29-Sep-21)
8	Debentures-Non Convertible Debentures	LT	-	-	-	-	1)Withdrawn (27-Sep-22)	1)CARE A; Stable (29-Sep-21)
9	Debentures-Non Convertible Debentures	LT	-	-	-	1)Withdrawn (21-Mar-24) 2)CARE A; Stable (06-Jul-23)	1)CARE A; Stable (20-Mar-23) 2)CARE A; Stable (27-Sep-22)	1)CARE A; Stable (29-Sep-21)

10	Debt-Subordinate Debt	LT	25.00	CARE A; Stable	-	1)CARE A; Stable (21-Mar-24) 2)CARE A; Stable (06-Jul-23)	1)CARE A; Stable (20-Mar-23) 2)CARE A; Stable (27-Sep-22)	1)CARE A; Stable (29-Sep-21)
11	Debentures-Market Linked Debentures	LT	-	-	-	-	-	1)Withdrawn (05-Oct-21) 2)Provisional CARE PP-MLD A; Stable (25-Jun-21)
12	Debentures-Market Linked Debentures	LT	-	-	-	1)Withdrawn (21-Mar-24) 2)CARE PP-MLD A; Stable (06-Jul-23)	1)CARE PP-MLD A; Stable (20-Mar-23) 2)CARE PP-MLD A; Stable (27-Sep-22)	1)CARE PP-MLD A; Stable (29-Sep-21)
13	Debt-Subordinate Debt	LT	140.00	CARE A; Stable	-	1)CARE A; Stable (21-Mar-24) 2)CARE A; Stable (06-Jul-23)	1)CARE A; Stable (20-Mar-23) 2)CARE A; Stable (30-Sep-22)	-
14	Debentures-Non Convertible Debentures	LT	70.00	CARE A; Stable	-	1)CARE A; Stable (21-Mar-24) 2)CARE A; Stable (06-Jul-23)	1)CARE A; Stable (20-Mar-23)	-
15	Debentures-Non Convertible Debentures	LT	150.00	CARE A; Stable	-	1)CARE A; Stable (21-Mar-24) 2)CARE A; Stable (06-Jul-23)	-	-
16	Debentures-Non Convertible Debentures	LT	50.00	CARE A; Stable	-	1)CARE A; Stable (21-Mar-24)	-	-
17	Debentures-Non Convertible Debentures	LT	200.00	CARE A; Stable				

LT: Long term

Annexure-3: Detailed explanation of covenants of the rated instruments/facilities: Not Applicable

Annexure-4: Complexity level of the various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Debentures-Non Convertible Debentures	Simple
2	Debt-Subordinate Debt	Simple
3	Fund-based - LT-Cash Credit	Simple
4	Fund-based - LT-Term Loan	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please click here

Note on the complexity levels of the rated instruments: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

Contact us

Media Contact	Analytical Contacts
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About us:

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The ratings issued by CARE Ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities or to buy, sell, or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings has based its ratings/outlook based on information obtained from reliable and credible sources. CARE Ratings does not, however, guarantee the accuracy, adequacy, or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating/outlook assigned by CARE Ratings is, inter-alia, based on the capital deployed by the partners/proprietors and the current financial strength of the firm. The ratings/outlook may change in case of withdrawal of capital, or the unsecured loans brought

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For the detailed Rationale Report and subscription information, please visit www.careedge.in

ANNEXURE III: CONSENT LETTER AND ENGAGEMENT LETTER FROM THE DEBENTURE TRUSTEE

(As specified in the relevant Key Information Document)

CL/MUM/24-25/DEB/158
Date: October 05, 2024

To
IKF Finance Limited
D No.40-1-144, Corporate Centre M G Road,
Vijayawada,
Andhra Pradesh - 520010

Kind Attn: Mr. P Chandra Sekhar

Dear Sir,

Sub: Consent to act as Trustee for Rated Secured Listed Transferable Redeemable Non-convertible debentures aggregating to Rs. 120 Crores (INR One Hundred Twenty Crores) to be issued by IKF Finance Limited.

We, the undersigned, hereby consent to be named as the Debenture Trustee to the Issue and to our name being inserted as the Debenture Trustee to the Issue in the Information Memorandum/disclosure document/listing application or any other document to be filed with the BSE/NSE Limited ("Stock Exchange") or any other authority as required. The following details with respect to us may be disclosed:

Name	Vardhman Trusteeship Private Limited
Address	The Capital, A Wing, 412A, Bandra Kurla Complex, Bandra (East), Mumbai-400051
Tel	22 4264 8335/ 22 4014 0832
Email	corporate@vardhmantrustee.com
Website	https://vardhmantrustee.com
Contact Person	Rushabh Desai
SEBI Registration No	IND000000611
CIN	U65993WB2010PTC152401
Logo	VARDHMAN TRUSTEESHIP PVT LTD Nurturing & Protecting Your Trust

We confirm that we are registered with the SEBI and that such registration is valid as on the date of this letter. We enclose a copy of our registration certificate enclosed herein as Annexure A and declaration regarding our registration with SEBI as Annexure B. We also confirm that we have not been prohibited by SEBI to act as an intermediary in capital market issues.

Yours faithfully,

For Vardhman Trusteeship Private Limited

Rushabh Anantrai Desai
Digitally signed by Rushabh Anantrai Desai
Date: 2024.10.05 15:34:27 +05'30'

Authorised Signatory

Annexure B

We hereby confirm that as on date the following details in relation to our registration with the Securities and Exchange Board of India as a Debenture Trustee is true and correct:

1	Registration Number	IND000000611
2	Date of registration/ Renewal of registration	15/12/2020
3	Date of expiry of registration	Null, unless suspended or cancelled by SEBI
4	If applied for renewal, date of application	N/A
5	Any communication from SEBI prohibiting the entity from acting as an intermediary	No
6	Any enquiry/ investigation being conducted by SEBI	No
7	Details of any penalty imposed by SEBI	No

Rushabh Anantrai Desai

Digitally signed by Rushabh Anantrai Desai
Date: 2024.10.05 15:34:42 +05'30'

ANNEXURE IV: APPLICATION FORM

IKF FINANCE LIMITED
A public limited company incorporated under the Companies Act, 1956
Date of Incorporation: May 30, 1991; **CIN**: U65992AP1991PLC012736
Registered Office: 40-1-144,3rd Floor, Corporate –entre, M.G. Road, Vijayawada - 520010
Telephone No.: 0866-2474644 **Website**: www.ikffinance.com

DEBENTURE SERIES APPLICATION FORM SERIAL NO.									

ISSUE OF SENIOR / UNSUBORDINATED / SUBORDINATED, SECURED / UNSECURED, RATED, LISTED, NON-CONVERTIBLE SECURITIES AGGREGATING FOR AN AMOUNT AS SHALL BE MORE PARTICULARLY SET OUT IN THE KEY INFORMATION DOCUMENT, IN MULTIPLE TRANCHES / ISSUANCES, FOR CASH, AT PAR OR AT PREMIUM OR AT DISCOUNT, IN A DEMATERIALISED FORM ON A PRIVATE PLACEMENT BASIS (THE "ISSUE") BY IKF FINANCE LIMITED (THE "COMPANY") OR "ISSUER").

Dear Sir / Madam,

I AM/ WE ARE ( ) COMPANY ( ) OTHERS ( ) SPECIFY _____

We have read and understood the terms and conditions of the General Information Document dated 09th October 2024 for the issue of Debentures on a private placement basis including the Risk Factors described in the General Information Document ("**General Information Document**") issued by the Issuer and have considered these in making our decision to apply. We bind ourselves to these terms and conditions and wish to apply for allotment of these Debentures. We request you to please place our name(s) on the Register of Debenture Holders, on allotment of the Debentures to us.

I/ We bind myself/ourselves to the terms and conditions as contained in the General Information Document. I/we note that the Company is entitled in its absolute discretion, to accept or reject this application in whole, or in part, without assigning any reason whatsoever.

(PLEASE READ THE INSTRUCTIONS CAREFULLY BEFORE FILLING THIS FORM)

All capitalised terms used in this Application Form which are not defined shall have the meaning attributed to them in the General Information Document.

DEBENTURE SERIES APPLIED FOR:

Number of Debentures: ____In words: _____-only
Amount INR_____/-In words Indian Rupees :_____Only

DETAILS OF PAYMENT:

Cheque / Demand Draft / RTGS
No. _____ Drawn on_____

Funds transferred to **IKF Finance Limited**
Dated _____

Total Amount Enclosed
(In Figures) INR /- (In words) Only

APPLICANT'S NAME IN FULL (CAPITALS) SPECIMEN SIGNATURE

APPLICANT'S ADDRESS

ADDRESS																		
STREET																		
CITY																		
PIN							**PHONE**							**FAX**										

APPLICANT'S PAN/GIR NO. _____ IT CIRCLE/WARD/DISTRICT ____

Name of the Authorised Signatory(ies)	Designation	Signature

Applicant's Signature:

We the undersigned, are agreeable to holding the Debentures of the Company in dematerialised form. Details of my/our Beneficial Owner Account are given below:

DEPOSITORY	**NSDL/CDSL**
DEPOSITORY PARTICIPANT NAME	
DP-ID	
BENEFICIARY ACCOUNT NUMBER	
NAME OF THE APPLICANT(S)	

Applicant Bank Account: (Settlement by way of Cheque / Demand Draft / Pay Order / Direct Credit / ECS / NEFT/RTGS/other permitted mechanisms)	

FOR OFFICE USE ONLY DATE OF RECEIPT _____ DATE OF CLEARANCE _____

(Note: Cheque and Drafts are subject to realisation)

We understand and confirm that the information provided in the General Information Document is provided by the Issuer and the same has not been verified by any legal advisors to the Issuer, and other intermediaries and their agents and advisors associated with this Issue. We confirm that we have for the purpose of investing in these Debentures carried out our own due diligence and made our own decisions with respect to investment in these Debentures and have not relied on any representations made by anyone other than the Issuer, if any.

We understand that: i) in case of allotment of Debentures to us, our Beneficiary Account as mentioned above would get credited to the extent of allotted Debentures, ii) we must ensure that the sequence of names as mentioned in the Application Form matches the sequence of name held with our Depository Participant, iii) if the names of the Applicant in this application are not identical and also not in the same order as the Beneficiary Account details with the above mentioned Depository Participant or if the Debentures cannot be credited to our Beneficiary Account for any reason whatsoever, the Company shall be entitled at its sole discretion to reject the application or issue the Debentures in physical form.

Applicant's
Signature

FOR OFFICE USE ONLY
DATE OF RECEIPT _____ DATE OF CLEARANCE _____

(Note : Cheque and Drafts are subject to realisation)

----------(TEAR HERE)----------

ACKNOWLEDGMENT SLIP

(To be filled in by Applicant) **SERIAL NO.**										

Received from _____

Address_____

Cheque/Draft/UTR # _____ Drawn on _____ for INR _____ on account of application of _____ Debenture

INSTRUCTIONS

1. Application form must be completed in full, IN ENGLISH.

2. Signatures must be made in English or in any of the Indian languages. Thumb Impressions must be attested by an authorized official of the Bank or by a Magistrate/Notary Public under his/her official seal.

3. Application form, duly completed in all respects, must be submitted with the respective Collecting Bankers. The payment is required to be made to the following account, in accordance with the terms of the EBP Guidelines: As specified in the relevant Key Information Document

   The Company undertakes that the application money deposited in the above-mentioned bank account shall not be utilized for any purpose other than:

   a) for adjustment against allotment of securities; or

   b) for the repayment of monies where the company is unable to allot securities.

   OR

   Upon receipt of intimation of allotment, Application Form along either demand draft(s) or cheque(s) drawn or made payable in favour of the Issuer or otherwise as may be set out in the Application Form and crossed “Account Payee Only”. Applicants can alternatively, remit the application amount through RTGS on the below mentioned bank. The RTGS details of the Issuer are as specified in the relevant Key Information Document.

4. Receipt of applicants will be acknowledged by the Company in the “Acknowledgement Slip” appearing below the application form. No separate receipt will be issued.

5. All applicants should mention their Permanent Account No. or their GIR No. allotted under Income Tax Act, 1961 and the Income Tax Circle/Ward/District. In case where neither the PAN nor the GIR No. has been allotted, the fact of non-allotment should be mentioned in the application form in the space provided. Income Tax as applicable will be deducted at source at the time of payment of interest including interest payable on application money.

6. The application would be accepted as per the terms of the manner outlined in the transaction documents for the private placement.

ANNEXURE V: CONSENT LETTER FROM THE MERCHANT BANKER

(As specified in the relevant Key Information Document)

ANNEXURE VI: ILLUSTRATION OF BOND CASH FLOWS

(As specified in the relevant Key Information Document)

ANNEXURE VII: IN-PRINCIPLE APPROVAL

[●]

DCS/COMP/RM/IP-PPDI/140/24-25 October 11, 2024

IKF Finance Limited
40-1-144, 3rd Floor,
Corporate Centre,
M.G. Road, Vijayawada- 520010

Re: Private Placement of Senior / Unsubordinated / Subordinated, Secured / Unsecured, Rated, Listed, Non-Convertible Securities aggregating for an amount as shall be more particularly set out in the Key Information Document, in multiple Tranches / Issuances, for Cash, at par or at premium or at discount, by IKF Finance Limited (The "Company") or ("Issuer"). Gid Dated- 09th October 2024

We acknowledge receipt of your application on the online portal on October 09, 2024, seeking In-principle approval for issue of captioned security. In this regard, the Exchange is pleased to grant in-principle approval for listing of captioned security subject to fulfilling the following conditions at the time of seeking listing:

1. Filing of listing application.

2. Payment of fees as may be prescribed from time to time.

3. Compliance with SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder and also Compliance with provisions of Companies Act 2013.

4. Receipt of Statutory & other approvals & compliance of guidelines issued by the statutory authorities including SEBI, RBI, DCA etc. as may be applicable.

5. Compliance with change in the guidelines, regulations, directions, circulars of the Exchange, SEBI or any other statutory authorities, documentary requirements from time to time.

6. Compliance with below mentioned circular dated June 10, 2020 issued by BSE before opening of the issue to the investors.:
https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20200610-31

7. Issuers, for whom use of EBP is not mandatory, specific attention is drawn towards compliance with Chapter XV of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and BSE Circular No 20210519-29 dated May 19, 2021. Accordingly, Issuers of privately placed debt securities in terms of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 or ILDM Regulations for whom accessing the electronic book platform (EBP) is not mandatory shall upload details of the issue with any one of the EBPs within one working day of such issuance. The details can be uploaded using the following links Electronic Issuance - Bombay Stock Exchange Limited (bseindia.com).

8. It is advised that Face Value of NCDs issue through private placement basis should be kept as per Chapter V of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021

9. ***Issuers are hereby advised to comply with signing of agreements with both the depositories as per Regulation 7 of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021.***

10. Company is further requested to comply with SEBI Circular SEBI/HO/DDHS/DDHS-RACPOD1/CIR/P/2023/56 dated April 13, 2023, (if applicable) read along with BSE Circular https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20230428-18 and ensure compliance of the same.

This In-Principle Approval is valid for a period of 1 year from the date of issue of this letter or period of 1 year from the date of opening of the first offer of debt securities under the General information Document, which ever applicable. The Exchange reserves its right to withdraw its in-principle approval at any later stage if the information submitted to the Exchange is found to be incomplete/ incorrect/misleading/false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Guidelines/Regulations issued by the statutory authorities etc. Further, it is subject to payment of all applicable charges levied by the Exchange for usage of any system, software or similar such facilities provided by BSE which the Company shall avail to process the application of securities for which approval is given vide this letter.

Yours faithfully,
For BSE Limited

Prasad Bhide
Senior Manager

Pooja Ganatra
Deputy Manager

BSE - PUBLIC

ANNEXURE VIII: SPECIFIC DISCLOSURES REQUIRED FROM NBFC

A. Details with regard to the lending done by the issuer out of the issue proceeds of debt securities in last three years, including details regarding the following:

(i) Lending Policy: Should contain overview of origination, risk management, monitoring and collections;

Business Model of IKFFL:

- The Objective of the Company is to cater to the needs of Small Road Transport Operators (SRTOs) and Small & Medium Enterprises (SMEs) by extending financial support for acquiring Commercial Vehicles and to meet their business requirements.

- Today, it is a thirty one years old Company having high stake in Automobiles particularly Commercial Vehicles, Cars & MUVs, Tractors, Three Wheelers, Earthmoving & Construction Equipment etc. operating from 134 locations spread across Southern and Western India.

- The company always been a digital-driven organization and actively leverage innovative digital technologies to make lives easier for customers and our people. Our digital efforts have been driving unmatched operational excellence, thereby positioning for consistent transformation and long-term growth.

- The company's robust loan processing system enabled by multiple checks to ensure flagging and preventing frauds and errors. Advanced technologies are also being leveraged for verifying and capturing KYC details and geo-tagging of locations as enhanced security measures. Technology implementation reduces the cost-to-serve and facilitates business operations and expansion.

Brief note on the credit underwriting process

Customers are mainly sourced through direct and indirect marketing and distribution channels:

Direct – through Branches / Satellite Branches

1. Leads generated by the Marketing Team
2. Walk-in Customers
3. Existing Customers / Guarantors
4. References secured from existing Customers / Guarantors

Indirect – through external sources

1. Dealer References
2. DSAs
3. Brokers / Consultants

The management's emphasis is on sourcing business from the existing customers and their references.

Credit Underwriting

After identifying a prospective borrower and before putting up the proposal for approval, Marketing / Field Executive(s) verify/assess the borrower's repayment capacity and ability to pay in adverse

situations. Analysis is also done to establish the credit worthiness of the Guarantor. First field investigation is done by the field executives which covers the following:
Physical verification of Residence/Place of business

- Verification with address proofs
- Verification with property and income proofs
- Verification with previous track record or Bank statements etc.
- Credibility of the borrower & Guarantor in the locality where they reside
- Authentication of documents submitted for verificationWhether the borrower's requirements are in line with the Company's credit policy, (in terms of funding, rate of interest, tenure, vehicle make & model etc.)Earning capacity of the vehicle, in terms of its viability, route of operation, segment/industry in which it operates and its prospects etc.

IKF focuses on clients who have formal contracts with contractors/ companies. After going through the FI findings, the field executives with the help of back office operations staff put up the proposal for approval of Branch Manager. The Executive must physically verify the vehicle before sending the proposal.

KYC information is shared with the HO credit team through TAB application to carry out the verification of all the KYC documents with API integration with various services providers and to run the internal de-dupe and a CIBIL check. The company doesn't have a defined matrix for CIBIL score, the strings are analysed to understand the credit behaviour of the client. Simultaneously, the credit team is assigning the case to a Field Investigation agency for external valuation. DD team feels that the process of CIBIL check could be standardised. A defined matrix of credit score along with deviation matrix could improve the system.

The Branch Manager Analyses the proposal based on the findings of Field executive(s) and documents submitted, cross verifies the information furnished with information from his sources. In Hyderabad region, the BM can take a credit opinion from other financiers on phone.

The BM forwards the proposal along with his comments/recommendations to Credit Department for approval through TAB Application.

On receiving proposal from Branch, the credit department scrutinizes the documents submitted by the borrower and Guarantor and verifies their authenticity with the online data available on the Internet. For example:

- PAN Card / Income Tax Returns with Income Tax website
- Driving License / Vehicle Details with RTA Website
- Voter Card with Election Commission website
- Property Tax Paid with Municipal / Corporation Website
- Property Details with Registration / Revenue Dept Websites.
- Bank Statements with respective Banks
- Repayment track with other Financiers / Bankers

This is followed by tele verification of both the Borrower and Guarantor to check the information furnished and their requirement. The credit department also checks if the customer falls in the negative list or if it is of a negative profile.

Viability test of the vehicle is based on the route it plies and the rates prevalent in the market. Assessment of the income of the borrower is based on the FI report and tele verification.

Field Investigation

Field investigation is conducted by an external FI agency. Different FI agencies have been empanelled by IKF in different regions. FI agencies are managed from the HO. Only credit team is authorized to call for this external FI.

Field investigation involves a physical verification of borrower's address, assessment of his socioeconomic condition, obtaining feedback from neighbours and local people and verification of the documents submitted. The FI agency is also expected to check the contract letter, bank statement and vehicle viability.

External valuation of vehicle

Valuation of vehicle is required in case of a used vehicle and is done by empanelled valuators who have experience in assessing value of used commercial vehicles. Payment to these valuators is done by the client, which is in line with the general market practice. DD team feels that the payment to valuators should be made by the company, to avoid any conflict of interest.
Valuation report contains details of the vehicle including vehicle identification details, registration details, permit and tax details, insurance details, status of the RC book, condition of the vehicle and estimated market value of the customer. Report is submitted along with 4(Front, back and one side, other side and chassis number) photographs of the vehicle and a tracing of the engine and chassis number.

Vehicle Finance Grid

As per the policy, at the time of funding each used vehicle, the lower of the following is taken as vehicle value for ascertaining the finance amount
(i) Vehicle Grid Values
(ii) Valuation given by the Certified Valuer / Surveyor

Preparation of Vehicle finance grid

IKF maintains different vehicle financing grids for different regions. Grid values are determined based on market feedback and company's experience of selling repossessed vehicles. Grid values are proposed by State Heads and approved by the Senior Management. The grid is updated at least every 6 months or as and when need arises. Loan to values are based on the vehicle type and the borrower category. At regular intervals, the grid value for funding of used vehicle is ascertained based on following process:

Collection of data regarding resale deals happening in the market in consultation with transport operators, consultants, brokers, mechanics etc. in respect of various vehicles, model wise
Collection of data regarding valuation of various vehicles, model wise, from certified valuers/ surveyors
Collection of data regarding maximum and minimum vehicle values (IDVs) from various Insurers
Collection of Vehicle grid values of various NBFCs

The company arrives at the model wise vehicle grid values after analysing the data so collected and compares it with the data of repossessed vehicles sold by the company in the recent past to arrive at the final grid.

Loan Disbursement

Sanctioning Authority for Approval

Credit officers approve the loan if the proposal is in line with the company's credit policy. Cases with any deviation are referred to Managing / Executive Director.

Disbursements

All disbursements are through cheques. An invoice is issued immediately after disbursement. Ideally the disbursement is done only after endorsement of the hypothecation in the RC book of the vehicle.

However, to maintain the TAT to remain competitive in the market, all documents required for the endorsement of hypothecation are collected and loan is disbursed.

Endorsement of hypothecation

Endorsement of hypothecation in Insurance and RC book should be completed within 90 days of disbursement. IKF tries to ensure that Insurance & Registration is done through them to avoid delay in collection of post disbursement documents (PDDs). Branch Manager/Incharge takes personal responsibility for collection of such PDDs.

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Brief of Automation and digitization of business/ lending operations:

1) Collection/Recovery Management

IKF has introduced Tab based digital collections process in the recent past to keep pace of the challenges posed by COVID related disruptions.

Besides, the Company has been encouraging the borrowers to opt for digital payment modes, like payments through NACH, RTGS. NEFT, UPI etc modes

As such, the majority of the collections are being managed through the digital modes.

2) Credit Monitoring

IKF proactively assesses the risk associated with its various loan products and has evolved a variety of Risk Management and Monitoring Tools, while dealing with a wide spectrum of retail customers and the same are being monitored through web based digital application.

3) Due diligence searches

IKF has tied up with various database sharing agencies like CIBIL EQUFAX etc integration through API

Due diligence of customers and Vehicle is carried out centrally at Corporate Office located at Hyderabad and Registered Office located at Vijayawada. Verification of KYC documents, CIBIL internal de-dupe etc. will be done by the Credit and Risk Team besides verification of Bank statements and existing repayment track record/s of the borrowers.

4) Sanction / disbursement process

Credit & Risk team appraises the proposal, after taking in to consideration the FI report of the External empanelled agencies, based on its merits.

After sanction, the credit proposal is forwarded to the operational wing for disbursement.

The whole process is automated and is being carried out through the digital platform – TAB application.

After ensuring that promoters' contribution is brought upfront and adequacy of the legal documents, the disbursement is affected through NEFT / RTGS to the borrowers bank account.

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IKF uses direct and indirect methods of business sourcing. Direct method includes originationthrough its branches, approaching new borrowers through existing borrowers and borrower references and guarantors. Sourcing through DSAs and Dealers is part of indirect sourcing. Further the company sources three wheelers and two wheelers through franchise route on loss sharing basis. The company has about 148 branches spread across 9 states. All these branches are controlled by two centralized offices located at Hyderabad and Vijaywada. IKF originates all kind of used and new commercial vehicle, utility vehicle, construction equipment, tractor and car loans.

Credit Appraisal Systems

For business generated through direct and indirect sourcing:

IKF has a centralized credit appraisal system from two locations, Hyderabad and Vijaywada. The initial credit assessment of the prospective borrowers is gathered through local Field Investigation (FI) officer at each branch. IKF has an in-house FI team. FI officer does physical verification of borrower's address, assesses the socio-economic condition of the borrower, obtains feedback from neighbors and local people and also verifies the documents submitted. Post FI, branch in-charge / manager also does assessment through his own network and IKF has also appointed external agency for field investigation. Thus in total 3 levels of field investigations are conducted. IKF does not disburse any loan unless the prospective borrower ropes in a guarantor and sometimes also asks for a co- applicant, who is an earning family member. The credit check is also performed for co-borrower or guarantor. IKF also insists on ownership of residential property by immediate family members which provides residential stability. The credit appraisal memo (CAM) of the prospective borrower along with the all the necessary documents become part of the borrower's file maintained for each borrower. After all the documents are collected, the file is sent to respective centralized office either at Hyderabad or Vijaywada depending on source of branch. At centralised office, all the documents in the file are verified before it is sent to the credit team. The credit team at centralised office gives the next level of approval based on underwriting criteria for each product and different types of customers. The credit team has a matrix for computation of permissible Loan-to-Value (LTV) ratio based on the type of the vehicle, profile of the borrower and repayment track record. The borrower is classified as a First Time User (FTU), First Time Borrower (FTB), Transporter Borrower, or a Captive Borrower. In case of any deviation, case is sent to either the managing director or executive director for approval. Management reviews the policies as and when market conditions demand.

For Business generated through Franchise Route:

IKF has tie-ups with various establishments and generates business through franchise route for their two- wheeler and three-wheeler portfolio which operates on 100% loss cover basis. These franchisees are running their own portfolio along with the generating business for other NBFCs. IKF has been running this model in a limited manner with these franchises since 2000. Currently, IKF has tie-up with about XXX franchisees present in Andhra Pradesh, Gujarat and Telangana. This model is now replicated for the majority of business sourced in these states. Since 2000 IKF has never incurred any loss in the franchise business. For the portfolio generated for IKF, these establishments are fully responsible for the underwriting of loans and subsequent collections. However, the underwriting standards are laid down by IKF. IKF takes 10% of the disbursed loan as a security deposit for all loans generated. The deposit will not be adjusted in sync with amortization of the loan and it will be with IKF over the life of the loan. Franchisees also act as additional guarantors over and above the primary guarantor and are responsible for making good any loss caused to IKF in case on non-repayment by borrowers. As per the contract, IKF receives the monthly instalment irrespective of borrower paying the instalment to the franchisee. After completion of credit appraisal by the franchisee, the file is sent to IKF's credit team which then verifies the documents and disbursement is made if all documents are in order. To mitigate risk of business failure of the franchisee IKF is running this program only in the geographies where it has presence and experience. If the franchisee is unable to collect the dues IKF retains the option of using its network to collect the dues form the borrowers. In case of non-recovery, IKF can initiate repossession of the vehicles

(ii) Classification of loans/ advances given to associates, entities/ person relating to board, senior management, promoters, others, etc.;

Nil

(iii) Classification of loans/ advances given, according to type of loans, denomination of loan outstanding by loan to value, sectors, denomination of loans outstanding by ticket size, geographical classification of borrowers, maturity profile etc.;

Finance Amount	AUM	Current	1-30	30-60	60-90	90-120	120-150	150-180	180+
< 1 lakh	87	81	3	0	2	0	0	0	0
1-2 Lakh	161	52	29	71	2	0	0	0	6
2-3 Lakh	164	79	40	28	11	0	0	0	5
3-4 Lakh	190	98	50	25	11	0	0	0	5
4-5 Lakh	177	108	32	21	11	0	0	0	5
5-6 Lakh	169	107	37	11	12	0	0	0	2
6-7 Lakh	156	94	38	11	10	0	0	0	2
7-8 Lakh	126	71	33	10	10	0	0	0	1
8-9 Lakh	99	58	27	6	7	0	0	0	2
9-10 Lakh	90	59	17	6	5	0	0	0	2
10-15 Lakh	312	218	62	17	12	0	0	1	2
15-20 Lakh	193	142	36	9	4	0	0	0	1
20-25 Lakh	93	79	11	2	1	0	0	0	0
25-35 Lakh	85	74	8	1	2	0	0	0	0
35-50 Lakh	278	253	15	5	3	0	0	0	2
50-75 Lakh	81	64	9	1	5	1	0	0	1
75-1 Cr	208	164	37	2	1	0	0	0	2
1-1.5 Cr	95	83	6	1	4	0	0	1	1

1.5-2 Cr	222	198	17	1	6	0	0	0	0
> 2 Cr	962	907	30	9	5	0	0	1	10
Grand Total	**3948.31**	**2987.05**	**538.34**	**238.16**	**124.90**	**2.53**	**1.91**	**5.79**	**49.62**

LTV	AUM	Current	1-30	30-60	60-90	90-120	120-150	150-180	180+
< 50%	368	326.80	28.07	4.41	4.64	0.00	0.38	0.04	3.62
51%-60%	186	150.56	20.09	2.77	4.20	0.31	0.02	1.51	6.58
61%-70%	1011	483.06	287.24	168.65	55.33	0.09	0.23	0.49	15.60
71%-80%	754	632.04	65.02	21.71	19.29	0.73	0.50	1.13	13.13
81%-90%	1299	1108.66	105.03	35.97	34.55	1.29	0.61	2.48	10.35
> 90%	331	285.93	32.89	4.65	6.88	0.10	0.18	0.14	0.34
Grand Total	**3948.31**	**2987.05**	**538.34**	**238.16**	**124.90**	**2.53**	**1.91**	**5.79**	**49.62**

State	AUM	Current	1-30	30-60	60-90	90-120	120-150	150-180	180+
Andhra Pradesh	658.95	465.52	80.22	57.42	28.20	0.32	0.40	2.83	24.04
Gujarat	442.93	285.11	77.16	47.10	23.31	0.75	0.13	0.51	8.87
Karnataka	243.92	196.58	29.10	10.11	6.89	0.54	0.05	0.01	0.64
Kerala	0.10	0.00	0.03	0.05	0.01	0.00	0.00	0.00	0.00
Madhya Pradesh	205.82	126.80	48.14	15.44	11.08	0.35	0.18	0.38	3.45
Maharashtra	480.45	369.72	64.52	21.78	19.88	0.29	0.18	0.71	3.38
Odisha	9.54	9.54	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Rajasthan	258.46	208.10	29.36	9.44	8.17	0.05	0.32	0.23	2.78
Tamilnadu	495.44	369.20	72.90	35.83	13.47	0.10	0.08	0.66	3.20
Telangana	1152.71	956.50	136.90	40.99	13.89	0.13	0.58	0.46	3.26
Grand Total	**3948.31**	**2987.05**	**538.34**	**238.16**	**124.90**	**2.53**	**1.91**	**5.79**	**49.62**

(iv) Aggregated exposure to the top 20 borrowers with respect to the concentration of advances, exposures to be disclosed in the manner as prescribed by RBI in its stipulations on Corporate Governance for NBFCs or HFCs, from time to time;

Top 20 Customers as on 30.06.2024 **Rs. In Cr**

Sr. No	Customer ID	Product	DPD	Loan Amount	O/S Amt
1	413112	SME	0	40.00	32.22
2	415017	Two Wheeler	0	30.00	24.06
3	429293	Three Wheeler	0	30.00	23.75
4	263084	Two Wheeler	0	37.50	22.63
5	429508	Commercial Vehicles	0	25.00	21.43
6	505759	Construction Equipment	0	20.00	19.58
7	443381	SME	0	18.50	17.67
8	419322	SME	0	20.00	16.45
9	243187	Commercial Vehicles	0	30.00	14.77
10	466274	Construction Equipment	0	15.00	14.54
11	465581	Construction Equipment	0	15.00	14.49
12	429459	TWO WHEELER	0	22.00	13.91
13	506132	Commercial Vehicles	0	14.93	13.63

14	432945	Commercial Vehicles	0	20.00	13.33
15	436450	SME	0	15.00	13.32
16	433457	Commercial Vehicles	0	15.00	13.28
17	433416	SME	0	27.00	12.98
18	182776	Commercial Vehicles	0	15.00	12.71
19	443644	Construction Equipment	0	20.75	12.50
20	416972	Cars & Muvs	0	17.50	11.90
				448.18	**339.16**

(v) Details of loans, overdue and classified as non-performing in accordance with RBI stipulations;

Classification	As on June 30 ,2024
Standard	**3442.22**
NPA	64.55
Off Book	441.54
Total	3948.31

B. In order to allow investors to better assess the debt securities issued by the NBFC/ HFC, the following disclosures shall also be made by such issuers in their offer documents:

1. A portfolio summary with regard to industries/ sectors to which borrowings have been granted by NBFCs;

As on June 30, 2024

Rs Crs

Product	AUM	Current	1-30	30-60	60-90	90-120	120-150	150-180	180+
Cars & Muvs	583.16	361.95	110.87	65.11	30.16	0.89	0.31	0.86	13.00
Commercial Vehicles	1355.13	949.19	247.90	89.31	55.07	1.23	0.55	1.82	10.07
Construction Equipment	1091.01	913.06	135.33	21.23	16.31	0.08	0.34	0.04	4.62
SME & Other Advances	528.33	459.19	26.32	7.50	17.35	0.28	0.38	2.61	14.70
Three Wheeler	127.19	54.78	10.69	51.27	3.62	0.03	0.33	0.04	6.43
Tractor	41.17	29.01	6.44	3.71	1.53	0.03	0.00	0.01	0.43
Two Wheelers	209.25	208.06	0.78	0.02	0.02	0.00	0.01	0.00	0.37
LAP Pool Buyout	13.07	11.81	0.00	0.00	0.85	0.00	0.00	0.41	0.00
Grand Total	**3948.31**	**2987.05**	**538.34**	**238.16**	**124.90**	**2.53**	**1.91**	**5.79**	**49.62**

2. NPA exposures of the issuer for the last three financial years (both gross and net exposures) and provisioning made for the same as per the last audited financial statements of the issuer;

Particulars	2022	2023	2024
GNPA	2.72%	2.83%	2.35%
NNPA	1.82%	2.26%	1.80%
PCR	33.78%	20.75%	23.61%

3. **Quantum and percentage of secured vis-à-vis unsecured borrowings granted by NBFCs; and**

   3948.31 Cr , 100% Secured

4. **Any change in promoters' holdings during the last financial year beyond the threshold, as prescribed by RBI from time to time.**

   Nil

C. NBFCs shall provide disclosures on the basis of the following draft template:

1. **Classification of loans/ advances given according to:**

Sl. No.	Type of loans	Rs Crore
1	Secured	3948.31
2	Unsecured	0.00
	Total assets under management (AUM)*^	3948.31

*Information required at borrower level (and not by loan account as customer may have multiple loan accounts); ^Issuer is also required to disclose off balance sheet items;

2. **Denomination of loans outstanding by loan-to-value:**

Sl. No.	LTV (at the time of origination)	Percentage of AUM
1	Upto 50%	9.32%
2	50-60%	4.71%
3	60-70%	25.60%
4	70-80%	19.09%
5	80-90%	32.90%
6	>90%	8.39%
	Total	100.00%

3. **Sectoral exposure:**

Sl. No.	Segment-wise break-up of AUM	Percentage of AUM
1.	**Retail**	**79.34%**
A	Cars & Muvs	14.77%
B	Commercial Vehicles	32.86%
C	Construction Equipment	27.50%
D	Three Wheeler	2.39%
E	Tractor	1.04%
F	Two Wheelers	0.77%
G	Others	-
2	**Wholesale**	**20.66%**
A	SME & Other Advances	11.37%
B	Onward Lending to NBFCs	9.29%
C	Others	-
	Total	**100.00%**

4. **Denomination of loans outstanding by ticket size*:**

Sl. No.	Ticket size (at the time of origination)	Percentage of AUM
1	< 1 lakh	2.20%
2	1-2 Lakh	4.07%
3	2-3 Lakh	4.16%
4	3-4 Lakh	4.81%
5	4-5 Lakh	4.49%

6	5-6 Lakh	4.28%
7	6-7 Lakh	3.95%
8	7-8 Lakh	3.20%
9	8-9 Lakh	2.51%
10	9-10 Lakh	2.27%
11	10-15 Lakh	7.91%
12	15-20 Lakh	4.89%
13	20-25 Lakh	2.36%
14	25-35 Lakh	2.14%
15	35-50 Lakh	7.04%
16	50-75 Lakh	2.06%
17	75-1 Cr	5.26%
18	1-1.5 Cr	2.40%
19	1.5-2 Cr	5.63%
20	> 2 Cr	24.36%
	Total	100.00%

* Information required at the borrower level (and not by loan account as a customer may have multiple loan accounts);

5. Geographical classification of borrowers:

Top 5 states borrower wise

Sl. No.	Top 5 states	Percentage of AUM
1	Telangana	29.20%
2	Andhra Pradesh	16.69%
3	Tamilnadu	12.55%
4	Maharashtra	12.17%
5	Gujarat	11.22%
	Total	81.82%

6. Details of loans overdue and classified as non-performing in accordance with RBI's stipulations:

Movement of gross NPA:

Movement of gross NPA*	Rs. Crore
Opening gross NPA	77.29
- Additions during the year	14.68
- Reductions/Write offs during the year	8.50
Closing balance of gross NPA	83.47

*Please indicate the gross NPA recognition policy (Day's Past Due)

7. Movement of provisions for NPA

Movement of provisions for NPA	Rs. Crore
Opening balance	35.73
+/- Provisions/Write offs made during the year	3.23
Closing balance	38.96

8. Segment-wise gross NPA:

Sl. No.	Segment-wise gross NPA	Gross NPA (%)
1.	**Retail**	
A	Cars & Muvs	3.30%
B	Commercial Vehicles	1.68%

C	Construction Equipment	1.17%
D	Three Wheeler	5.14%
E	Tractor	1.18%
F	Two Wheelers	0.19%
G	Others	0.00
2	**Wholesale**	
A	SME & Other Advances	5.59%
B	Onward Lending to NBFCs	0.00
C	Others	0.00
	Total	

9. **Residual maturity profile of assets and liabilities (in line with the RBI format):**

Residual maturity profile of assets and liabilities:

As on 30.06.2024 **Rs. In Cr**

Liabilities	**0-1 month**	**1-2 months**	**2-3 months**	**>3 <6 months**	**>6 <12 months**	**>12 <36 months**	**>36 <60 months**	**>60 months**	**Total**
Equity Capital	0.00	0.00	0.00	0.00	0.00	0.00	0.00	70.16	70.16
Reserves & Surplus	0.00	0.00	0.00	0.00	0.00	0.00	0.00	829.46	829.46
Tier II Capital	0.10	0.00	0.00	0.00	0.00	25.00	138.69	0.00	163.79
Secured NCDs	0.00	0.90	12.50	4.17	16.67	33.33	40.81	0.00	108.38
Working Capital Limits	0.00	0.00	0.00	0.00	336.23	0.00	0.00	0.00	336.23
Term Loan from Banks	52.49	35.73	92.33	171.44	309.97	893.22	21.46	0.00	1576.64
Term Loan from Financial Institutions	6.64	6.13	6.13	18.38	36.75	95.44	0.00	0.00	169.45
Term Loan from NBFCs	19.92	13.72	16.09	49.05	90.71	288.46	0.00	0.00	477.95
Un-Secured NCDs	0.03	0.00	8.75	8.75	8.67	0.00	0.00	0.00	26.20
Security Deposits	0.12	0.07	0.05	0.44	1.87	13.70	5.75	1.44	23.44
Statutory Dues Payable	1.50	0.00	0.00	0.00	0.00	0.85	0.00	0.00	2.347
Other Current Liabilities	30.40	0.00	0.00	0.00	0.00	4.78	0.00	0.00	35.18
Provision for NPA	0.00	0.00	0.00	0.00	0.00	18.92	0.00	0.00	18.92
Provision for Standard Assets	0.00	0.00	0.00	0.00	0.00	20.05	0.00	0.00	20.05
Provision for Employee Benefits	0.00	0.00	0.00	0.00	0.00	2.89	0.00	0.00	2.89
Total	111.21	**56.55**	**135.85**	**252.22**	**800.87**	**1396.63**	**206.71**	**901.06**	**3861.08**
Assets	0.00								
Fixed Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.58	7.58
Cash on Hand	0.71	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.71
Cash at Bank	89.93	0.00	20.00	0.00	0.00	0.00	0.00	0.00	109.93
FDs with Banks	0.00	0.46	0.00	0.00	0.00	16.83	0.00		17.28
Loans & Advances- Standard	146.14	105.13	107.33	312.30	601.39	1829.56	251.79	69.66	3423.30
Loans & Advances- Sub-	0.00	0.00	0.00	0.00	0.00	0.00	58.99	0.06	59.05

Standard									
Loans & Advances- Doutful	0.00	0.00	0.00	0.00	0.00	0.00	0.00	24.42	24.42
Short Term Investment in MLDs	0.00	0.00	10.05	0.00	0.00	0.00	0.00	0.00	10.05
Investment in Subsidiary	0.00	0.00	0.00	0.00	0.00	0.00	0.00	152.19	152.19
Other Assets	0.00	2.67	0.00	0.00	18.71	15.18	0.00	20.00	56.56
Total	236.79	**108.25**	**137.38**	**312.30**	**620.11**	**1861.57**	**310.77**	**273.92**	**3861.09**
Mismatch	125.58	51.71	1.53	60.08	-180.77	464.15	104.87	-627.16	0.00
Cumulative Mismatch	236.01	177.29	178.82	238.90	58.13	522.28	627.16	0.00	0.00

*FCA – Foreign Currency Assets; FCL – Foreign Currency Liabilities;

10. Disclosure of latest ALM statements to stock exchange:

Please refer to Annexure IX of this General Information Document.

11. In case the issuer is a Non-Banking Finance Company (NBFC) and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the following format:

S No.	Name of the Borrower (A)	Amount of Advances /exposures to such borrower (Group) (Rs. Crore) (B)	Percentage of Exposure (C)= B/Total Assets Under Management
NA	NA	NA	NA

ANNEXURE IX: ALM STATEMENTS AS ON 31ST MARCH 2024

Where the issuer is a Non-Banking Finance Company or Housing Finance Company the following disclosures on Asset Liability Management (ALM) shall be provided for the latest audited financials:

[●]

ANNEXURE X: BOARD RESOLUTION

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IKF FINANCE

EXTRACT FROM THE MINUTES OF THE MEETING OF THE MANAGEMENT COMMITTEE OF BOARD OF DIRECTORS OF IKF FINANCE LIMITED AT THEIR MEETING HELD ON TUESDAY, THE 08ST DAY OF OCTOBER, 2024 AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT #40-1-144, CORPORATE CENTRE, M.G.ROAD, VIJAYAWADA-520010 AT 11.00 A.M

ISSUE OF SENIOR RATED SECURED LISTED TRANSFERABLE REDEEMABLE NON-CONVERTIBLE DEBENTURES ON A PRIVATE PLACEMENT BASIS

The Committee noted the Company's proposal for raising of debt by way of private placement of up to 5,000 (Five Thousand) Rated, Secured Listed Transferable Redeemable Non-convertible debentures, having a face value of INR. 1,00,000/- (Indian Rupees One Lakh only) each, for cash, aggregating up to INR 50,00,00,000/- (Indian Rupees Fifty Crores Only) with a green shoe option of 7,000 (Seven Thousand) Rated, Secured Listed Transferable Redeemable Non-convertible debentures, having a face value of INR. 1,00,000/- (Indian Rupees One Lakh only) each, for cash, aggregating up to INR 70,00,00,000 (Indian Rupees Seventy Crores) in dematerialised form, to raise funds will be used its on-lending requirement towards various classes of loan products of the Company, including but not limited to vehicle loans and various other classes of loan products of the Company, and pursuant to the approval of the Board of Directors of the Company in their meeting held on 10.11.2023 and members at their meeting held on 30.09.2024.

The Chairman informed the Committee that:

1. In order for the Company to raise funds, *inter alia*, for augmenting the funds for raising debt for the ongoing business of the Company (including the expansion of the Company's onward lending), and pursuant to the approval of the Board of Directors of the Company at their meeting held on 10.11.2023 and pursuant to the approval of the members of the Company at their meeting held on 30.09.2024, the Company is planning to raise debt to make a private placement of non-convertible debentures, by way of an issue of up to 5,000 (Five Thousand) Rated, Secured Listed Transferable Redeemable Non-convertible debentures, having a face value of INR. 1,00,000/- (Indian Rupees One Lakh only) each, for cash, aggregating up to INR 50,00,00,000/- (Indian Rupees Fifty Crores Only) with a green shoe option of 7,000 (Seven Thousand) Rated, Secured Listed Transferable Redeemable Non-convertible debentures, having a face value of INR. 1,00,000/- (Indian Rupees One Lakh only) each, for cash, aggregating up to INR 70,00,00,000 (Indian Rupees Twenty Five Crores), in a single series (the "**Debentures**") to be issued and allotted in dematerialised form, to identified categories of investors, being financial institutions, insurance companies, provident funds, gratuity, pension, superannuation funds, regional rural banks, mutual funds, alternate investment funds, companies, body corporates authorized to invest in bonds, trusts, association of persons, societies, individuals, scheduled commerical banks, cooperative bank, partnership firms, HUF and any other person (not being an individual or a group), who shall meet the eligibility criteria as set out in the information memorandum/offer letter, on such terms and conditions as set out in the term sheet tabled before the Committee and do all other acts in connection with the issue of the Debentures.

2. Further, in relation to the issuance of Debentures and other acts required in connection therewith, the Company will be required to *inter alia*:

   a. Appoint a debenture trustee to act for and on behalf of the holders of the Debentures;

   b. Procure rating for the Debentures from an accredited rating agency;

c. Obtain listing of Debentures on wholesale debt market segment of the BSE;

d. Enter into the requisite agreements with the depository participant i.e., National Securities Depository Limited and/or Central Depository Services (India) Limited for the issue of the Debentures in a dematerialized form and procuring the international securities identification number (ISIN) for the same;

e. To pay all stamp duty required to be paid for the issue, offer and allotment of the Debentures in accordance with the laws of India and procure the stamped documents from the relevant governmental authorities;

f. Open such bank account(s) as may be required in relation to servicing of the Debentures;

g. Create and perfect the security as required in accordance with the terms of the transaction documents in relation to the issue, offer and allotment of the Debentures;

h. Execute the debenture trust deed, the debenture trustee agreement, the deed of hypothecation, disclosure document/offer letter/key information document, powers of attorney, and such other documents as may be required to be executed in relation to the Debentures.

i. To set up recovery expense fund as per the applicable regulations.

The Committee discussed the matter and thereafter unanimously passed the following resolution:

"RESOLVED THAT pursuant to the powers conferred upon the Committee in terms of the resolution of the Board of Directors of the Company dated 10.11.2023, and as approved by the Board of Directors of the Company by way of the said resolution and members of the Company in the general meeting held on 30.09.2024 and pursuant to the provisions of the Memorandum and Articles of Association of the Company, the applicable provisions of the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, listing agreement entered into by the Company with Bombay Stock Exchange, the regulations issued by the Reserve Bank of India as applicable to Non-Banking Financial Companies from time to time and other applicable laws, if any, the Committee hereby approves the issuance of up to 5,000 (Five Thousand) Rated, Secured Listed Transferable Redeemable Non-convertible debentures, having a face value of INR. 1,00,000/- (Indian Rupees One Lakh only) each, for cash, aggregating up to INR 50,00,00,000/- (Indian Rupees Fifty Crores Only) with a green shoe option of 7,000 (Seven Thousand) Rated, Secured Listed Transferable Redeemable Non-convertible debentures, having a face value of INR. 1,00,000/- (Indian Rupees One Lakh only) each, for cash, aggregating up to INR 70,00,00,000 (Indian Rupees Seventy Crores) in a single series (the "**Debentures**") on a private placement basis to identified categories of investors, being financial institutions, insurance companies, provident funds, gratuity, pension, superannuation funds, regional rural banks, mutual funds, alternate investment funds, companies, body corporates authorized to invest in bonds, trusts, association of persons, societies, individuals, scheduled commercial banks, cooperative bank, partnership firms, HUF and any other person (not being an individual or a group), who shall meet the eligibility criteria as set out in the information memorandum/offer letter) and who are successful bidders on the electronic book platform as per the applicable regulations issued by the Securities and Exchange Board of India in relation to the EBP mechanism, on such terms and conditions such as issue size, tenor and coupon as the

IKF FINANCE

Committee may deem appropriate based on prevailing market and other conditions and do all other acts as may be required in connection with the issue of Debentures.

RESOLVED THAT the Committee hereby approves the appointment of:

a. Vardhman Trusteeship Private Limited as the trustee to act for and on behalf of the holders of the Debentures;

b. National Securities Depository Limited ("**NSDL**") or Central Depository Services Limited ("**CDSL**") or both, as determined by any authorised signatory as the depository for the issue of Debentures; and

c. Bigshare Services Private Limited as the registrar to the issue of Debentures.

RESOLVED FURTHER THAT (i) Sri.V.G.K.Prasad, Chairman, (ii) Smt.K.Vasumathi Devi, Managing Director iii) Sri.Ch.Sreenivasa Rao, CFO & Company Secretary, (iv) Mrs. Kalyani Chunduri, AVP Lender Relations, (v) Mr. Arunachalam Rm, sales Manager, (vi) Ms. Sujatha S, Deputy Company Secretary ("**Authorised Signatories**") of the Company, be and are hereby severally authorized on behalf of the Company, to negotiate, finalise, sign and execute the necessary definite agreements including debenture trust deed, debenture trustee agreement, deed of hypothecation, powers of attorney and other agreements, documents, papers, writing, amendments, disclosure document, private placement offer-cum-application letter, key information document, on behalf of the Company with respect to the Debentures and to take such steps as may be necessary for filing of the said documents with the respective authority, to create and perfect the security over the receivables of the Company which shall be maintained at least 1.10x (one decimal point one zero times) the aggregate amount of the redemption amount in relation to the Debentures as required in accordance with the terms of the transaction documents in relation to the issue, offer and allotment of the Debentures and to obtain approvals, statutory, contractual or otherwise, in relation to the above if required and to settle all matters arising out of and incidental thereto, on behalf of the Company and generally to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution.

RESOLVED FURTHER THAT the contents of the transaction documents including the general information document and the key information documents have been perused by the board of directors, and the final and ultimate responsibility of the contents mentioned herein shall also lie with the board of directors.
The following shall be the authorised persons to approve the general information document/key information document:
i. executive Chairperson and compliance officer; or
ii. Managing Director or Chief Executive Officer and compliance officer; or
iii. Chief Financial Officer and compliance officer; or
iv. whole-time director and compliance officer; or
v. any two key managerial personnel.
they are duly authorised to attest as per this clause by the board of directors or the governing body, as the case may be, by a resolution, a copy of which should also disclosed in the offer document.

RESOLVED FURTHER THAT the Authorised Signatories of the Company, be and are hereby severally authorised to do all such acts, deeds, things and execute or ratify all such documents whatsoever as may be required in connection with the issue of the Debentures including without limitation execution or ratification of the requisite agreement(s) with the National Securities Depository Limited and/ or the Central Depository Services (India) Limited, the opening of bank accounts and opening of demat accounts, listing of Debentures on wholesale debt market segment of the BSE, appointment of the trustees, appointment of legal counsel, the registrar

and transfer agent to the issue, credit rating company and other advisors as may be required and making payment of their fees.

RESOLVED FURTHER THAT any of the Directors, and the Authorised Signatories of the Company, be and are hereby severally authorised to do all such acts, deeds and things as are necessary for registering any of the documents, being executed by the Company, take steps relating to the creation, perfection and registration of charges, and for filing of necessary forms, returns and such other documents pertaining to the aforesaid issuance of Debentures with the relevant registrar of companies, the Ministry of Corporate Affairs, stock exchanges, Securities and Exchange Board of India ("**SEBI**"), or any other authority.

RESOLVED FURTHER THAT the Committee hereby authorizes the issuance of power of attorney authorizing the Authorised Signatories to execute or ratify all documents required to be executed or ratified as aforesaid and do all such acts and deeds as may be required in relation to the issue of Debentures.

RESOLVED FURTHER THAT the approval of the Committee be and is hereby given to affix the Common Seal of the Company on any or all documents as per the Articles of Association of the Company.

RESOLVED FURTHER THAT the aforesaid resolutions shall come into effect immediately and a copy of the foregoing resolutions certified to be a true copy by any of the Directors or Company Secretary of the Company be furnished to such parties concerned with respect to the issue of the Debentures."

//Certified True Copy//
For IKF Finance Limited

IKF FINANCE LIMITED * VIJAYAWADA *

(Ch Sreenivasa Rao)
Company Secretary
M.No: A14723

Place: Vijayawada
Date: 08.10.2024

ANNEXURE XI: SHAREHOLDERS RESOLUTION

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EXTRACT OF THE RESOLUTION PASSED BY THE SHAREHOLDERS OF THE COMPANY AT THE 33RD ANNUAL GENERAL MEETING OF THE COMPANY HELD ON MONDAY, 30TH DAY OF THE SEPTEMBER, 2024 AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT #40-1-144, CORPROATE CENTRE, M.G.ROAD, VIJAYAWADA-520010, ANDHRA PRADESH AT 11.00 A.M.,

AUTHORIZATION TO ISSUE OF NON-CONVERTIBLE DEBENTURES (NCD)/TIER II DEBT(S)/COMMERCIAL PAPERS/BONDS ON PRIVATE PLACEMENT BASIS

"RESOLVED THAT pursuant to the provisions of Section 42, 71 and other applicable provisions of the Companies Act, 2013, read with Companies (Prospectus and Allotment of Securities) Rules, 2014,the Companies (Share Capital and Debentures) Rules,2014 and other applicable provisions of the CompaniesAct, 2013, as amended and in force, in accordance with the memorandum and Articles of Association, theBoard of Directors including any committee thereoffor the time being of the Company be and is hereby authorized to issue, offer or invitation and allot secured/ unsecured, redeemable, non-convertible, listed / unlisted, senior/subordinated bonds/debentures/ Commercial Paper/ Tier II Debt/ Other debt securities ("Bonds") of value aggregating up to ` 3,000 Cr (Rupees Three Thousand Crores Only) through private placement offer letter(s) in one or more tranches in conformity and in compliance with the all applicable rules, regulation, directions made in this regard, as amended from time to time to such person or persons, including one or more companies, bodies corporate(s),statutory corporations, commercial banks, lending agencies, financial institutions, insurance companies, mutual funds, alternative investment funds, pension/ provident funds and individuals, as the case may beor such other person/persons as the board of directorsmay decide so.

RESOLVED FURTHER THAT the Board including anycommittee thereof for the time being be and is hereby authorized to do all such acts, deeds and things as may be deemed necessary in respect of issue of Bonds/ Debenture including but not limited to number of issues/ tranches, face value, issue price, issue size,timing, amount, security, coupon/interest rate(s), yield,listing, allotment and other terms and conditions of issue Bonds as they may, in their absolute discretion, deemed necessary to take all necessary steps."

//Certified True Copy//
For IKF Finance Limited

CHAPALAMADUGU SREENIVASA RAO Digitally signed by CHAPALAMADUGU SREENIVASA RAO Date: 2024.10.09 16:32:01 +05'30'

(Ch Sreenivasa Rao)
Company Secretary
M No: A14723

Place: Vijayawada
Date: 09.10.2024

ANNEXURE XII: DUE DILIGENCE CERTIFICATE BY THE DEBENTURE TRUSTEE

(As specified in the relevant Key Information Document)

Ref: 1203/OPR/VTPL/2024-25

Date: 09th October, 2024

To, Securities Exchange Board of India Investment Management Department Division of Funds – I, Plot No. C 4 A, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051	To, BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001

Dear Sir / Madam

SUB.: ISSUE OF RATED SECURED LISTED TRANSFERABLE REDEEMABLE NON-CONVERTIBLE DEBENTURES AGGREGATING TO RS. 120 CRORES (INR ONE HUNDRED TWENTY CRORES) TO BE ISSUED BY IKF FINANCE LIMITED.

We, the debenture trustee(s) to the above-mentioned forthcoming issue state as follows:

1. We have examined documents pertaining to the said issue and other such relevant documents, reports, and certifications.
2. On the basis of such examination and of the discussions with the Issuer, its directors and other officers, other agencies and on independent verification of the various relevant documents, reports, and certifications:

We confirm that:

a) The Issuer has made adequate provisions for and/or has taken steps to provide for adequate security for the debt securities to be issued.

b) The Issuer has obtained the permissions / consents necessary for creating security on the said property(ies)

c) The Issuer has made all the relevant disclosures about the security and its continued obligations towards the holders of debt securities.

d) Issuer has adequately disclosed all consents/ permissions required for creation of further charge on assets in offer document or placement memorandum and all disclosures made in the offer document or placement memorandum/ information memorandum with respect to creation of security are in confirmation with the clauses of debenture trustee agreement.

e) Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.), offer document or placement memorandum

f) Issuer has given an undertaking that charge shall be created in favour of debenture trustee as per terms of issue before filing of listing application.

We have satisfied ourselves about the ability of the Issuer to service the debt securities.

Place: MUMBAI

Date: 09th October, 2024

For Vardhman Trusteeship Private Ltd

Vardhman Trusteeship Pvt. Ltd.

Authorized Signatory

ANNEXURE XIII: DUE DILIGENCE CERTIFICATE BY THE MERCHANT BANKER

(As specified in the relevant Key Information Document)

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To view this report online, please visit:
www.ikffinance.com

Despite two years of significant volatility and business disruptions, we made steady progress in our growth journey. In over three decades of experience in asset financing, we have built a robust base in terms of our geographic presence, diversified product portfolio and customer segments, strong credit and risk assessment framework, well-established systems and processes, and integrated technology platform.

We have now been setting up the building blocks of a massive transformation and sustainable growth. We are actively leveraging advanced technology for driving customer-friendly experience, launching customized products, enabling risk management, creating an agile and scalable business, and expanding further into underserved markets.

As we drive digital transformation across our business, we will be well placed to deliver customized fintech solutions and reinforce our role in the democratization of financial services.

About Us

Legacy that Inspires, Technology that Delivers

IKF Finance is amongst India's prominent Non-Banking Finance Companies (NBFCs) with 31 years outstanding expertise in asset financing. We have pioneered the financing needs of small road transport operators. Since inception, we have expanded our offerings to serve diverse financial aspirations including housing loans.

We have an extensive distribution network in over 99 locations spread across 9 states with a solid presence in Southern India and entrenching presence in Western and Central India. We actively leverage technology to enhance operational efficiencies, drive customer satisfaction, and achieve superior asset quality. We are led by a dynamic and outstanding management team constantly striving to achieve unparalleled progress.

SNAPSHOT

31
Years of operations

4,600+
Active women borrowers

9
States where we are present

₹1,740+ Cr.
Assets under management

99
Branches

690+
Employees

53,491
Active borrowers

Rated A
(Stable)
For Bank Loans and NCD

OUR VISION

To be one among the premier league of asset financing NBFCs

OUR MISSION

To build strong, profitable relationships with a broad spectrum of stakeholders

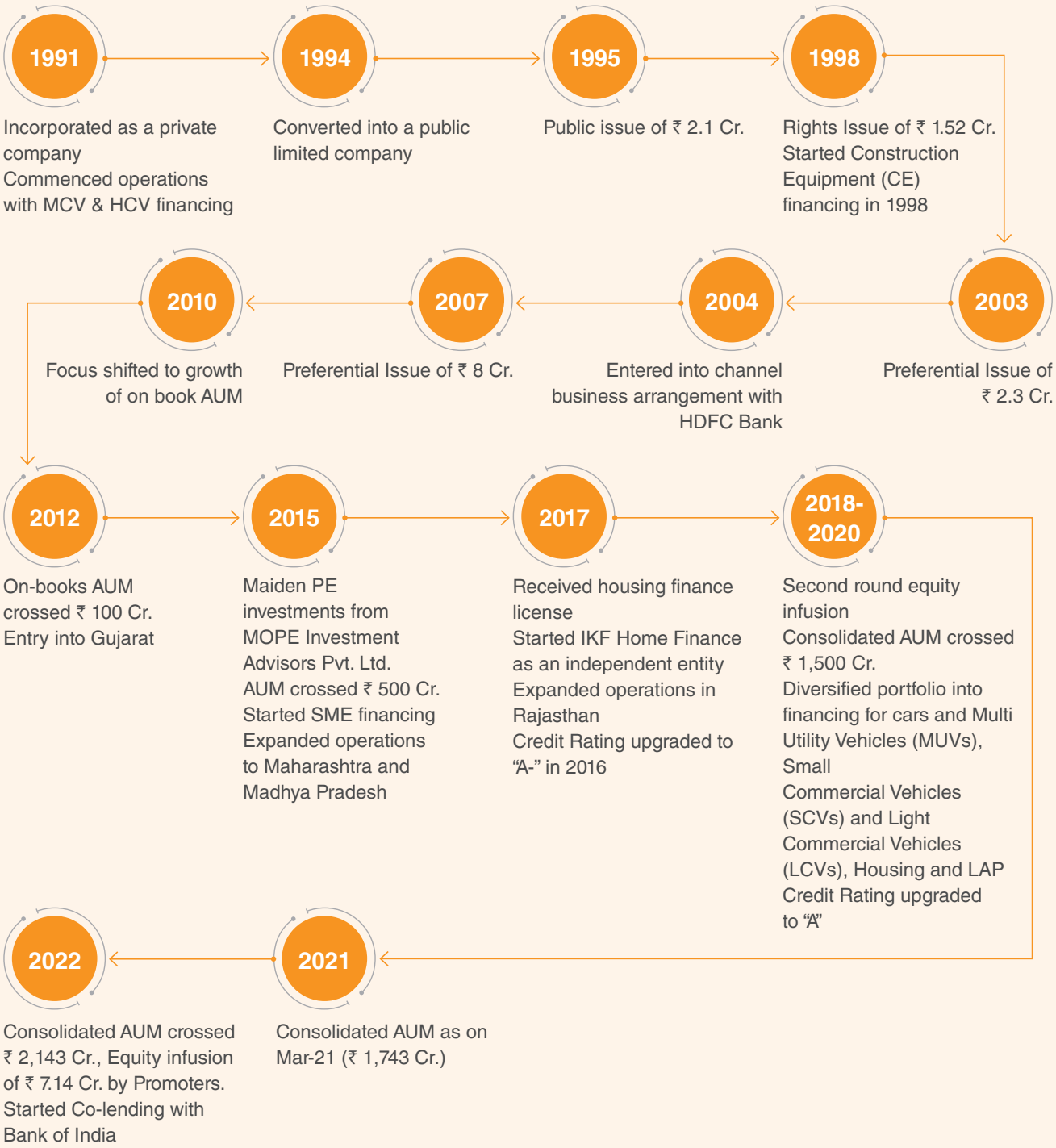
OUR VALUES

Ethical business practices, business prudence, dedication, transparency, and excellence in customer service

OUR PRINCIPLES

- Committed customer service
- Secure financial policies
- Transparent business practices
- Retention of trusted customers

OUR JOURNEY


1991
Incorporated as a private company
Commenced operations with MCV & HCV financing
1994
Converted into a public limited company
1995
Public issue of ₹ 2.1 Cr.
1998
Rights Issue of ₹ 1.52 Cr.
Started Construction Equipment (CE) financing in 1998
2003
Preferential Issue of ₹ 2.3 Cr.
2004
Entered into channel business arrangement with HDFC Bank
2007
Preferential Issue of ₹ 8 Cr.
2010
Focus shifted to growth of on book AUM
2012
On-books AUM crossed ₹ 100 Cr.
Entry into Gujarat
2015
Maiden PE investments from MOPE Investment Advisors Pvt. Ltd.
AUM crossed ₹ 500 Cr.
Started SME financing
Expanded operations to Maharashtra and Madhya Pradesh
2017
Received housing finance license
Started IKF Home Finance as an independent entity
Expanded operations in Rajasthan
Credit Rating upgraded to "A-" in 2016
2018-2020
Second round equity infusion
Consolidated AUM crossed ₹ 1,500 Cr.
Diversified portfolio into financing for cars and Multi Utility Vehicles (MUVs), Small Commercial Vehicles (SCVs) and Light Commercial Vehicles (LCVs), Housing and LAP
Credit Rating upgraded to "A"
2021
Consolidated AUM as on Mar-21 (₹ 1,743 Cr.)
2022
Consolidated AUM crossed ₹ 2,143 Cr., Equity infusion of ₹ 7.14 Cr. by Promoters.
Started Co-lending with Bank of India

OUR OFFERINGS

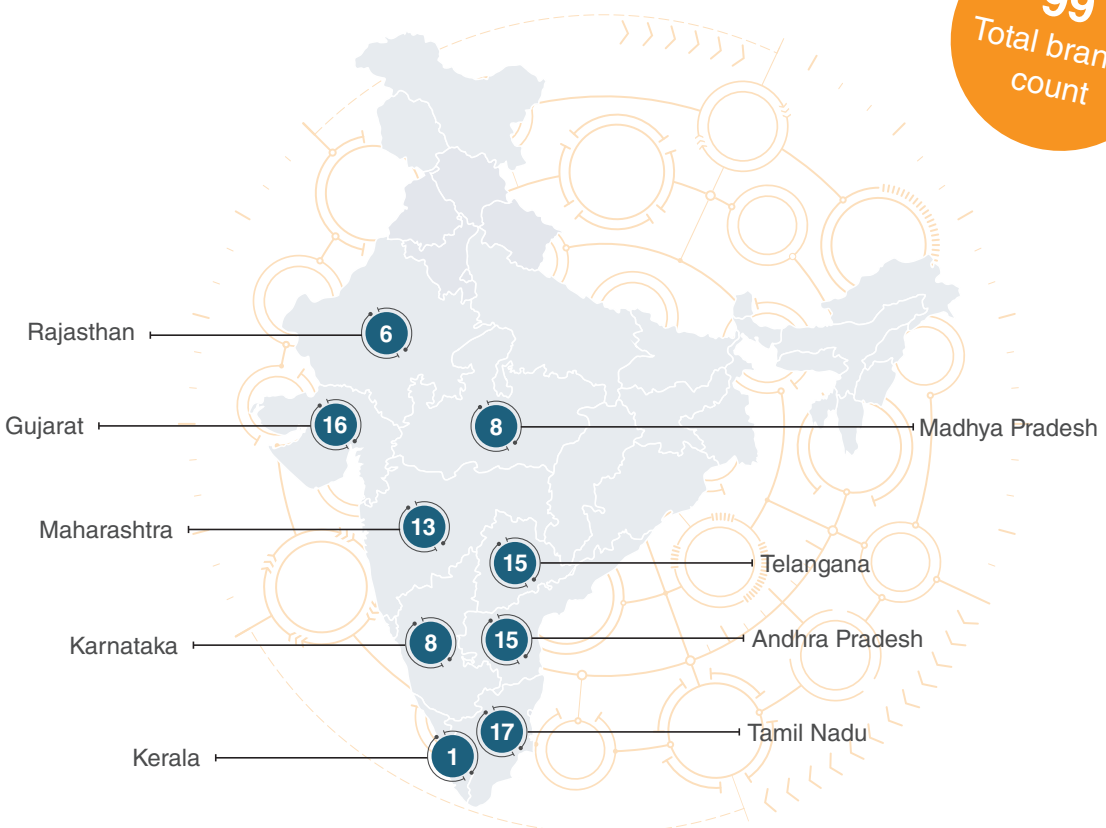
- Commercial Vehicle Loans
- Tractor Loans
- Two-wheeler Loans
- Three-wheeler Loans
- Cars & Multi Utility Vehicle (MUV) Loans
- Construction Equipment Loans
- Home Loans
- Secured MSME Loans
- Loan Against Property (LAP)

CUSTOMER EXCELLENCE

Customers are pivotal to our business. Through suitable products and processes, we provide affordable, best-in-class asset financing solutions to our customers. We also deploy world-class technology to drive business scalability and enhance customer service.

BRANCH NETWORK

99 Total branch count



KEY LENDERS MARQUEE RELATIONSHIPS

Our transparent operations, solid liquidity mechanism, robust risk management, and business growth have enabled us to forge long-standing relationships with diverse groups of lenders. Over 50% of our lender relationships are of more than 10 years, with a few marquee affiliations going past 20 years.

Relationship with 30+ lenders

Key Public Sector Banks

- State Bank of India
- Union Bank of India
- Central Bank of India
- Indian Overseas Bank
- Punjab National Bank
- Bank of Baroda
- Bank of India
- Bank of Maharashtra
- Indian Bank
- Canara Bank

Key Private Sector Banks

- HDFC BANK
- FEDERAL BANK
- YES BANK
- DCB BANK
- SOUTH INDIAN Bank
- AU SMALL FINANCE BANK
- UJJIVAN SMALL FINANCE BANK
- IndusInd Bank
- WOORI BANK
- Utkarsh Small Finance Bank
- SBM bank
- IDBI BANK
- SURYODAY A BANK OF SMILES
- DBS
- DhanlaxmiBank
- Jana Small Finance Bank

Key NBFC's

- SUNDARAM FINANCE
- SUNDARAM HOME
- NABKISAN FINANCE LIMITED
- NORTHERN ARC

Financial Institutions

- NATIONAL HOUSING BANK
- sidbi
- IFI Capital

About IKF Home Finance

We have strategically built our product portfolio from offering financing solutions for commercial vehicles to including loans for SMEs. We further expanded into the home loans segment to fulfill the housing aspirations of millions of customers through our subsidiary IKF Home Finance.

IKF Home Finance was started as an independent establishment in FY 2015-16 to offer housing loans to the low and middle-income sections. IKF Finance acquired the company in FY 2018-19. Our home finance business encompasses a network of 46 branches across 6 states as of March 31, 2022.

MAJOR MILESTONES

2016
Commenced operations at Vijayawada, Andhra Pradesh

2017
On-books AUM of ₹ 1.57 Cr.
Commenced operations at Hyderabad, Telangana
Commenced operations in Maharashtra, Karnataka

2018
On-books AUM of ₹ 59.97 Cr.
Commenced operations in Tamil Nadu

2019
Loan disbursements crossed ₹ 100 Cr. Became a subsidiary of IKF Finance

2020
Received funding from National Housing Bank (NHB)
Crossed AUM of ₹ 200 Cr.

2021
Operations commenced in Gujarat
Access to SARFAESI Act
Crossed AUM of Mar-21
AUM is ₹ 288 Cr.

2022
Crossed AUM of ₹ 429 Cr. Capital Infusion of ₹ 17.28 Cr. by the Parent

PRODUCT PORTFOLIO

- Home Purchase Loans
- Home Construction Loans
- Home Improvement Loans
- Loan Against Property

BRANCH FOOTPRINT STRATEGY

We intend to expand our home financing business in cities where our asset financing business has gained a strong footing. In doing so, we will be supported by our profound market understanding and high customer trust.

46
Total branch count

KEY PERFORMANCE HIGHLIGHTS

DISBURSEMENT (₹ in Cr.)

2021-22	**208.04**
2020-21	95.22
2019-20	114.01

AUM (₹ in Cr.)

2021-22	**429.40**
2020-21	288.20
2019-20	228.32

NET WORTH (₹ in Cr.)

2021-22	**85.58**
2020-21	58.83
2019-20	49.76

PAT (₹ in Cr.)

2021-22	**10.02**
2020-21	9.05
2019-20	7.95

ROA (on avg. AUM) (%)

2021-22	**2.87%**
2020-21	3.50%
2019-20	4.19%

ROE (on avg. Net Worth) (%)

2021-22	**15.71%**
2020-21	16.67%
2019-20	17.76%

AUM (Net Worth)

2021-22	**3.8x**
2020-21	3.3x
2019-20	2.9x

Technology-led Transformation

We have always been a digital-driven organization. We actively leverage innovative digital technologies to make lives easier for our customers and our people. Our digital efforts have been driving unmatched operational excellence, thereby positioning us for consistent transformation and long-term growth.

Our steadfast focus is on making every service and facility available at customers' fingertips aimed at customer convenience and comfort. Our field staff has been provided with digital devices for connecting with customers in a seamless manner. Digital access also enables our teams to multi-task and handle various loan products in a cost-effective manner.

The use of technology in our operations provides us a better understanding of our target customers. This enables us to introduce customized and relevant products, tailored to customer requirements.

We have strategically used technology to streamline processes, reduce turnaround time, and strengthen risk management practices.

We have a robust loan processing system enabled by multiple checks to ensure flagging and preventing frauds and errors. Advanced technologies are also being leveraged for verifying and capturing KYC details and geo-tagging of locations as enhanced security measures. Technology implementation reduces the cost-to-serve and facilitates business operations and expansion.

LBIT: Loan Built on Technology

To minimize the manual intervention and ensure efficiency in HR operations and deliverables, the management has decided to automate the HR department with custom mobile-based HRMS application. We have launched the Phase-I of "LBIT HRMS" in September 2021 by going Live on Attendance management, Probation process, Separation, Policies docket, Holiday list, and Pay slip generation modules. The team is working in full swing by launching Phase-II modules like payroll, settlement process, by December 2022. The captioned application is completely developed by LBIT labs based on the customized requirements.

Highlights of HRMS Application

- Employee Self Service – 24*7 access to pay slips, leave balances, holiday lists, etc.
- Policy docket – Ready Reference of all HR policies
- Attendance – Punching attendance anywhere (geotagging activated)
- Contact Directory of all employees for quick reference
- Quick HR reports generation
- Paperless confirmation process

Projects in Pipeline

- IT Policy Framework Automation for Risk and Compliance Management
- Mobile application access to all franchises and partners to enable seamless deal flow
- Rule-based retail score card for all products
- Digital Documentation eKYC & Video KYC
- Digital Training platform and Certification for employees
- Seamless communication network by private chat and/or task management tool to reduce email and phone conversations for improvement of operations management

Message from Chairman's Desk

Dear Shareholders,

After 31 years of service, I have superannuated from the position of Managing Director. In the last 31 years, our Company has grown tremendously serving diverse financial needs of customers.

We have created a resilient organization and strategically invested in building a strong corporate governance culture with superior IT and digital platforms.

It gives me immense pleasure to state that I passed the baton to our Executive Director Ms. K Vasumathi Devi who has been associated with us for the past 15 years and has a vast experience and expertise in the asset financing business.

Do join me in wishing her good luck.

VGK Prasad
Founder & Chairman

Managing Director's Message

> **I am pleased to share that our Company navigated through the severe disruptions and delivered a steady performance in FY 2021-22 while charting a roadmap for higher growth.**

Dear Shareholders,

FY 2021-22 was a year of unprecedented crisis as the world learned to cope with the economic and social crisis triggered by the COVID-19 pandemic. The year began with the severe second wave of the pandemic which took a toll on lives and livelihoods. However, by the second half of the year, the economy started showing signs of recovery.

A better understanding of the virus, rapid vaccination drives covering majority of the country's population, and sustained fiscal and policy support have improved sentiments. The impact of the third wave of the pandemic was relatively less adverse both in terms of the impact on health and the economy.

Though a few of the challenges that remain are rising inflationary pressures and geopolitical tensions caused by the Russia-Ukraine war, governments and central banks across the world have been tightening monetary policies to combat surging inflation while maintaining growth.

I am pleased to share that our Company navigated through the severe disruptions and delivered a steady performance in FY 2021-22 while charting a roadmap for higher growth.

Our disbursements for FY 2021-22 stood at ₹ 979 Cr. as against ₹ 595 Cr. in FY 2020-21, a growth of 65%. Total Assets Under Management (AUM) stood at ₹ 1,742 Cr., an increase of 17% over ₹ 1,489 Cr. in FY 2020-21. We have steadily increased our collections, indicating that we have bounced back strongly post the second wave of the pandemic. Our strong credit and risk assessment, coupled with our well-regulated and data-driven loan collection and recovery system enabled us to keep our NPAs within limits. More notably, we educated our customers and worked with them throughout the year to manage and protect their credit track record.

We have been deriving strength from our rich legacy, well-established processes, geographic and product diversification along with our robust asset quality. These factors have helped us deliver strong growth in our loan portfolio, even during difficult times. Our strategic initiatives have resulted in healthy asset quality, robust systems and processes, and diverse product portfolio – all of which have further accelerated our growth.

The disruptions caused by the pandemic triggered a dynamic landscape of innovation and have accelerated the use of technology. We are constantly expanding our innovation quotient by leveraging new-age digital technologies to drive business scalability and future readiness. Process automation, data analytics, and artificial intelligence are among the tools being deployed to help in better customer credit profiling, reduce costs, launch newer products, improve customer experience, and provide a platform to support innovation.

A combination of factors such as a wide array of products and superior customer service supported by a robust technology backbone have provided us with a platform to grow the business profitably and sustainably.

Looking ahead, I feel confident in continuing to serve the financial aspirations of underserved masses as well as enhance our offerings and customer base to drive high growth and deliver value to all stakeholders.

I would like to take this opportunity to thank our financing partners and stakeholders for their unwavering trust and support. I would also like to thank each and every employee for the role they have played in enabling IKF Finance to achieve what we have during the year and support us as we gear up for the future.

Warm Regards,

K Vasumathi Devi
Managing Director

Chief Executive Officer's Message

Our Gross Non-Performing Assets (NPA) stood at 2.72% as compared to 2.98% in the previous year. Our strong credit and risk assessment, coupled with our well-regulated and data-driven loan collection and recovery systems enabled us to keep our NPAs within limits.

Dear Shareholders,

I am delighted to state that amidst a tough operating environment, our performance in FY 2021-22 has been commendable. The agility and resilience displayed by our employees during this challenging period and the continued trust of our customers have helped us withstand the negative shocks and achieve profitable growth.

Our Profit after Tax (PAT) in FY 2021-22 stood at ₹ 40 Cr. as against ₹ 32 Cr. in FY 2020-21, marking a growth of 26%. Our Gross Non-Performing Assets (NPA) stood at 2.72% as compared to 2.98% in the previous year. Our strong credit and risk assessment, coupled with our well-regulated and data-driven loan collection and recovery systems enabled us to keep our NPAs within limits.

Backed by our strong track record in the asset financing business, increased geographic and product diversification, and rich industry experience, along with our robust asset quality, our external credit rating was retained at CARE A with a stable outlook. This reaffirmation of our financial health along with our strong liquidity profile enables us to secure funds at competitive costs. Our capital adequacy ratio stood strong at 24.11%, well above the statutory requirement of 15%, reflecting our strong capital base.

The industry is at a pivotal moment. Even as the pandemic altered the fabric of the asset financing industry, the sector is slated to enjoy multidecadal growth. Increased awareness, higher disposable income, and favorable government reforms will support growth. An enabling digital ecosystem will also drive the credit growth story.

Growth in private consumption and e-commerce will drive demand for commercial vehicles which will augur well for the vehicle financing segment. Strong impetus on infrastructure development, higher rural incomes, and the implementation of the vehicle scrappage policy will also boost the demand for vehicles. Further, a confluence of positive developments including positive economic outlook, rising incomes and aspirations, and low home loan rates is unfolding a growth story in affordable housing.

Our proven capabilities make us particularly well positioned to capitalize on the thriving opportunities and accelerate growth momentum. We also intend to intensify our technology roadmap to realize our growth ambitions and further democratize financial services.

We continue to build a stronger tomorrow and advance the agenda to deliver on our promises and customer expectations.

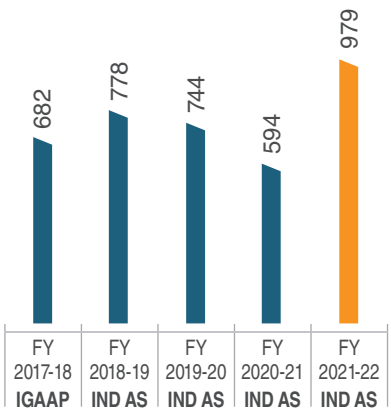
Before I conclude, I take this opportunity to thank our Board and all stakeholders for their continued support.

Regards,

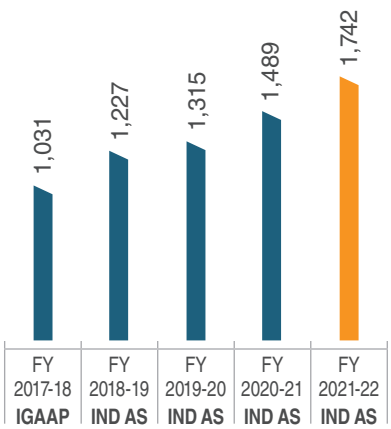
Rama Raju
Chief Executive Officer

Performance Scorecard

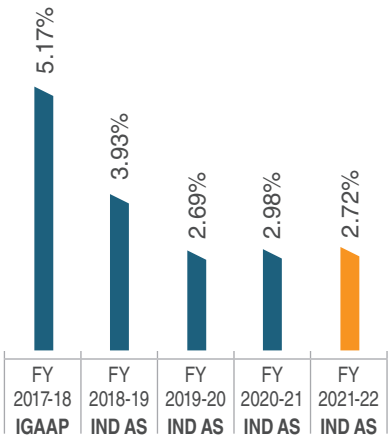
DISBURSEMENT (₹ in Cr.)



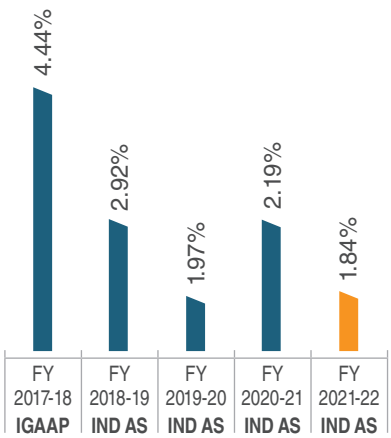
AUM (₹ in Cr.)



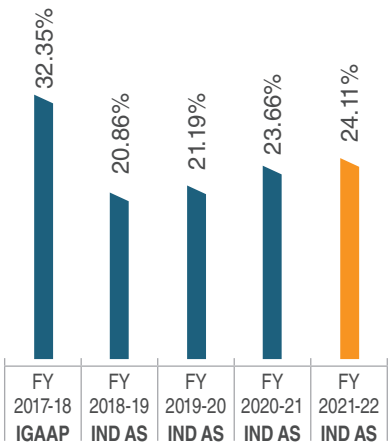
GROSS NPA (%)



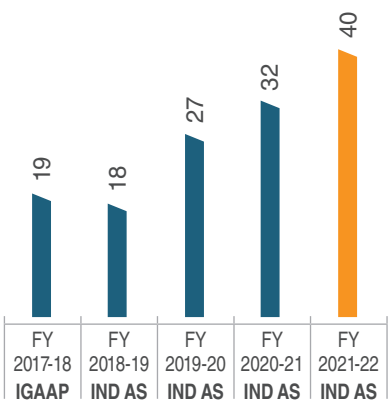
NET NPA (%)



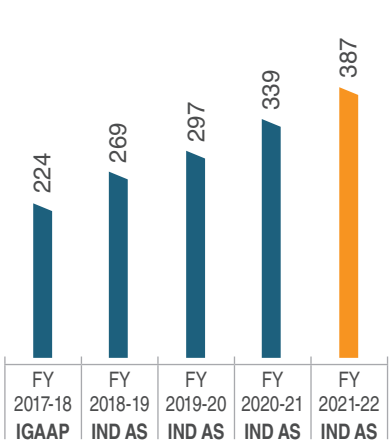
CRAR (%)



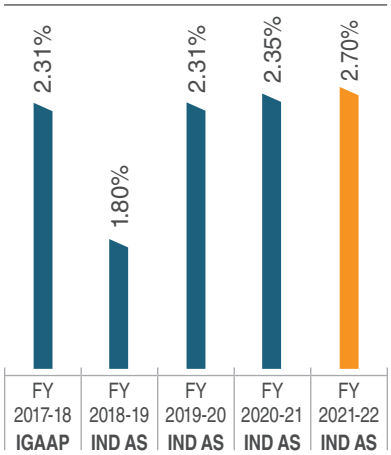
PAT (₹ in Cr.)



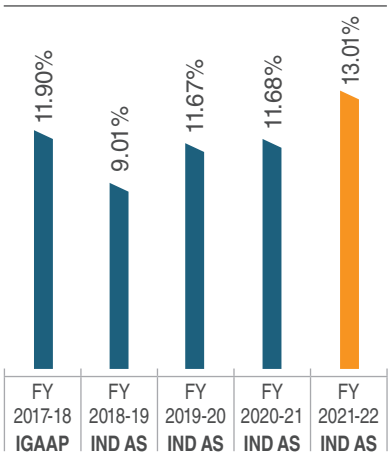
NET WORTH (₹ in Cr.)



ROA* (%)



ROE* (%)



* Based on Monthly Avg AUM

** Core ROE (Excluding investment in subsidiary)

Building a Talented Workforce

We believe our employees are the most important asset of the Company. We periodically conduct employee-centric programs to facilitate their overall well-being and development and create a conducive work environment.

During the year, we organized the following activities:

Rewards & Recognition Program

To boost employee morale and talent, we rewarded 40 Top performers across various functions during our annual business meet held in Goa. Performers have been awarded certificates and IKF logo-engraved silver coins by our top leadership team, Chairman, and the Managing Director.

Long Service Award

To honor the longest serving employees, the management awarded certificates and IKF logo-engraved silver coins to 76 members who completed 5+ years of tenure. We also broadcasted the entire event across all major IKF offices across eight states.

EMPLOYEE EVENTS

Ugadi Festival

Our employees celebrated Ugadi festival at Andhra Pradesh and Tamil Nadu offices with ethnic dress codes. Special lunch was organized for corporate office employees on this day.

Holi Festival

The Holi festival was celebrated in the northern and western regional offices. Employees adhered to traditional dress codes and celebrated Holi to enlighten the festive celebrations at their workplaces.

Women's Day Celebration

We also celebrated Women's Day across all the branches in eight states. Special gifts along with greeting cards were distributed to all women employees by our leadership team, Chairman, and the Managing Director.

Health Check-up Camps

During the year, we organized various health checkup camps for our employees in association with Medicover Hospitals and SBI General Insurance to ensure their health and well-being. A total of 75 employees participated in these medical camps.

Empowering Communities

As a responsible corporate, we believe in giving back to the communities and society in which we operate. We strive to achieve holistic development of the marginalized and impoverished sections of the society through our wide-ranging interventions.

We provided relief (rice packets) to the needy in April-May 2021 during the second wave of COVID-19.
We also provided support to our employees and their families during the pandemic.

Board of Directors

Mr. VGK Prasad

Founder & Chairman

Mr. VGK Prasad is a veteran in Vehicle Finance business, Mr. Prasad founded IKF in 1991. He has partnered with industry giants such as TELCO, HDFC Bank, Vysya Bank, etc. He has served as the President of Federation of Indian Hire Purchase Associations (FIHPA), the apex body of Asset Financing Companies. Apart from IKF Finance, he has promoted IKF Home Finance, the subsidiary of IKF Finance and IKF Infratech (P) Limited.

Ms. Indira Devi

Whole Time Director

Ms. Indira Devi, one of the core promoters of the Company, has been in the vehicle finance space for over three and a half decades and has been instrumental in the growth of the Company. Previously, Ms. Devi has promoted IKF Home Finance Limited which got CoR from NHB in April 2016, and IKF Infratech (P) Limited.

Ms. K Vasumathi Devi

Managing Director

Ms. K Vasumathi has been associated with the Company for the past 15 years. She leads the overall business with focus on Credit & Risk, systems, and technology. She expanded IKF Finance to western and central India and has undertaken upgradation of IT infrastructure and automation of various processes. She has a prior experience of over 11 years in IT and Telecommunications in USA.

Ms. Vasantha Lakshmi

Director & Managing Director of IKF Home Finance

Ms. Vasantha Lakshmi has been associated with the Company for the past 13 years. Previously, she has overseen operations of select states for IKF Finance. Presently, she is the Managing Director of IKF Home Finance. She has vast experience in coordination and administration roles at a US pharmacy chain.

Mr. Sinha S Chunduri

Director

Mr. Sinha S Chunduri is a specialist in Diagnostic Gastroenterology and is engaged in the medical profession for over four decades in the USA. Besides being engaged in the medical profession, he is also associated with several medical institutions in USA as a consultant and director.

Mr. S. Veerabhadra Rao

Independent Director

Mr. S. Veerabhadra Rao is a post-graduate in science and a veteran in the finance business with three decades of rich experience in the field of Vehicle Finance and Management. Currently, he is the Managing Director of SVR Finance & Leasing (P) Limited. He has served as the President of Krishna District Auto Financiers Association and is the Member of the Governing Council of Federation of Indian Hire Purchase Associations for two consecutive terms.

Mr. K Satyanarayana Prasad

Independent Director

Mr. K Satyanarayana Prasad is a qualified BE (Civil), MIGS. He has more than three decades of experience in the field of Civil Engineering. He has served the Government of Andhra Pradesh for over two and half decades in various capacities and has been instrumental in planning, designing, and executing various prestigious projects in Andhra Pradesh.

Mr. Nageswara Rao Y

Independent Director

Mr. Nageswara Rao Y holds a bachelor's degree in Commerce and is a Certified Associate Institute of Bankers (CAIIB). He has over 36 years of experience in banking and financial services with specialization in Information Technology, Credit, Treasury, and Forex Management. His previous employments include Executive Director of Vijaya Bank, Executive Director of Syndicate Bank, Executive Director of Bank of Maharashtra and Director of Vishweshwariah Grameena Bank.

Mr. Vinit Mukesh Mehta

Nominee Director

Mr. Vinit Mukesh Mehta is a Chartered Accountant and holds a bachelor's degree in Commerce from Mumbai University. He has over 15 years of experience in investment banking (Kotak, KPMG), private equity and Corporate Banking (HDFC Bank). Before joining MOPE, he was associated with Kotak Investment Bank where he led and executed over 40 transactions and successfully helped raise more than USD 25 bn across M&A, Private Equity and Capital Markets.

Senior Management Team - IKF Finance

Mr. Rama Raju

Chief Executive Officer (MBA Post Graduate)

Mr. Rama Raju is the ex CEO of AML Finance (wholly-owned subsidiary of Automotive Manufactures Ltd) and has overall 3 decades of Industry experience in the Retail Asset Financing business specializing in Auto loans, Commercial vehicles, Construction equipment, and SME financing business. His expertise is designing and implementing business plans & strategy, driving profitability & top line, and mentoring the teams to achieve overall organizational goals. He has handled larger teams and portfolios of Retail Asset Financing business while working with large private sector banks and NBFCs.

Mr. Sreepal Gulabchand Jain

Chief Financial Officer (FCA and MCOM)

Mr. Sreepal Jain is a Chartered Accountant and a post-graduate in Commerce with more than 13 years of experience in accounting & financial management, controllership & decision support, business planning & analysis, fundraising & Treasury management, MA & Integration. He has been associated with IIFL group for more than 6 years and has varied experience in managing real estate company finance & accounts function, Micro Finance Industry in the capacity of CFO. He has also been associated with KPMG in Audit and consultancy practice for over three years and with IL&FS as part of Accounts & Finance domain for two years.

Mr. Chapalamadugu Sreenivasa Rao

Company Secretary (CS, CMA)

Mr. Chapalamadugu Sreenivasa Rao is a Qualified Cost Accountant & Company Secretary and has 18+ years of experience in Cost Accounting & Company Secretarial Matters. Previously, he has worked with BBM Bommidalla Group, Bubhaneshwar Power Limited, NATCO Pharma Limited, Coastal Local Area Bank Limited.

Mr. Raghuram K

National Sales Manager (Masters)

Mr. Raghuram K holds a MBA degree in business administration (Finance Specialization) and has over 26 years of experience in asset financing business. His expertise includes formulating and implementing sales enhancement strategies, accomplishing the given targets in budgeted parameters, sales, administration, and recovery. Previously, he has worked with ICICI Bank, GE Capital, HDFC Bank etc. He is highly proficient in tapping new markets and clients and generating business to enhance the profitability of the Company.

Mr. Chakrapani Gollamudi

National Credit Head (B.Sc)

Mr. Chakrapani Gollamudi is a Bachelor of Sciences, Risk Management Executive program from IIM Bangalore. He has over 28 years of experience in Credit, Sales, and Recovery. He has also worked with Kotak Mahindra Bank, HDFC Bank, Citicorp Finance India Limited, and Ashok Leyland Finance. His last assignment was with Kotak Mahindra Bank for 14 years. He handled the Zonal Position for West and South regions for all Commercial vehicle-related products and the National Credit Head position for Used Vehicle loans. He has also had a handful of experience relating to Siebel CRM and was instrumental in building various customized functionalities like Marketing, Sales, and Service modules and its successful implementation Pan-India. He was instrumental in building up a Credit Score Card-based approval system for retail CV loans. He has also actively been involved in identifying untapped markets and products with good potential, thereby contributing to the overall growth and profitability.

Mr. H Srinivas

National Collections Head (Post Graduate)

Mr. H Srinivas has over 30 years of experience in Collections, Credit Appraisal, and Team Management in the Banking / Financial Services industry. He is proficient in handling the collection operations to minimize delinquency and accomplish the assigned targets. With proven abilities in designing plans for augmenting collections; and maintaining relations with third-party collection agencies, he has demonstrated business acumen in leading and managing the operations and achieved a higher rate of organic growth. Previously, he has worked with Apple Credit Corporation Limited, CITI Group, REI Finance, and Midwest Leasing & Finance Ltd.

Mr. Raman Chidambarasubramanian

Head HR (Post Graduate)

Mr. Raman is a post-graduate and comes with 18+ years of experience in BFSI & IT sectors. His previous roles include association with Equitas Small Finance Bank Ltd, BNP Paribas, ABC Consultants, Randstad India Ltd, Inforide Technologies, and RK IT Solutions.

Senior Management Team - IKF Home Finance

Mr. S. Aryendra Kumar

Executive Director & CEO

Mr. S. Aryendra Kumar holds a master's degree in Business Administration, bachelor's degree in Civil Engineering and is a Fellow of Institute of Valuers (FIV). Mr. Aryendra has more than two decades of multinational experience in retail asset business with Banks, Housing Finance Institutions, Micro Finance Institutions, NBFC, and IT Service Providers of Repute. He has served as the MD & CEO – NCML Finance Pvt Ltd, a Fairfax company. His other assignments include Head – MSE & Housing Finance at Ujjivan Small Finance Bank. He was also the founding member for the overall setup of the Company in articulating the Vision & Mission of IKF Home Finance Limited.

Mr. Anand Srinivasan

Business Head

Mr. Anand Srinivasan holds an MBA from the International Business School of Hyderabad and has 15+ years' experience in administrative leadership and management in retail and commercial banking for home loans and mortgage loans. He has worked with several leading banks and financial services companies, including HSBC, IndusInd, Federal, IIHFL, and GE.

Mr. Lakshmi Kanth

Ch - Head - Risk, Credit Compliance, Credit & Strategy

Mr. Lakshmi Kanth holds an MBA in Finance from Nagarjuna University and CFA from ICFAI University. He is a multi-faceted professional with outstanding record of performance in a quantitative environment and strong business background with 15+ years of proven experience in credit underwriting & risk management of Home Loans, Mortgage Loans, Gold Loans, Commercial Vehicle Loans & Health Care Equipment Loans. He has worked with several banks and financial services companies, including Ujjivan Small Finance Bank, Karvy, Deutsche Postbank Home Finance Ltd & Reliance Capital.

Giridhar Vellore

National Collections Manager

Giridhar Vellore is the National Collections Manager of IKF Home Finance. He is responsible for managing the collections vertical of the Company. Giridhar comes with over 20 years of experience in Risk Management and Collections. He has been previously associated with reputed companies like Fullerton India, American Express and SBI Cards. He comes with a vast experience within the finance industry and specialises in leveraging technology, usage of innovative collection model and scorecards to suit organisation goals. He is a MBA – Finance Graduate from Madras University.

Corporate Information

BOARD OF DIRECTORS

Shri V.G.K. Prasad
Chairman & Executive Director
Smt. V. Indira Devi
Whole Time Director
Smt. K Vasumathi Devi
Managing Director
Dr. Sinha S Chunduri
Director
Shri S Veerabhadra Rao
Independent Director
Shri K Satyanarayana Prasad
Independent Director
Shri Vinit Mukesh Mehta
Nominee Director
Smt. D. Vasantha Lakshmi
Alternate Director
Shri Y. Nageswara Rao
Additional Director (Non Executive & Independent)

KEY MANAGEMENT PERSONS

Shri Sreepal Gulabchand Jain
Chief Financial Officer
Shri Ch. Sreenivasa Rao
Company Secretary

BOARD COMMITTEES

Audit Committee
Shri S Veerabhadra Rao
Shri Vinit Mukesh Mehta
Shri K Satyanarayana Prasad

Stakeholders Relationship Committee
Shri S Veerabhadra Rao
Shri K Satyanarayana Prasad

Independent Directors Committee
Shri K Satyanarayana Prasad
Shri S Veerabhadra Rao

Management Committee
Shri V.G.K. Prasad
Shri S Veerabhadra Rao
Smt. K Vasumathi Devi

Corporate Social Responsibility Committee
Shri S Veerabhadra Rao
Shri V.G.K. Prasad
Shri Vinit Mukesh Mehta

Nomination & Remuneration Committee
Shri K Satyanarayana Prasad
Shri S Veerabhadra Rao
Shri Vinit Mukesh Mehta

Asset Liability Management Committee
Shri V.G.K. Prasad
Shri S Veerabhadra Rao
Smt. K Vasumathi Devi
Shri Vinit Mukesh Mehta

Risk Management Committee
Shri V.G.K. Prasad
Shri S Veerabhadra Rao
Smt. K Vasumathi Devi
Shri Vinit Mukesh Mehta

REGISTRAR & SHARE TRANSFER AGENTS

M/s. Bigshare Services Private Limited
306, 3rd Floor, Right Wing,
Amrutha Ville, Opp. Yashoda Hospital,
Rajbhavan Road, Somajiguda,
Hyderabad - 500 082

STATUTORY AUDITORS

M/s. SGCO & Co., L.L.P.,
Chartered Accountants
4A, Kaledonia, 2nd Floor,
Sahar Road, Near Andheri Station,
Andheri (East), Mumbai - 400 069

SECRETARIAL AUDITORS

B S S & Associates, Company Secretaries
Office: Parameswara Apartments
6-3-626, 5th Floor, 5-A
Anand Nagar, Khairatabad
Hyderabad - 500 004

INTERNAL AUDITORS

M/s Brahmayya & Co
Chartered Accountants
No. 33-25-33/3,
Govinda Rajulu Naidu Street,
Surya Rao Pet, Vijayawada - 520 010
Andhra Pradesh

DEBENTURE TRUSTEE

1. Catalyst Trusteeship Limited
   GDA House, Plot No. 85,
   Bhusari Colony (Right), Paud Road
   Pune - 411 038
2. IDBI Capital Trusteeship Services Limited
   Asian Building, Ground Floor,
   17, R. Kamani Marg, Ballard Estate,
   Mumbai - 400 001

REGISTERED OFFICE

40-1-144, Corporate Centre,
M G Road, Vijayawada - 520 010
Andhra Pradesh

CORPORATE OFFICE

Up to 30.05.2022
6-3-902/A, 4th Floor
Central Plaza, Near Yashoda Hospital
Raj Bhavan Road, Somajiguda,
Hyderabad - 500 082,Telangana

From: 31.05.2022
Plot Nos: 30/A, Survey No: 83/1,
11th Floor Myhome Twitza,
APIIC Hyderabad Knowledge City
Raidurg (Panmaqtha) Village
Serilingampally Mandal, Rangareddy
District, Hyderabad-500081, Telangana

BANKERS

Central Bank of India (Lead Bank)
Union Bank of India (Erstwhile Andhra Bank)
Indian Overseas Bank
IDBI Bank Limited
The Federal Bank Limited
Bank of India
Punjab National Bank
State Bank of India
HDFC Bank Limited
DCB Bank Ltd
AU Small Finance Bank
Bank of Baroda
Small Industries Development Bank of India
Bank of Maharashtra
Woori Bank Limited
IndusInd Bank Limited
Yes Bank Limited
Ujjivan Small Finance Bank
Utkarsh Small Finance Bank
State Bank of Mauritius
Suryoday Small Finance Bank
CSB Bank Limited
Jana Small Finance Bank
IDFC First Bank Limited
Dhanalakshmi Bank Limited
DBS Bank
Karnataka Bank

31st Annual General Meeting

Date : 30-Sep-22

Time : 11:00 A.M.

Venue : Registered Office of the Company, # 40-1-144, Corporate Centre, M G Road, Vijayawada - 520 010, Krishna District, Andhra Pradesh

Notice

NOTICE is hereby given that the 31st Annual General Meeting of **IKF Finance Limited** will be held on Friday, the 30th day of September, 2022, through Video Conference ("VC")/ Other Audio Visual Means ("OAVM") at 11.00 A.M., to transact the following business:

Ordinary Business:

1. To receive, consider, approve and adopt the audited Financial Statements (both Standalone and Consolidated) for the financial year ended 31st March, 2022 together with the Reports of the Directors and Auditors thereon

2. To appoint a Director in place of Mr. Satyananda Sinha Chunduri (DIN:03644504), who retires by rotation and, being eligible, offer himself for re-appointment and in this regard to pass the following resolution as an Ordinary Resolution.

   "**RESOLVED THAT** Mr. Satyananda Sinha Chunduri (DIN:03644504), who retires by rotation in accordance with Section 152 of the Companies, Act, 2013 be and is hereby re-appointed as a director liable to retire by rotation."

3. To appoint a Director in place of Mrs. Vasumathi Devi Koganti (DIN: 03161150), who retires by rotation and, being eligible, offer herself for re-appointment and in this regard to pass the following resolution as an Ordinary Resolution.

   "**RESOLVED THAT** Mrs. Vasumathi Devi Koganti (DIN: 03161150), who retires by rotation in accordance with Section 152 of the Companies, Act, 2013 be and is hereby re-appointed as a director liable to retire by rotation."

Special business:

4. **To renew the Borrowing Powers of the Company of ₹ 5,000 Crores**

   To consider, and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, and the Companies Act, 2013 including any statutory modifications or re-enactments thereof and in supersession of all the earlier resolutions passed in this regard, the Board of Directors (hereinafter referred to as the Board, including any committee thereof for the time being exercising the powers conferred on them by this resolution), be and are hereby authorized to borrow money, as and when required, from, including without limitation, any Bank and/or Public Financial Institution as defined under Section 2(72) of the Companies Act, 2013 and/or eligible foreign lender and/or any entity/ entities and/or authority/ authorities and/ or through suppliers credit, any other securities or instruments, such as floating rate notes, fixed rate notes, syndicated loans, debentures, commercial papers, short term loans or any other instruments etc. and/or through credit from official agencies and/or by way of commercial borrowings from the private sector window of multilateral financial institution, either in rupees or in such other foreign currencies as may be permitted by law from time to time, as may be deemed appropriate by the Board for an aggregate amount not exceeding ₹ 5,000 Crores (Rupees Five Thousand Crores Only), notwithstanding that money so borrowed together with the monies already borrowed by the Company, if any (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company, its free reserves and securities premium that is to say, reserves not set apart for any specified purpose."

   "**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

5. **To renew the power of Board of Directors of the Company to lease and mortgage of the property (ies) of the Company**

   To consider, and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if

any, of the Companies Act, 2013, as amended from time to time, consent of the Company be and is hereby given to the Board of Directors of the company to create charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the company, on such assets and properties of the company, both present and future and in such manner as the Board may direct, in favour of all or any Banks, financial institutions, investments institutions and their subsidiaries, any other bodies corporate and any other lenders (hereinafter collectively referred to "the lending agencies") and/ or Trustees for the holders of debentures/ bonds/ other instruments to secure borrowing of the Company by way of loans/ issue of debentures/ bonds/ other instruments which may be issued for a sum not exceeding ₹ 5,000 Crore (Rupees Five Thousand Crore only) over and above the aggregate of the paid up capital of the company, its free reserves and securities premium which have been /or propose to be obtained from or privately placed with the lending agencies together with interest there on at agreed rates, further interest, liquidated damages, premium on prepayment or on redemption, costs, charges, expenses, and all other monies payable by the company to the trusties under the trust deeds and/or to the lending agencies under their respective agreements/loan agreements /debentures trust deeds entered into/to be entered by the company in respect of said borrowings."

"**RESOLVED FURTHER THAT** the Board be and is hereby authorized to finalize with the Lending Agencies / Trustees, the documents for creating the aforesaid mortgages, charges and/or hypothecations and to accept any modifications to, or to modify, alter or vary, the terms and conditions of the aforesaid documents and to do all such acts and things and to execute all such documents as may be necessary for giving effect to this Resolution."

6. Authorization to issue of Non Convertible Debentures (NCD)/Tier II Debt(s)/Commercial Papers/Bonds on Private Placement Basis.

To consider, and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 42, 71 and other applicable provisions of the Companies Act, 2013, read with Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable provisions of the Companies Act, 2013, as amended and in force, in accordance with the memorandum and Articles of Association, the Board of Directors of the Company be and is hereby authorized to issue, offer or invitation and allot secured/unsecured, redeemable, non-convertible, listed / unlisted, senior/subordinated bonds/debentures/Commercial Paper/ Tier II Debt/ Other debt securities ("Bonds") of value aggregating upto ₹ 2,000 Cr (Rupees Two Thousand Crores Only) through private placement offer letter(s) in one or more tranches in conformity and in compliance with the all applicable rules, regulation, directions made in this regard, as amended from time to time to such person or persons, including one or more companies, bodies corporate(s), statutory corporations, commercial banks, lending agencies, financial institutions, insurance companies, mutual funds, alternative investment funds, pension/ provident funds and individuals, as the case may be or such other person/persons as the board of directors may decide so."

"**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things as may be deemed necessary in respect of issue of Bonds/ Debenture including but not limited to number of issues/ tranches, face value, issue price, issue size, timing, amount, security, coupon/interest rate(s), yield, listing, allotment and other terms and conditions of issue Bonds as they may, in their absolute discretion, deemed necessary to take all necessary steps."

7. To approve re-appointment of Sri.V.G.K.Prasad as Chairman and Executive Director of the Company

To consider, and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

"**RESOLVED THAT** pursuant to the provisions of Sections 196 and 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and such other consents and permission as may be required, Sri. V.G.K.Prasad (DIN-01817992) be and is hereby re-appointed as the Chairman and Executive Director of the Company for a further period of 5 years commencing from October 01, 2022 till September 30, 2027 and remuneration payable for a period of 3 years on following terms and conditions:

Salary	₹ 7,00,000/- per month Further the Board of Directors may increase the remuneration from time to time subject to ceiling of limits specified in the Companies Act, 2013. Further the salary to be increased by 20% for every two years. Last renewal of salary was on 01.11.2021.
Commission	0.94% of the Profit Before Tax - In case Profit Before Tax of the Financial Year, is more than corresponding previous Financial Year Profit Before Tax. 0.47% of the Profit Before Tax - In case Profit Before Tax of the Financial Year is equal or less than corresponding Profit Before Tax of previous year.
Perquisites subject to a maximum of 100% of Annual Salary	• Reimbursement of medical, surgical and hospitalization expenses for the Executive Director and family as per the rules of the Company. • Personal Accident Insurance as per the rules of the Company • Leave Travel Assistance for self and family once in a year in accordance with the rules of the Company. • Contribution to Provident Fund / Superannuation Fund / Pension Fund / Gratuity Fund and encashment of leave (at the end of the tenure) as per the rules of the Company. These shall not be considered or included in the computation of remuneration. • Provision for Telephone(s) at residence. • Provision for Chauffeur driven Company's car(s). • The Board may revise the existing or allow any other facilities, from time to time, within the overall ceiling. • Such other allowances, perquisites, benefits and amenities as may be provided by the company to other senior executives from time to time. • Employee Stock Option – as may be decided by the Nomination & Remuneration Committee / Board of Directors from time to time according Employees Stock Options Scheme of the Company. • The Executive Director shall be liable to retire by rotation.
Minimum Remuneration	Where in any financial year, during the currency of tenure of the Executive Director, the company has no profits or its profits are inadequate, it may pay his remuneration by way of salary, allowances, commission and perquisites not exceeding the limits specified Schedule V of the Companies Act, 2013 or such other limits as may be prescribed by the Government from time to time as minimum remuneration.

"**RESOLVED FURTHER THAT** the Board be and is hereby authorized to increase the remuneration from time to time subject to ceiling of limits specified in the Companies Act, 2013 from time to time."

"**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take such steps as may be necessary or expedient to give effect to this resolution and is further authorized to settle any doubt, question and difficulty, if any, that may arise with respect to this resolution."

8. To approve re-appointment of Sri. V.Indira Devi as Whole-time Director of the Company

To consider, and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

"**RESOLVED THAT** pursuant to Section 196 and 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and such other consents and permission as may be required, Smt. V.Indira Devi (DIN: 03161174) be and is hereby re-appointed as the Whole-time Director of the Company for a further period of 5 years commencing from October 01, 2022 till September 30, 2027 and remuneration payable for a period of 3 years on following terms and conditions:

Salary	₹ 3,00,000/- per month Further the Board of Directors may increase the remuneration from time to time subject to ceiling of limits specified in the Companies Act, 2013. Further the salary to be increased by 20% for every two years. (Last renewal of salary was on 01.11.2021)
Commission	• 0.40% of the Profit Before Tax - In case Profit Before Tax of the Financial Year, is more than corresponding previous Financial Year Profit Before Tax • 0.20% of the Profit Before Tax - In case Profit Before Tax of the Financial Year is equal or less than corresponding Profit Before Tax of previous year
Perquisites subject to a maximum of 100% of Annual Salary	• Reimbursement of medical, surgical and hospitalization expenses for the Whole-time Director and family as per the rules of the Company. • Personal Accident Insurance as per the rules of the Company • Leave Travel Assistance for self and family once in a year in accordance with the rules of the Company. • Contribution to Provident Fund / Superannuation Fund / Pension Fund / Gratuity Fund and encashment of leave (at the end of the tenure) as per the rules of the Company. These shall not be considered or included in the computation of remuneration. • Provision for Telephone(s) at residence • Provision for Chauffeur driven Company's car(s) • The Board may revise the existing or allow any other facilities, from time to time, within the overall ceiling. • Such other allowances, perquisites, benefits and amenities as may be provided by the company to other senior executives from time to time. • Employee Stock Option – as may be decided by remuneration, compensation and nomination Committee / Board of Directors from time to time according Employees Stock Options Scheme of the Company • The Whole-time Director shall be liable to retire by rotation
Minimum Remuneration	Where in any financial year, during the currency of tenure of the Whole-time Director, the company has no profits or its profits are inadequate, it may pay his remuneration by way of salary, allowances, commission and perquisites not exceeding the limits specified Schedule V of the Companies Act, 2013 or such other limits as may be prescribed by the Government from time to time as minimum remuneration.

"**RESOLVED FURTHER THAT** the Board be and is hereby authorized to increase the remuneration from time to time subject to ceiling of limits specified in the Companies Act from time to time."

"**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take such steps as may be necessary or expedient to give effect to this resolution and is further authorized to settle any doubt, question and difficulty, if any, that may arise with respect to this resolution."

9. To approve re-appointment of Smt. K.Vasumathi Devi as Managing Director of the Company

To consider, and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

"**RESOLVED THAT** pursuant to Section 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and such other consents and permission as may be required, Smt. K.Vasumathi Devi (DIN: 03161150) be and is hereby re-appointed as the Managing Director of the Company for a further period of 5 years commencing from October 01, 2022 to till September 30, 2027 and remuneration payable for a period of 3 years on following terms and conditions:

Salary	₹ 5,00,000/- per month Further the Board of Directors may increase the remuneration from time to time subject to ceiling of limits specified in the Companies Act, 2013. Further the salary to be increased by 20% for every two years. (Last renewal of salary was on 01.11.2021)
Commission	0.66% of the Profit Before Tax - In case Profit Before Tax of the Financial Year, is more than corresponding previous Financial Year Profit Before Tax. 0.33% of the Profit Before Tax - In case Profit Before Tax of the Financial Year is equal or less than corresponding Profit Before Tax of previous year.
Perquisites subject to a maximum of 100% of Annual Salary	• Reimbursement of medical, surgical and hospitalization expenses for the Managing Director and family as per the rules of the Company. • Personal Accident Insurance as per the rules of the Company • Leave Travel Assistance for self and family once in a year in accordance with the rules of the Company. • Contribution to Provident Fund / Superannuation Fund / Pension Fund / Gratuity Fund and encashment of leave (at the end of the tenure) as per the rules of the Company. These shall not be considered or included in the computation of remuneration. • Provision for Telephone(s) at residence • Provision for Chauffeur driven Company's car(s) • The Board may revise the existing or allow any other facilities, from time to time, within the overall ceiling. • Such other allowances, perquisites, benefits and amenities as may be provided by the company to other senior executives from time to time. • Employee Stock Option – as may be decided by remuneration, compensation and nomination Committee / Board of Directors from time to time according Employees Stock Options Scheme of the Company • The Managing Director shall be liable to retire by rotation
Minimum Remuneration	Where in any financial year, during the currency of tenure of the Managing Director, the company has no profits or its profits are inadequate, it may pay his remuneration by way of salary, allowances, commission and perquisites not exceeding the limits specified Schedule V of the Companies Act, 2013 or such other limits as may be prescribed by the Government from time to time as minimum remuneration.

"**RESOLVED FURTHER THAT** the Board be and is hereby authorized to increase the remuneration from time to time subject to ceiling of limits specified in the Companies Act, 2013 from time to time."

"**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take such steps as may be necessary or expedient to give effect to this resolution and is further authorized to settle any doubt, question and difficulty, if any, that may arise with respect to this resolution."

10. Appointment of Shri Nageswara Rao Yalamanchili as an Independent Director of the Company

To consider, and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution.

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Shri Nageswara Rao Yalamanchili (DIN 06651230), who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, for five consecutive years with effect from December 01, 2021 and whose office shall not be liable to determination by retirement of directors by rotation."

"**RESOLVED FURTHER THAT** pursuant to the provisions of Section 149 and 197 of the Companies Act, 2013 read with Schedule IV of thereof (including any statutory modification(s) or re-enactment thereof, for the time being in force), Shri Nageswara Rao Yalamanchili (DIN 06651230), Independent Director of the Company be paid, sitting fees, within the limits prescribed under the Act and Rules thereunder and as approved by the Board of Directors of the Company, for attending the meeting(s) of the Board or any Committee thereof and reimbursement of any expenses for participation in the board and other meetings."

"**RESOLVED FURTHER THAT** any of the Directors of the Company and Key Managerial Personnel of the Company, be and are hereby severally authorized to do all such acts, deeds and things, including signing and issuing letter of appointment and to complete all other formalities as may be required in this regard."

For and on Behalf of the Board
IKF Finance Limited

(Ch Sreenivasa Rao)
Company Secretary
M.No: ACS14723

Place: Vijayawada
Date : 11.08.2022

NOTES

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, ('the Act') relating to the Special Business to be transacted at the Annual General Meeting ('AGM') is annexed hereto. The Board of Directors have considered and decided to include the Item No.4 to 10 given above as Special Businesses in the forthcoming AGM, as it is unavoidable in nature.

2. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No.02/2021 dated 13th January, 2021, Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

3. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and MCA Circulars dated January 13, 2021,, April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The Company is providing remote e-Voting facility to its Members in respect of the business to be transacted at the 31st AGM and facility for those Members participating in the AGM to cast vote through e-Voting system during the AGM.

4. Pursuant to the provisions of the Act, normally, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf who may or may not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Further as per the MCA Circulars, the facility for appointment of proxies by the Members will not be available for the e-AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.

5. In accordance with, the General Circular No. 20/2020 dated 5th May, 2020 issued by MCA, owing to the difficulties involved in dispatching of physical copies of

the financial statements (including Report of Board of Directors, Auditor's report or other documents required to be attached therewith), such statements including the Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).

6. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

7. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

8. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

9. Voting during the AGM: Members who are present at the e-AGM through VC and have not cast their vote on resolutions through remote e-voting, may cast their vote during the e-AGM through the e-voting system provided by CDSL in the Video Conferencing platform during the e-AGM. Kindly refer below for instruction for e-voting during the AGM.

10. The Company has fixed 22nd September, 2022 as the cut-off date for identifying the Members who shall be eligible to vote through remote e-voting facility or for participation and voting in the e-AGM. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date shall be entitled to vote on the resolutions through the facility of Remote e-Voting or participate and vote in the e-AGM.

11. The Register of Members and Transfer Book of the Company will be closed from 23rd September 2022, to 30th September, 2022 (both days inclusive).

12. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at **www.ikffinance.com**. The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. www.evotingindia.com.

13. The relevant details required to be given under Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of directors seeking appointment/ re-appointment at this AGM are given in the Annexure.

14. In terms of Section 152 of the Act, Mr Satyanand Sinha Chunduri and Mrs Vasumathi Devi Koganti are liable to retire by rotation at this Annual General Meeting and being eligible, offers themselves for re-appointment.

15. Pursuant to the provisions of Section 72 of the Companies Act, 2013, the member(s) holding shares in physical form may nominate, in the prescribed manner, a person to whom all the rights in the shares shall vest in the event of death of the sole holder or all the joint holders. Member(s) holding shares in demat form may contact their respective Depository Participant for availing this facility.

16. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to sreenivas@ikffinance.com.

17. Members whose shareholding is in electronic mode are requested to update the change of address, With a view to using natural resources responsibly, we request the shareholders to update respective email addresses with your Depository Participants, if not already done, to enable the Company to send communications electronically.

18. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

19. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the e- AGM.

THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

(i) The voting period begins on Tuesday, 27st day of September, 2022 at 9.00 a.m. IST and ends on Thursday, 29th day of September, 2022 at 5.00 p.m. IST. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Thursday, the 22nd day of September, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) The shareholders should log on to the e-voting website www.evotingindia.com.

Pursuant to SEBI Circular **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020,** Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL Depository**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with **NSDL Depository**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants (DP)**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(iv) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

1) The shareholders should log on to the e-voting website www.evotingindia.com.

2) Click on "Shareholders" module.

3) Now enter your User ID

   a. For CDSL: 16 digits beneficiary ID,

   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

   c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

(v) After entering these details appropriately, click on "SUBMIT" tab.

(vi) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(vii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(viii) Click on the EVSN **220829002** for the relevant IKF FINANCE LIMITED on which you choose to vote.

(ix) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(x) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xi) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xiv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xv) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xvi) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.

- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; sreenivas@ikffinance.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to bsshyd@bigshareonline.com,.

2. For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to bsshyd@bigshareonline.com,.

3. The RTA shall co-ordinate with CDSL and provide the login credentials to the above mentioned shareholders.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at https://www.evotingindia.com under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.

2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 72 Hours prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at agmparticipant@bigshareonline.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 2 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at sreenivas@ikffinance.com. These queries will be replied to by the company suitably by email.

6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

7. Voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or call 1800225533.

8. All grievances connected with the facility for voting by electronic means may be addressed to Shri Rakesh Dalvi, Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk evoting@cdslindia.com or call 1800225533.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the GM.

(xvii) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address sreenivas@ikffinance.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or call 1800225533.

All grievances connected with the facility for voting by electronic means may be addressed to Shri Rakesh Dalvi, Manager, (CDSL), Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call 1800225533.

GENERAL INSTRUCTIONS AND INFORMATION FOR SHAREHOLDERS

1. Details of Scrutinizer: B S S & Associates, Practicing Company Secretaries (Unique Code of Partnership Firm: P2012AP02600) has been appointed as the Scrutinizers to scrutinize the e-voting process in a fair and transparent manner.
2. The Scrutinizer's decision on the validity of the vote shall be final.
3. The Scrutinizer after scrutinizing the votes cast by remote e-voting and e-voting during the e-AGM will make a consolidated Scrutinizer's Report and submit the same forthwith not later than not later than three days of conclusion of the e-AGM to the Chairman of the Company/meeting or a person authorised by him in writing, who shall countersign the same.
4. The Results declared along with the consolidated Scrutinizer's Report shall be hosted on the website of the Company i.e. www.ikffinance.com and on the website of CDSL at www.evoting.india.com immediately after the declaration of results by the Chairman or a person authorized by him. The result shall also be displayed on the Notice Board at the Registered Office of the Company.
5. The Resolutions shall be deemed to be passed at the registered office of the Company on the date of the e-AGM, subject to receipt of the requisite number of votes in favour of the Resolutions.

By Order of the Board of Directors of
IKF Finance Limited

Ch Sreenivasa Rao
Company Secretary
M No. A14723

Place: Vijayawada
Date : 11.08.2022

STATEMENT SETTING OUT THE MATERIAL FACTS CONCERNING AND RELATING TO THE SPECIAL BUSINESS TO BE TRANSACTED AT THE MEETING PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("THE ACT")

Special Business

Item No: 4

As per Section 180(1)(c) of the Companies Act, 2013, borrowings together with the monies already borrowed (apart from temporary loans obtained from the Company's bankers in ordinary course of business) by the Company beyond the aggregate of the paid up capital of the company, its free reserve and securities premium requires approval from the shareholders of the Company.

With a view to meet the funds requirements of the Company for both short term as well as long term, the Company may require to borrow from time to time by way of loans and/ or issue of Bonds, Debentures or other securities and the existing approved limit of ₹ 5,000 Crores (Rupees Five Thousand Crores Only) be renewed. Directors recommend the resolution for members' approval as a Special Resolution.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at item No.5 of the Notice.

Item No. 5

As mentioned in Item No 4, it is proposed to renew the existing borrowing powers of ₹ 5,000 crore (Rupees Five Thousand Crore only). To secure such borrowings, the Company would be required to mortgage and/or charge its moveable and/or immoveable properties, the whole or substantially the whole of the undertaking(s) or any other assets of the Company (both present and future) in favour of the financial institutions/banks/ other lender(s)/ trustees. The approval of the shareholders in the AGM is required as per Section 180(1)(a) of the Companies Act, 2013. In the circumstances, the board recommends this resolution for acceptance by a Special Resolution

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at item No. 6 of the Notice.

Item No.6

As mentioned in Item No.6, and the rules of the Companies (Prospectus and Allotment of Securities) Rules, 2014 prescribed under Section 42 and other applicable provisions, if any, of the Companies Act, 2013 of the Act deals with private placement of securities by a company. Sub-rule (1) of the said Rule 14 states that in case of an offer or invitation to subscribe for non-convertible debentures, on private placement, the company shall obtain previous approval of its members by means of a special resolution only once in a year for all the offers or invitations for such debentures during the year. Rule 18 of the Companies (Share Capital and Debentures) Rules, 2014 deals with issue of secured debentures. In order to augment long term resources for financing, inter alia, for the strategic business expansion in future and for general corporate purposes, the Board, which term shall include any Committee constituted by the Board, may at an appropriate time, offer or invite subscriptions for NCDs, Bonds, Tier II Debt, Commercial Paper or any other debt securities on a private placement basis, in one or more tranches, upto an amount not exceeding ₹ 2,000 Crore, within the overall borrowing limits of the Company, as approved by the Members from time to time, with authority to the Board to determine the terms and conditions, including the issue price, of the NCDs, Tier II Debt, Commercial Paper or any other Debt Instruments.

Accordingly, consent of the members is sought for passing the Special Resolution as set out at Item No. 7 of the Notice. This resolution is an enabling resolution and authorizes the Board of Directors of the Company to offer or invite subscription for non-convertible debentures, Tier II Debt, Commercial Paper or any other Debt Instruments as may be required by the Company, from time to time for a year from the date of passing this resolution.

The proposed borrowings, along with the existing borrowings of the Company, would not exceed the aggregate outstanding borrowings of the Company approved by the Members, from time to time.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice.

The Board commends the Special Resolution set out at Item No. 6 of the Notice for approval by the members.

Item No.7

As per recommendations of the Nomination and Remuneration Committee, the Board of Directors at their Meeting held on 11.08.2022 approved to re-appointment of Shri Vupputuri Gopala Kishan Prasad as Chairman & Executive Director of the Company for a period of five years effective from 01st October 2022 and remuneration for a period of 3 years as specified in the resolution, subject to your approval.

Sri.V.G.K.Prasad, who was re appointed as Managing Director to hold office upto September 30, 2027 attained the age of 70 years and hence continuation of his employment as Chairman & Executive Director requires the approval of members by way of a special resolution. Section 196(3) of the Companies Act, 2013, inter alia, provides that no company shall continue the employment of a person who has attained the age of 70 years, as Managing Director, Whole time director or Manager unless it is approved by the members by passing a special resolution. Part 1 of Schedule V to the Act contains a similar relaxation. Keeping in view that Sri.V.G.K.Prasad has rich and varied experience in the Industry and has been involved in the operations of the Company since incorporation of the Company, it would be in the interest of the Company to continue the employment of Sri.V.G.K.Prasad as Executive Director.

Sri. V.G.K.Prasad is a science graduate with rich experience in the finance business, and has been at the helm of IKF Finance Limited since incorporation. Hence the Company seeks consent of the members by way of special resolution for continuation of their holding of existing office after the age of 70 years during the currency of their term of appointment under the provisions of Section 196 (3) (a) of the Companies Act, 2013.

Statement as required under Schedule V of the Companies Act, 2013

I. General Information

1	Nature of industry	Non Banking Financial Services
2	Date or expected date of commencement of commercial production	Not Applicable
3	In case of new companies, expected date of commencement activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
4	Financial performance based on given indicators	(₹ in Crores)

Description	2021-2022	2020-2021
Total Revenue	221.23	204.23
Total Expenditure	166.96	160.03
Profit/(loss) before Tax	54.27	44.20
Net current tax expense	13.97	12.30
Net Profit/(loss)	40.30	31.90

5	Export Performance and net foreign exchange	Nil
6	Foreign investments or collaborators, if any	Nil

II. Information on about the appointee

1	Background details	Mr.Prasad has contributed a lot in institutionalizing the Automobile finance business operated by individuals in Andhra Pradesh. Mr. Prasad has presided over the Krishna District Auto Financiers Association, considered to be one of the strongest and most organized Financiers Association in India, for quite a considerable period. Mr.Prasad has occupied various positions in the Federation of Indian Hire Purchase Associations (FIHPA), the Apex body of Asset Financing Companies, and has acted as the Secretary General till 2010 and as President till 2012. Mr.Prasad has always been a strong advocate for Retail lending since times, which caught the fancy of the Banks and favored retail automobile loans later on, which kept IKF Finance it ahead of its contemporaries.
2	Past Remuneration	₹ 7,00,000/- Per Month
3	Recognition or awards	Nil

II. Information on about the appointee		
4	Job profile and his suitability	Chairman and Executive Director Rich and varied experience in the Industry and has been involved in the operations of the Company since incorporation of the Company
5	Remuneration proposed	₹ 7,00,000/- Per Month
6	Comparative remuneration Profile with respect to Industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t the country of his origin)	The remuneration proposed is reasonable as compared with the industry standards for a Managing/Executive/Whole-time Director of similar profile.
7	Pecuniary relationship directly or indirectly with company or relationship with the managerial personnel, if any	Promoter and Shareholder of the Company. Husband of Smt.V.Indira Devi, Wholetime Director, Father of Smt.K.Vasumathi Devi, Managing Director, and Smt.V.Vasantha Lakshmi, Alternate Director. Brother in law of Sri Satyanad Sinha Chunduri, Director

III. Other Information		
1	Reasons of loss or inadequate profits	Not Applicable
2	Steps taken of proposed to be taken for improvement	Not Applicable
3	Expected increase in productivity and profits in measurable terms	Not Applicable

The Board therefore recommends the special resolutions for your approval.

Except Sri.V.G.K.Prasad (the appointee), Executive Director, Smt V.Indira Devi, Wholetime Director, Smt.K.Vasumathi Devi, Managing Director, Sri Sinha S Chunduri, Director and Smt V.Vasantha Lakshmi, Alternate Director (being relatives of the appointee) none of the other Directors or key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise in Resolution No. 7.

Item No.8

As per recommendations of the Nomination and Remuneration Committee, the Board of Directors at their Meeting held on 11.08.2022 approved the re-appointment of Smt Vupputuri Indira Devi as Whole-time Director for a period of five years effective from 01st October 2022 and remuneration for a period of 3 years as specified in the resolution, subject to your approval.

Statement as required under Schedule V of the Companies Act, 2013

I. General Information		
1	Nature of industry	Non Banking Financial Services
2	Date or expected date of commencement of commercial production	Not Applicable
3	In case of new companies, expected date of commencement activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
4	Financial performance based on given indicators	(₹ in Crores)

Description	2021-2022	2020-2021
Total Revenue	221.23	204.23
Total Expenditure	166.96	160.03
Profit/(loss) before Tax	54.27	44.20
Net current tax expense	13.97	12.30
Net Profit/(loss)	40.30	31.90

5	Export Performance and net foreign exchange	Nil
6	Foreign investments or collaborators, if any	Nil

II. Information on about the appointee		
1	Background details	Mrs. Indira Devi, being one of the Core Promoter of the Company, has been in to the Vehicle finance space for over the last three decades and has been instrumental in the growth of the Company since its inception.
2	Past Remuneration	₹ 3,00,000/- Per Month
3	Recognition or awards	Nil
4	Job profile and his suitability	Whole-time director Rich and varied experience in the Industry and has been involved in the operations of the Company since incorporation of the Company
5	Remuneration proposed	₹ 3,00,000/- Per Month
6	Comparative remuneration Profile with respect to Industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t the country of his origin)	The remuneration proposed is reasonable as compared with the industry standards for a Managing/Executive/Whole-time Director of similar profile.
7	Pecuniary relationship directly or indirectly with company or relationship with the managerial personnel, if any	Promoter and Shareholder Wife of Sri.V.G.K.Prasad, Chairman and Mother of Smt.K.Vasumathi Devi Managing Director & Smt.V.Vasantha Lakshmi, Alternate Director

III. Other Information		
1	Reasons of loss or inadequate profits	Not Applicable
2	Steps taken of proposed to be taken for improvement	Not Applicable
3	Expected increase in productivity and profits in measurable terms	Not Applicable

The Board therefore recommends the special resolutions for your approval.

Except Smt V.Indira Devi (the appointee), Whole-time Director, Sri.V.G.K.Prasad, Executive Director, Smt.K.Vasumathi Devi, Managing Director, Sri Sinha S Chunduri, Director, and Smt V.Vasantha Lakshmi, Alternate Director (being relatives of the appointee) none of the other Directors or key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise in Resolution No. 8.

Item No.9

As per recommendations of the Nomination and Remuneration Committee, the Board of Directors at their Meeting held on 11.08.2022 approved to re-appointment of Smt.K.Vasumathi Devi, Managing Director for a period of five years effective from 01st October 2022 and remuneration for a period of 3 years as specified in the resolution, subject to your approval.

Statement as required under Schedule V of the Companies Act, 2013

I. General Information		
1	Nature of industry	Non Banking Financial Services
2	Date or expected date of commencement of commercial production	Not Applicable
3	In case of new companies, expected date of commencement activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
4	Financial performance based on given indicators	(₹ in Crores)

Description	2021-2022	2020-2021
Total Revenue	221.23	204.23
Total Expenditure	166.96	160.03
Profit/(loss) before Tax	54.27	44.20
Net current tax expense	13.97	12.30
Net Profit/(loss)	40.30	31.90

5	Export Performance and net foreign exchange	Nil
6	Foreign investments or collaborators, if any	Nil

II. Information on about the appointee		
1	Background details	Having eleven (11) years of working experience in IT and Telecommunications in several US Companies. Associated with IKF Finance Limited as Executive Director since 2007
2	Past Remuneration	₹ 5,00,000/- Per Month
3	Recognition or awards	Nil
4	Job profile and his suitability	Managing Director Rich and varied experience in the Industry and has been involved in the operations of the Company for the last 15(Fifteen) Years
5	Remuneration proposed	₹ 5,00,000/- Per Month
6	Comparative remuneration Profile with respect to Industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t the country of his origin)	The remuneration proposed is reasonable as compared with the industry standards for a Managing/Executive/Whole-time Director of similar profile.
7	Pecuniary relationship directly or indirectly with company or relationship with the managerial personnel, if any	Managing Director and shareholder. Daughter of Sri.V.G.K.Prasad, Chairman and Executive Director, Daughter of Smt.V.Indira Devi, Whole-time Director and Sister of Mrs.V.Vasantha Lakshmi, Alternate Director

III. Other Information		
1	Reasons of loss or inadequate profits	Not Applicable
2	Steps taken of proposed to be taken for improvement	Not Applicable
3	Expected increase in productivity and profits in measurable terms	Not Applicable

The Board therefore recommends the special resolutions for your approval.

Except Smt.K.Vasumathi Devi (the appointee), Managing Director, Sri.V.G.K.Prasad, Executive Director, Smt V.Indira Devi, Wholetime Director,Sri Sinha S Chunduri, Director, and Smt V.Vasantha Lakshmi, Alternate Director (being relatives of the appointee) none of the other Directors or key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise in Resolution No. 9

Item No.10

As per recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company had appointed Shri Nageswara Rao Yalamanchili as an Additional Director with effect from December 01, 2022 pursuant to provisions of Section 161 of the Companies Act, 2013, who shall hold the office of Director up to the date of the ensuing Annual General Meeting.

The Company has received from Shri Nageswara Rao Yalamanchili, a consent in writing to act as Director in form DIR-2 pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014 and intimation in Form DIR-8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014 to the effect that she is not disqualified under sub-section 2 of Section 164 of the Companies Act, 2013.

Further, the provisions of the Companies Act, 2013 with respect to appointment and tenure of the Independent Directors have come into force with effect from April 1, 2014 which requires every Public Company fulfilling the prescribed criteria as laid down in Rule 4 of Companies (Appointment and Qualification of Directors) Rules, 2014 to appoint an Independent Director on its Board and the Independent Director shall not be included in the total number of directors for retirement by rotation. Accordingly, in terms of provisions of Sections 149, 150, 152, Schedule IV of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, the Board of Directors of the Company had appointed (subject to the approval of the members at the ensuing Annual General Meeting), Shri Nageswara Rao Yalamanchili as an Independent Director of the Company within the meaning of Section 2(47) read with Section 149(6) of the Companies Act, 2013 for a term of 5 consecutive years commencing from December 01, 2021.

Shri Nageswara Rao Yalamanchili holds a degree in Commerce and a Certified Associate Institute of Bankers (CAIIB) and domain Expert in Banking and Financial Services with specialization in Information Technology, Credit. Treasury And Forex Management, with over 36 years of Managerial/Executive/Board level experience from 1985 till Jan 2021 in Public Sector Banks like Vijaya Bank, Bank of Maharastra, Syndicate Bank, Visweswaraya Grameen Bank. Headed various departments namely, the Planning & Development Dept., Merchant Banking Division, Card Division, Marketing & Public Relations, IT, MIS, Risk Management, Alternative Delivery Channels.

The Company has received a notice in writing from shareholder pursuant to Section 160 of the Act, proposing the candidature of Shri Nageswara Rao Yalamanchili for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Act.

Further, as stipulated under Secretarial Standard-2, brief profile of Shri Nageswara Rao Yalamanchili is provided below in Table A:

Table A - Brief Profile

Name	**Nageswara Rao Yalamanchili**
Age	61 Years
Qualifications	Bachelor of Commerce (B. Com) Certified Associate Institute of Bankers (CAIIB)
Experience	Vijaya Bank, as Probationary Officer in 1985 and became the Executive Director of the Bank in the year 2016 till 31st March 2019. Syndicate Bank, Executive Director from 1st April 2019 till 30th March 2020. Bank of Maharashtra, Executive Director, from 31st March 2020 till 21st January 2021.
Terms and Conditions of appointment	As detailed in the resolution No. 10 and explanatory statement.
Details of remuneration	No remuneration except the sitting fee as permitted under the Companies Act, 2013
Details of remuneration last drawn	No remuneration except the sitting fee for attending the meetings of the Board
Date of first appointment	01.12.2021
Shareholding in the Company	Nil
Relationship with other director/Manager and other KMP	Nil
Number of meetings attended from the date of appointment till the date of Notice of this AGM	4
Directorships of other Board	i) Capital Small Finance Bank Limited ii) Imfast Finfotech Private Limited iii) I25 Outreach Private Limited
Membership/Chairmanship of Committees of other Board	Nil

Except Nageswara Rao Yalamanchili, the appointee, none of the Directors, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the proposed resolution. The resolutions as set out in Item No. 10 of this Notice are accordingly recommended for your approval.

For and on Behalf of the Board
IKF Finance Limited

(Ch Sreenivasa Rao)
Company Secretary
M.No: ACS14723

Place: Vijayawada
Date : 11.08.2022

Annexure to the Notice

Additional information on directors recommended for appointment / re-appointment as required under Secretarial Standard-2 notified under Section 118 (10) of the Companies Act, 2013

Name of the Director	Vupputuri Gopala Kishan Prasad	Vupputuri Indira Devi
DIN	01817992	03161174
Date of Birth	02.09.1947	01.12.1959
Date of first Appointment on the Board	30.05.1991	30.05.1991
Age	75 Years	63 Years
Qualification	B.Sc	Under Graduate
Experience	Mr.Prasad has contributed a lot in institutionalizing the Automobile finance business operated by individuals in Andhra Pradesh. Mr. Prasad has presided over the Krishna District Auto Financiers Association, considered to be one of the strongest and most organized Financiers Association in India, for quite a considerable period. Mr.Prasad has occupied various positions in the Federation of Indian Hire Purchase Associations (FIHPA), the Apex body of Asset Financing Companies, and has acted as the Secretary General till 2010 and as President till 2012. Mr.Prasad has always been a strong advocate for Retail lending since times, which caught the fancy of the Banks and favored retail automobile loans later on, which kept IKF Finance it ahead of its contemporaries.	Mrs. Indira Devi, being one of the Core Promoter of the Company, has been in to the Vehicle finance space for over the last three decades and has been instrumental in the growth of the Company since its inception.
Terms and conditions of appointment	As detailed in the resolution No. 7 and explanatory statement.	As detailed in the resolution No. 8 and explanatory statement.
Remuneration sought to be paid	₹ 7,00,000 Per Month	₹ 3,00,000 Per Month
Remuneration last drawn	₹ 7,00,000 Per Month	₹ 3,00,000 Per Month
Relationship with other director/ Manager and other KMP	i) Husband of Smt.V.Indira Devi, Wholetime Director ii) Father of Smt.K.Vasumathi Devi, Executive Director iii) Father of Smt.V.Vasantha Lakshmi, Alternate Director iv. Brother in law of Sri Satyanad Sinha Chunduri, Director	i) Wife of Sri.V.G.K.Prasad, Chairman ii) Mother of Smt.K.Vasumathi Devi Managing Director & Smt.V.Vasantha Lakshmi, Alternate Director
No of Meeting of the Board Attended during the FY- 2020-21	6	4
No of Shares held in the Company	1,98,53,581 Fully Paid up (₹ 10/-Paid up) Shares of the Company equivalent to 37.70% of the paid up capital of the Company	16,48,142 Fully Paid up (₹ 10/-Paid up) Shares of the Company equivalent to 3.13% of the paid up capital of the Company
Directorships of other Board	Director of IKF Home Finance Limited Director of IKF Infratech Private Limited	Director of IKF Home Finance Limited Director of IKF Infratech Private Limited
Membership/Chairmanship of Committees of other Board	4	Nil

Name of the Director	Satyanand Sinha Chunduri	Vasumathi Devi Koganti
DIN	03644504	03161150
Date of Birth	02.02.1945	09.05.1975
Date of first Appointment on the Board	01.02.199	31.10.2006
Age	77 Years	47 Years
Qualification	M.B.B.S., M.D.,	BE (Electronics & Communications) MBA (Global Management, USA)
Experience	Management & Administration more than two decades	Having eleven (11) years of working experience in IT and Telecommunications in several US Companies. Associated with IKF Finance Limited as Executive Director since 2007
Terms and conditions of appointment	Retires by rotation and being eligible offers himself for re-appointment	As detailed in the resolution No. 9 and explanatory statement.
Remuneration sought to be paid	Nil	₹ 5,00,000/- Per Month
Remuneration last drawn	Nil	₹ 5,00,000/- Per Month
Relationship with other director/ Manager and other KMP	1. Brother-in-law of Mr. V. G. K. Prasad, Managing Director	1. Daughter of Sri. V. G. K. Prasad, Managing Director 2. Daughter of Smt. V. Indira Devi, Whole-time Director 3. Sister of Mrs. V. Vasantha Lakshmi, Alternate Director
No of Meeting of the Board Attended during the FY- 2021-2022	Nil	6
No of Shares held in the Company	1,17,700 No of Shares Fully Paid up of ₹ 10/-.	26,47,266 Fully Paid up of ₹ 10/- each amounting to 5.03% Paid up share capital of the Company
Directorships of other Board	Nil	Director of IKF Infratech Private Limited Director of IKF Home Finance Limited
Membership/Chairmanship of Committees of other Board	Nil	Nil

Board's Report

To,
The Members,
IKF FINANCIAL (INDIA) LIMITED

Your Directors have pleasure in presenting the 31st Annual Report together with the Audited Accounts for the financial period ended 31st March, 2022.

Financial Results:

The summarized financial results of the Company are as given hereunder:

(₹ in lakhs)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Revenue from Operations	22,059.51	20,406.63	26,961.75	23751.57
Other Income	63.31	16.29	207.95	57.33
Profit (loss) before depreciation, interest, tax and exceptional items	20462.97	16,173.41	20646.59	18370.08
Depreciation/amortization	128.96	144.14	190.23	193.18
Finance cost	11,787.65	11,609.00	13,617.93	12865.82
Impairment expense on loans	-224.16	-429.52	-222.93	-295.10
Portfolio Loans & other balances written off	735.94	1,076.67	735.94	1076.67
Profit (loss)before tax	5,427.29	4,420.27	6,838.43	5311.09
Provision for tax/deferred tax	1,396.85	1,229.76	1725.42	1520.93
Profit (loss) after tax before exception item	4,038.72	3,200.57	5,122.59	3802.28
Less: Other comprehensive income / (loss)	8.28	10.06	9.58	12.12
Net profit (loss) after exceptional items	4,030.44	3190.51	5,113.01	3790.16
Balance brought forward from previous year	13,591.31	11,188.37	14,440.00	11845.59
Dividend on Equity Shares	0.00	0.00	0.00	0.00
Tax on dividend	0.00	0.00	0.00	0.00
Transfer to Statutory Reserve as required by Section 45-IC of Reserve Bank of India Act, 1934	806.09	638.10	1056.19	971.97
Transfer to General reserve	201.52	159.53	201.52	159.53
Transferred to Share Based payment reserve	6.03	13.09	6.03	13.09
Surplus carried to Balance sheet	3031.11	2,402.94	3743.90	2594.41

Review of Operations

Standalone:

Amidst widespread unprecedented disruptions in the economic activities across the country due to the COVID Pandemic, your Company has sailed smoothly with minimum impact and it's performance for the year ended March 31, 2022 has improved and the Revenue from operations has grown by 8% to ₹ 220.59 Cr from ₹ 204.07 Cr for financial year 2020-21 and Net Profit increased to ₹ 40.30 Cr as against ₹ 31.91 Cr registering a growth of 26% for the corresponding previous year. During the year, the Loan Book has grown by 11% from ₹ 1434 Cr to 1593 Cr (before Impairment loss allowance). The total assets managed by the Company, including receivables assigned / securitized stood at around ₹ 1742 Cr as at March 31, 2022 as against ₹ 1489 Cr in the previous year thereby registering a growth of 17%.

Consolidated:

Your Company's performance for the year ended March 31, 2022 is satisfactory. The Revenue from operations has increased to ₹ 269.62 Cr from ₹ 237.52 Cr and Net Profit increased to ₹ 51.13 Cr from ₹ 37.90 Cr registering a growth of 35 % for the corresponding previous year.

Future Outlook:

The current financial year has started with a positive note after overcoming the challenges posed by COVID which has brought-in various changes to the social and economic environment in the country. The outlook for the current financial year appears to be encouraging as India Meteorological Department has forecasted timely and evenly distributed monsoons. Inspite of geo political tensions, the GDP growth forecast is expected to be at around 7% for FY 2023 as all the sectors have started performing better when compared with last year backed by increased GST collections. The Government's proactive initiatives are expected to boost the economic activities to certain extent even on the backdrop of Repo rate hikes by RBI. However, high fuel prices are a cause for concern as it will have a cascading effect on every sphere of the economic activity.

In Q1FY23, the overall automobile domestic sales volumes grew 52% primarily due to the low base of Q1FY22. The healthy demand trend and growth in sales volumes across segments has been driven by economic recovery, ease in availability of semiconductors and also led by the government's push towards the agricultural and infrastructure sectors backed by improvement in rural as well as urban sentiments, decent monsoons across the country and new launches mostly in the Passenger Vehicle (PV) segment.

On a sequential basis, the domestic volumes in Q1 FY 23 grew around 40% for passenger vehicles, 50% for two-wheelers, tripled for three-wheelers, doubled for commercial vehicles when compared with corresponding quarter. However, it is still around 17% lower than that of Q1 FY 20.

Your Company continues to focus on Retail segment with focus on providing superior service to customers by continuously striving to lower the cost of borrowings, maintaining the asset quality with enhanced operating efficiencies to sustain the growth and profitability. Your Company is confident of sustaining the growth and profitability as it has built strong relationship with the customers over the last three decades.

Risk Management & Credit Monitoring:

As risk is inevitable fallout of the lending business, your Company has to manage various risks like credit risk. Liquidity risk, interest rate risk, operational risk, market risk etc. The Audit Committee, Risk management Committee and the Asset Liability Management Committee review and monitor these risks at periodic intervals. Liquidity risk and interest rate risk arising out of maturity mismatch of assets and liabilities are managed through regular monitoring of the maturity profiles. The Company monitors ALM periodically to mitigate the liquidity risk. The Company also measures the interest rate risk by the duration gap method. Operational risks arising from inadequate or failed internal processes, people and systems or from external events are adequately addressed by the internal control systems and are continuously reviewed and monitored at regular intervals. Your Company is proactive in assessing the risk associated with its various loan products and has evolved a variety of Risk management and monitoring tools while dealing with a wide spectrum of retail customers. The Risk Management Policy of the Company encompasses various risk tools related to Credit, Operational, Market, Liquidity and Interest Rate Risk and has put in place appropriate mechanism to effectively mitigate the risk factors.

Corporate Governance

As specified under regulation 15(2) of the SEBI (LODR) Regulations, 2015, the requirement of furnishing report on corporate governance is not applicable to your company as none of it's equity shares is listed. As on 31-03-2022, your Company's Non-convertible debt securities got listed with Bombay Stock Exchange is less than ₹ 500 Cr. A report on the Corporate Governance to be presented to the members of the Company as such a report on Corporate Governance Report are attached as part of this report.

Management's Discussion and Analysis

Economic Environment:

The Indian economy successfully faced the challenges posed by the second and third waves of the pandemic and has come out of the adverse impacts of COVID-19 owing to successful implementation of vaccination program, fiscal and monetary policies, stimulus measures of Government & RBI.

India's GDP growth in Financial Year 2021-22 is estimated at 8.9%, compared to a contraction of 7.3% in Financial Year 2020-21 and the Index of Industrial Production stood at 11.3% as against an 8.4% contraction in Financial Year 2020-21. The consumer and business confidence has been resilient with improvement in general economic situation. The macro-economic indicators suggest that the Indian economy is well on its way to achieve its pre-pandemic growth levels in the current Financial Year 2023.

Automotive Sector:

During FY 21-22, the automobile domestic sales volumes fell 6% year-on-year (y-o-y). This was largely on account of the adverse effects of the ongoing geopolitical tensions around Ukraine, increasing oil prices and continued impact of the pandemic. The fuel prices in India have also undergone frequent increases. However, the industry has made efforts to ease up the supply chain issues, minimise costs, improve exports and make investments in new technologies to improve the overall demand sentiments.

The commercial vehicles (CV) segment has fared well, given its close linkages to overall economic growth by registering a 43% Y-o-Y growth in MHCV volumes and a 19% Y-o-Y growth in LCV volumes. The sale of Two Wheelers declined by 11% Y-o-Y on account of concerns around job losses and weakness in urban demand. The increased need for personal mobility led to an increase in passenger vehicle (PV) volumes by 13% Y-o-Y. The Tractor segment is declined by 6% compared on a Y-o-Y basis due to the high base effect of last year. Three Wheeler sales grew by 19% Y-o-Y basis led by an increase in the demand for goods carriers as well as public transport.

Resource Mobilization:

Deposits:

The Company has not accepted any deposits during the year under review and it continues to be a Non-deposit taking Non Banking Financial Company in conformity the guidelines of the Reserve Bank of India and Companies (Acceptance of Deposits) Rules, 2014

Working Capital Limits:

During the year your company has reduced its dependence, in terms of utilization, on Cash Credit Limits by raising term resources to effectively manage the ALM. However, your company intends to increase the same, if necessary, in line with increase in the term resources going forward.

During the year your company has mobilized additional Cash Credit Limits of ₹ 20 Cr from HDFC Bank Limited.

Term Loans:

During the year your Company has mobilized Term Loan(s) of ₹ 465 Cr from the following banks HDFC Bank, Suryodaya Small Finance Bank, Bank of Maharasthra, SIDBI, Dhanalakshmi Bank, DBS Bank, AU Small Finance Bank, Federal Bank, Ujjivan Small Finance Bank, YES Bank, DCB Bank and Bank of Baroda.

Commercial Paper:

During the year under review, your Company has not issued any Commercial Paper.

Non-Convertible Debentures:

During the year under review, your Company has mobilized ₹ 50 Cr from Bank of India and ₹ 30 Cr from Unifi AIF.

Particulars		Bank of India- ₹ 50 Cr	Unifi AIF
(a)	Date of issue and allotment of the securities;	06.12.2021	30.09.2021
(b)	Number of securities	500	300
(c)	Whether the issue of the securities was by way of preferential allotment, private placement or public issue;	Private Placement	Private Placement
(d)	Brief details of the debt restructuring pursuant to which the securities are issued;	Nil	Nil
(e)	Issue price	₹ 10,00,000	₹ 10,00,000
(f)	Coupon rate	9.00%	Market Linked
(g)	Maturity date;	06.12.2023	Series I – 30.03.2023 Series II-30.09.2023
(h)	amount raised	₹ 50 Cr	₹ 30 Cr

Credit Rating of Securities

Name of the Credit Rating Agency	Borrowing Instrument	Amount Rated (in crs)	Date of Rating	Rating Assigned	Rating Valid Till	Whether New/ Renewal/ Reassigned/ Withdrawn
CARE	Term Loans	800	28-09-2021	CARE A	27-09-2022	Renewal
CARE	Term Loans	400	28-09-2021	CARE A	27-09-2022	Renewal
CARE	NCDs	336	28-09-2021	CARE A	27-09-2022	Renewal
CARE	PP MLDs	30	28-09-2021	CARE A	27-09-2022	Renewal
Brickwork Ratings	Term Loans	426.52	04-08-2021	BWR A	03-08-2022	Renewal
Brickwork Ratings	Term Loans	287.2	04-08-2021	BWR A	03-08-2022	Renewal
Brickwork Ratings	NCDs	58.75	04-08-2021	BWR A	03-08-2022	Renewal

Securitization / Assignment of Loan Receivables:

During the year, your Company has Assigned Vehicle Loan Receivables to the tune of ₹ 151.44 Cr.

Borrowing Profile:

Total borrowings of the Company for the year under review (at amortized cost) stood at ₹ 1307 Cr, of which borrowings from Banks constituted 70.61%, borrowings from NBFCs & FIs 12.50%, Non-Convertible Debentures 11.62%, associated liabilities in respect of Securitized transactions 0.67% and Tier II Capital / Sub-Debt 4.59%. Your Company is continuously exploring all options to access low cost funds, mostly by way of Term Loans and Cash Credit in the current financial year, to further expand the operations.

Capital Adequacy:

The Capital to Risk Assets Ratio of your company is 24.11% as on 31.03.2022, well above the minimum of 15% prescribed by the Reserve Bank of India, of which Tier I Capital constituted 21.55% and Tier II constituted 2.56%.

Credit Rating:

During the year under review, Credit Analysis and Research Limited (CARE) has retained the long term bank loan facilities and Non Convertible Debentures at "A" signifying adequate degree of safety regarding timely payment of interest and principle and Brickwork Ratings India (P) Ltd. has retained the Long Term Bank Loan rating "BWR A", "BWR A" rating for Subordinated Non Convertible Debentures and has assigned A1 rating for Standalone Commercial Paper, signifying adequate degree of safety regarding timely servicing of financial obligations with low credit risk.

Dividend

Your Directors have not recommended payment of dividend for the financial year ended 31st March 2022 since it is proposed to retain the same in the business.

Transfer of unclaimed dividend to Investor Education and Protection Fund

During the period under review, no such case was raised to credit / to pay any amount to the Investor Education and Protection Fund.

Share Capital

a. Authorized Share Capital

During the year there was no change in the Authorised Share Capital of the Company. As on 31.03.2022, the Authorized Share Capital was ₹ 85,00,00,000/- (Rupees Eighty Five Crores only) divided into 6,00,00,000 (Six Crore only) Equity Shares of ₹ 10/- (Rupees Ten only) each and 25,00,000 (Twenty Five Lac only) Preference Shares of ₹ 100/- (Rupees One Hundred only) each.

b. Paid up Share Capital

The total Paid up Share Capital of the Company as on 31.03.2022 was ₹ 52,65,90,670 consisting 5,26,59,067 fully paid shares of ₹ 10/- each. Final call of ₹ 1.90 per share was received on 51,79,688 partly paid equity shares, with this the paid-up capital was increased from ₹ 516,749,262.80 to ₹ 52,65,90,670.00.

Compulsorily Convertible Preference Shares.

There are no Compulsorily Convertible Preference Shares outstanding as on 31.03.2022

c. Issue of Shares with differential voting rights

The Company has not issued any Shares with differential voting rights during the period under review.

d. Buy Back of Securities

The Company has not bought back any of its securities during the year under review.

e. Sweat Equity

The Company has not issued any Sweat Equity Shares during the year under review.

f. Bonus Shares

The Company has not issued any bonus shares during the year under review.

g. Employees Stock Option

The Board of Directors has granted total 5,62,860 stock options to the eligible employees at a price of ₹ 120/- (Rupees One Hundred and Twenty only) per share.

Disclosure as required under Rule 12(9) of Companies (Share Capital and Debentures) Rules, 2014 during the financial year are as below:

(a)	Options granted	5,62,860
(b)	Options vested	1,95,595
(c)	Options exercised	Nil
(d)	The total number of shares arising as a result of exercise of option	Nil
(e)	Options lapsed	3,16,210
(f)	The exercise price	₹ 120/-
(g)	Variation of terms of options	NA
(h)	Money realized by exercise of options	NA
(i)	Total number of options in force	92,700
(j)	Employee wise details of options granted to:	
	(i) Key managerial personnel	Ch Sreenivasa Rao, Company Secretary- 15,180 Options
	(ii) Any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year	1. D Nagaraj Goud, National Business Head, 80,140 Options-14.24% 2. G Chakrapani, National Credit Manager-51,500 Options-9.07% 3. M Girish Kumar, National Head-Collections-51,500 Options-9.07% 4. Hardik Harish Joshi-Zonal Manager-34,000 Options-6.04%
	(iii) identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	Nil

Transfer to Reserves

The Directors of the Company propose to transfer 201.82 Lacs to General Reserves out of the current year profits for the year as against ₹ 159.53 Lacs during the Financial Year 2020-21. Further your Directors also propose to transfer ₹ 806.09 Lacs as against ₹ 638.10 Lacs during the Financial Year 2020-21 to Statutory Reserve @ 20% profit after tax as required under Section 45-IC of Reserve Bank of India Act, 1934. Further ₹ 6.03 Lacs was transferred to Share Based payment reserve as against ₹ 13.09 Lacs during the Financial Year 2020-21. Further the Company has transferred ₹ 615.97 Lacs to share premium account out of the final call money proceeds of 51,79,688 Partly paid up shares allotted to the promoters during the year 2017-18.

Details of Subsidiary, Associate and Joint Venture Companies

The Company is not having any Associate and Joint Venture Companies as on date by virtue of Section 2 (6) of the Companies Act, 2013. As on 31.03.2022, IKF Home Finance Limited is the Subsidiary Company in which the Company holds diluted stake of 92.49%. Policy for determining 'material' subsidiaries is available on the company's website and can be accessed at www.ikffinance.com.

No Company has become or ceased to be the Company's Subsidiaries, joint ventures or associate companies during the year.

Salient features of the financials of the above mentioned subsidiary have been given in Form AOC-1 as **Annexure-I** to this report

Auditors

Statutory Auditors

In due compliance of the Reserve Bank of India(RBI) vide Notification Ref. No. DOS.CO.ARG/SEC.01/08.91.001/2021-22 dated 27th April, 2021 guidelines for appointment statutory auditors of NBFCs your Company has appointed M/s SGCO & Co., LLP., Chartered Accountants (Firm Regn No 112081W/W100184) as Statutory Auditors for a further period 3 (three) years at the 30th Annual General Meeting to hold the office of Statutory Auditors from the conclusion of 30th Annual General Meeting to till the conclusion of 33rd Annual General Meeting of the Company.

Qualification by the Statutory Auditor

The Audit Report does not contain any qualification, reservation or adverse remarks.

Secretarial Auditor

Pursuant to provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company has appointed M/s. B S S & Associates, Company Secretaries as Secretarial Auditors of the Company. Secretarial Audit Report is enclosed as **Annexure-II** to this Report.

Qualification by Secretarial Auditor

The Secretarial Audit Report does not contain any qualification, reservation or adverse remarks

Cost Audit

In terms of the provisions of Section 148 of the Companies Act, 2013 read with Rule 3 & 4 of the Companies (Cost Record and Audit) Rules, 2014 and all other applicable provisions of the Companies Act, 2013, the Cost Audit is not applicable to the Company.

Internal Audit and Auditor:

As part of the effort to evaluate the effectiveness of the internal control systems, and to maintain its objectivity and independence and on recommendations of the Audit Committee your directors have re-appointed M/s. Brahmaiah & Co, Chartered Accountant as internal auditor of the Company for the year ended 31st March, 2022 who shall report to the Audit Committee / Board. Based on the report of internal auditor, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon were presented to the Audit Committee / Board.

Internal Financial Controls

The Company has a well-established internal financial control and risk management framework, with appropriate policies and procedures, to ensure the highest standards of integrity and transparency in its operations and a strong corporate governance structure, while maintaining excellence in services to all its stakeholders. Appropriate controls are in place to ensure: (a) the orderly and efficient conduct of business, including adherence to policies, (b) safeguarding of assets, (c) prevention and detection of frauds / errors, (d) accuracy and completeness of the accounting records and (e) timely preparation of reliable financial information.

Vigil Mechanism / Whistle Blower Policy

Pursuant to Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Board has adopted Whistle Blower Policy. This policy aims for conducting the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior.

A mechanism has been established for employees to report concerns about unethical behavior, actual or suspected fraud or violation of Code of Conduct and Ethics. The policy also provided adequate safeguards against the victimization of employees who avail of the mechanism and allows direct access to the Chairman of the Audit Committee in exceptional cases.

Your Company hereby affirms that during the year no Director / employee have been denied access to the Chairman of the Audit Committee and that no complaints were received.

Corporate Social Responsibility Committee:

During the year under review the Company has spent an amount of ₹ 245.06 Lacs under the CSR activity. The report on CSR activities for FY 2021-22 is enclosed as Annexure-III. This Corporate Social Responsibility policy is available on the website of the company, www.ikffinance.com

Annual Return

As required under Section 92(3) of the Companies Act, 2013, Annual return in Form MGT-7 is available on the company's website and can be accessed at www.ikffinance.com.

Material Changes and Commitments, if any

There are no material Changes and Commitments affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

Details of significant and material orders passed by the regulators/ courts/ tribunals impacting the going concern status and the Company's operations in future

There are no material Changes and Commitments affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

Directors & KMP:

Shri V.G.K.Prasad (DIN: 01817992) and Smt.V.indira Devi (DIN: 03161174) retired and re-elected at the last Annual General Meeting of the Company held on 30.11.2021. In terms of Section 152 of the Companies Act, 2013.

During the year there was a change in the composition of Board of Directors, on 13.11.2021. Shri Nageswara Rao Yalamanchili was appointed as an additional director (Non-Executive & Independent), w.e.f., 01.12.2021.

Shri,V. G. K. Prasad, Managing Director was re designated as Chairman and Executive Director and Smt. K. Vasumathi Devi, Executive Director was redesigned as Managing Director, w.e.f., 21.01.2022. Except this there was no other changes in the composition of Board. There was no change in Company Secretary & CFO.

Based on the confirmations received from Directors, none of the Directors are disqualified from appointment under Section 164 of the Companies Act 2013.

Key Managerial personnel:

During the financial year, there was no changes in the appointment of Key Managerial Personnel.

Declaration by Independent Directors

The Independent Directors of the Company have submitted their declarations as required under Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as per sub-section (6) of Section 149 of the Act.

Familiarization programme for Independent Directors

The Company proactively keeps its Directors informed of the activities of the Company, its management and operations and provides an overall industry perspective as well as issues being faced by the industry.

Independent Directors' Meeting

The Independent Directors met on 05.02.2022, without the attendance of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole; the performance of the Chairman of the Company, taking into account the views of Executive Director and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Opinion of the Board with regard to integrity, expertise and experience (including the proficiency) of the independent directors appointed during the year:

During the year, the Company has not appointed any Independent Director.

Board Evaluation:

The Board adopted a formal mechanism for evaluating its performance as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Board functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

Change in the nature of business:

There was no change in the nature of business of the Company during the financial year 2021-2022.

Number of meetings of the Board of Directors:

During the financial year 2021-22 the Board of Directors has met Six times viz 26/06/2021, 21/07/2021, 20/10/2021, 13/11/2021, 21/01/2022, and 14/02/2022. The details of which are given in the Corporate Governance Report. The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013 and Secretarial Standard-1.

Audit Committee

The Composition of the Audit Committee is provided in the Corporate Governance Report forming part of this report. All the recommendations made by the Audit Committee were accepted by the Board.

Nomination and Remuneration Policy

The Nomination and Remuneration Policy containing guiding principles for payment of remuneration to Directors, Senior Management, Key Managerial Personnel and other employees including Non-executive Directors along with Board Evaluation criteria are provided in the Corporate Governance Report. The terms of reference are placed on Company's website www.ikffinance.com.

Criteria of making payments to non-executive directors is provided in the Corporate Governance Report.

Particulars of loans, guarantees or investments under Section 186:

The Company, being a non-banking finance company registered with the Reserve Bank of India and engaged in the business of giving loans, is exempt from complying with the provisions of Section 186 of the Companies Act, 2013. Accordingly, the disclosures of the loans given as required under the aforesaid section have not been given in this Report.

Remuneration ratio of the Directors / Key Managerial Personnel (KMP)

The provisions of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company.

During the financial year 2021-2022, there were no employees in the Company whose details are to be given pursuant to Rule 5(2) The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Particulars of contracts or arrangements with related parties:

All transactions entered by the Company with Related Parties were in the Ordinary course of Business and are at Arm's Length pricing basis. The Audit Committee granted approvals for the transactions and the same were reviewed by the Committee and the Board of Directors.

There were no materially significant transactions with Related Parties during the financial year 2021-22 which were in conflict with the interest of the Company. The details of contracts and arrangements with related parties as referred to in Section 188(1) of the Companies Act, 2013 were given as Annexure-IV to the Board's Report in form No: AOC-2 pursuant to Section 134 (3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules 2014.

Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013, Directors of your Company hereby state and confirm that:

(a) In the preparation of the annual accounts for the period ended 31st March, 2022, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) The directors had prepared the annual accounts on a going concern basis;

(e) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

(f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Company's Policy on Prohibition, Prevention and Redressal of Sexual Harassment of Women at Workplace

The Company prohibits any form of sexual harassment and any such incidence is immediately investigated and appropriate action taken in the matter against the offending employee(s) based on the nature and the seriousness of the offence. The Company has a policy on Prohibition, Prevention and Redressal of Sexual Harassment of Women at Workplace (the Policy) and matters connected therewith or incidental thereto covering all the aspects as contained under the "The Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013" notified by the Government of India vide Gazette Notification dated 23rd April, 2013.

The Company has complied with provisions relating to the constitution of Internal Complaints Committee. There was no case of sexual harassment reported during the year under review.

Details in respect of frauds reported by auditors under Section 143 (12) other than those which are reportable to the central government

There were no frauds as reported by the Statutory Auditors under Sub-section 12 of Section 143 of the Companies Act, 2013 along with Rules made there-under other than those which are reportable to the Central Government.

Disclosure under Regulation 53(e) of SEBI LODR

Name of the debenture trustees with full contact details

1. Catalyst Trusteeship Limited,
   GDA House, Plot No. 85,
   Bhusari Colony (Right), Paud Road
   Pune - 411 038

2. IDBI Capital Trusteeship Services Limited
   Asian Building, Ground Floor,
   17, R. Kamani Marg, Ballard Estate,
   Mumbai – 400 001

Details of revision of financial statement- Nil

Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the Listing Regulations:

During the year under review, the Company had raised ₹ 80,00,00,000 (Rupees Eighty Crores) through preferential issue/private placement Non-Convertible Debentures ('NCDs'). The funds were utilised by the Company for its general corporate purposes. There has been no deviation in the utilisation of issue proceeds of Private Placement of Non-Convertible Debentures ('NCDs'), Commercial papers and Tier II Debt, from the Objects stated in the Private Placement Offer Letter.

Auction:

The Company has not conducted any auctions during the financial year.

Secretarial Standards

The Company complies with all applicable Secretarial Standards.

Other Disclosures

Reasons for delay, if any, in holding the annual general meeting- Nil

Disclosures by NBFC Systemically Important Non-Deposit Taking Company and Deposit taking Company

Auction: Nil

Pecuniary relationship/transaction with non-executive directors:

During the year under review, there were no pecuniary relationship/transactions of any non–executive directors with the Company, apart from remuneration as directors.

Customer Complaints

Particulars		As at March 31, 2022	As at March 31, 2021
(a)	No. of complaints pending at the beginning of the year	2	-
(b)	No. of complaints received during the year	13	12
(c)	No. of complaints redressed during the year	15	10
(d)	No. of complaints pending at the end of the year	-	2

Perpetual Debt Instruments (PDI):

During the financial year, the Company has not issued any Perpetual Debt Instruments (PDI).

Registrar and Share Transfer Agency

The Company has appointed M/s. Bigshare Services Private Limited situated at Plot No-306, 3rd Floor, Right Wing, Amrutha Ville Opp. Yashoda Hospital, Rajbhavan Road Somajiguda, Hyderabad-500 082, as its Registrar and Share transfer agency for handling both physical and electronic transfers.

Human Resources

Your Company treats its "human resources" as one of its most important assets. Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

Awards and recognition

The Company has not received any award during the Financial Year.

Cautionary Statement

Statements in these reports describing company's projections statements, expectations and hopes are forward looking. Though, these expectations are based on reasonable assumption, the actual results might differ.

Conservation of Energy, Technology Absorption and

The Company, being a non–banking finance company (NBFC), does not have any manufacturing activity. The directors, therefore, have nothing to report on conservation of energy and technology absorption.

Foreign Exchange Earnings and Outgo

Total foreign exchange earned	Nil
Total foreign exchange used	USD 840

Code of conduct

The Company has adopted Code of Conduct for the Board and for the senior level employees of the Company and they are complying with the said code.

Industrial Relations

Industrial relations continued to be cordial throughout the year under review.

Acknowledgments

Your Company will always keep interest of its customers, employees and the stakeholders as a priority and shall reciprocate their confidence reposed in the Company. It has been a mutually beneficial relationship and looks forward to their continued support.

For and on behalf of the Board
IKF FINANCE LIMITED

	(V G K Prasad)	**(V. Indira Devi)**
Place: Vijayawada	Chairman	Whole-time Director
Date : 11.08.2022	DIN: 01817992	DIN: 03161174

Report on Corporate Governance

This section on Corporate Governance forms part of the Report of the Directors to the Members.

1. Company's Philosophy on Code of Governance:

Our Corporate Governance policies recognise the accountability of the Board and the importance of its decisions to all our constituents, including Customers, Investors and the Regulatory Authorities. The strong foundation of the Company is supported by the pillars of Customer faith, Debenture holders Confidence, Bankers Trust, Investor Steadfastness and Employee Loyalty. The Company has been growing over the past thirty years on the principles of dedicated customer service, fair business practices, efficient and trusted financial policies. It continues to maintain high standards of integrity through excellence in service to all its stakeholders.

The Board is fully aware of its fiduciary responsibilities and recognises its responsibilities to shareholders and other stakeholders to uphold the highest standards in economic, social and ethical matters by ensuring that the company conducts its activities in accordance with corporate governance best practices.

2. Board of Directors:

Directors possess the highest personal and professional ethics, integrity and values, and are committed to representing the long-term interests of the stakeholders. The basic responsibility of the Board is to provide effective governance over the company's' affairs exercising its reasonable business judgement on behalf of the Company.

The Board has been constituted in a manner, which will result in an appropriate mix of executive/non-executive and independent Directors to ensure proper governance and management. As on 31.03.2022, the Board comprises eight members who have experience in diverse fields like Finance, Accounts and Management. Non-Executive Directors bring independent judgement in the Board's deliberations and decisions. During the year there was a change in the composition of Board of Directors, Shri Nageswara Rao Yalamanchili was appointed as an additional director (Non-Executive & Independent), w.e.f., 01.12.2021. Shri,V.G.K.Prasad, Managing Director was designated as Chairman and Executive Director and Smt. K. Vasumathi Devi, Executive Director was designated as Managing Director, w.e.f., 21.01.2022. The Executive Directors as on 31.03.2022 were Sri V. G. K. Prasad – Chairman & Executive Director, Smt. V.Indira Devi - Whole Time Director and Smt. K. Vasumathi Devi – Managing Director.

As on 31.03.2022, the Independent Directors were S. Veerabhadra Rao, Sri K. Satyanarayana Prasad and Shri Nageswara Rao Yalamanchili. Sri. Satyanand Sinha Chunduri was the Non-Executive Non-Independent Director and Smt. Vupputuri Vasantha Lakshmi is the alternate director to Sri Satyanand Sinha Chunduri. Mr. Vinit Mukeshmehta is a Nominee Director.

Relationships between Directors:

Sri.V.G.K.Prasad, Chairman & Executive Director is husband of Smt V.Indira Devi, whole time Director. Sri.V.G.K.Prasad and Smt.V.Indira Devi are parents of Smt.K.Vasumathi Devi, Managing Director and Smt.V.Vasnahta Lakshmi, Alternate Director. Sri Satyanand Sinha Chunduri. is brother-in-law of Sri.V.G.K.Prasad.

3. Board Meetings:

The Board of Directors meets at regular intervals with a formal schedule of matters specifically reserved for its attention to ensure that it exercises full control over significant strategic, financial, operational and compliance matters. The Board is regularly briefed and updated on the key activities of the business and is provided with briefings on other matters concerning the company on a need basis. The Board of Directors generally meets every quarter to review the business performance. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas.

During the year under review, six meetings of the Board of Directors were held on the following dates.

26-06-2021	21-07-2021	20-10-2021
13-11-2021	21-01-2022	14-02-2022

The details of attendance at Board Meetings and details of other Directorships, Committee Chairmanships / Memberships held by the Directors during the period from 1st April, 2021 to 31st March, 2022are as follows:

Name of the Director	Category of Board Directorship	No. of Board Meetings attended	% of total meetings attended	Attendance at the last AGM	No of other Directorships	No of Committee Memberships
V G K Prasad	Executive Director	6	100%	Yes	2	4
V Indira Devi	Whole Time Director	4	75%	Yes	1	0
K Vasumathi Devi	Managing Director	6	100%	Yes	1	3
K Satyanarayana Prasad	Independent Director	6	100%	Yes	1	4
Sinha S Chunduri	Director	-	-	No	-	-
V Vasantha Lakshmi	Alternate Director	6	100%	Yes	1	-
S Veerabhadra Rao	Independent Director	4	75%	Yes	2	7
Vinit Mukesh Mehta (From 01.10.2020)	Nominee Director	6	100%	Yes	-	5
Y Nageswara Rao	Additional Director (Non Executive & Independent) w.e.f., 01.12.2021	2	100%	No	3	-

None of the Directors holds any directorship in other listed entities.

During the financial year, the Board has accepted all the recommendation of all the Committees of the board.

4. Audit Committee:

The terms of reference of the Audit Committee are broadly inter alia as follows:

a. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

b. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

c. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

d. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;

e. Review of compliances and review of systems and controls;

f. approval or any subsequent modification of transactions with related parties

The Audit Committee provides direction to the Audit function and monitors the quality of internal controls and systems. The responsibilities of the Audit Committee include the overseeing of financial reporting process to ensure fairness, sufficiency and credibility of financial statements, review of the quarterly and annual financial statements before submission to the Board, review of adequacy of internal control systems and the internal audit functions. The Audit Committee comprises three Non-Executive Directors with two Independent Directors and one Nominee Director. The Committee comprises of Sri S.Veerabhadra Rao as Chairman of the Committee and Vinit Mukesh Mehta, Sri K Satyanarayana Prasad as Members. The Executive Directors, Statutory Auditors, Internal Auditors and other Functional Heads are invitees to the Committee Meetings. During the year there was no change in the composition of Audit Committee.

During the year the committee met 6 times on 26.06.2021, 21.07.2021, 20.10.2021, 13.11.2021, 21.01.2022 and 14.02.2022. The details of members and their attendance at the committee meetings are given below:

Name of the Director	No.of Audit Committee Meetings attended	% of total Meetings attended
Sri. S.Veerabhadra Rao	4	100%
Sri.K.Satyanarayana Prasad	4	100%
Sri Vinit Mukesh Mehta	4	100%

The previous Annual General Meeting ("AGM") of the Company was held on November 30, 2021 and was attended by Sri. S.Veerabhadra Rao, Chairman of the audit committee.

5. Nomination, Remuneration & Compensation Committee:

The Nomination, Remuneration & Compensation Committee was constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 comprises of Sri S.Veerabhadra Rao as the Chairman and Sri.K.Satyanrayana Prasad and Sri Vinit Mukesh Mehta as Members. The Committee determines the remuneration package of Executive Directors (Whole Time Directors) of the Company and to grant Stock Options to eligible employees from time to time. During the year there was no change in the composition of the Committee During the year the committee met two times on 13.11.2021 and 21.01.2022.

The terms of reference of the Committee, inter alia, includes formulation of criteria for determining qualifications, positive attributes and independence of a director, recommendation of persons to be appointed to the Board and senior management and specifying the manner for effective evaluation of performance of Board, its Committees, Chairperson and individual directors, recommendation of remuneration policy for directors, key managerial personnel and other employees, formulation of criteria for evaluation of performance of independent directors and the Board. The Committee also reviews the remuneration of the senior management team.

During the year 2021-22, your Company has granted 5,62,860 [Five Lac Sixty Two Thousand Eight Hundred and Sixty only] employee stock options to the eligible employees of the Company, determined in terms of ESOP 2019, at a price of ₹ 120/- (Rupees One Hundred and Twenty only) per share.

Attendance of each Director at Nomination &Compensation Committee Meeting

Name of the Director	Category	Number of committee meetings	
		Held	Attended
Vinit Mukesh Mehta	Nominee Director	2	2
S.Veerabhadra Rao	Independent Director	2	2
K Satyanarayana Prasad	Independent Director	2	2

Criteria for Performance evaluation:

(I) Remuneration Policy:

The Policy inter alia provides for the following:

(a) Attract, recruit, and retain good and exceptional talent;

(b) List down the criteria for determining the qualifications, positive attributes, and independence of the directors of the Company;

(c) Ensure that the remuneration of the directors, key managerial personnel and other employees is performance driven, motivates them, recognises their merits and achievements and promotes excellence in their performance;

(d) Motivate such personnel to align their individual interests with the interests of the Company, and further the interests of its stakeholders;

(e) Ensure a transparent nomination process for directors with the diversity of thought, experience, knowledge, perspective and gender in the Board; and

(f) Fulfill the Company's objectives and goals, including in relation to good corporate governance, transparency, and sustained long-term value creation for its stakeholders.

(II) Remuneration paid to Directors

Remuneration to Executive Directors:

The Managing Director, Whole Time Director and Executive Director of the company have been appointed on contractual terms, based on the approval of the shareholders. The remuneration package comprises of salary, allowances and perquisites. The details of remuneration paid to Whole Time Directors during the year 2021-2022 are given below:

Name of the Director	Remuneration	Allowances	Commission
V G K Prasad	₹ 75,83,000	NIL	₹ 51,02,000
V Indira Devi	₹ 32,50,000	NIL	₹ 21,71,000
K Vasumathi Devi	₹ 54,17,000	NIL	₹ 35,82,000

The remuneration is within the limits prescribed under Schedule V to the Companies Act, 2013.

Remuneration to Non-Executive Directors

Presently, sitting fee is being paid to Shri.Nageswara Rao Yalamanchili, Additional Director (Non-Executive & Independent) for attending the meetings of the Board. Except this no sitting fee was paid for any other director for attending Board or Committee meetings thereof.

a) Details of Sitting Fees paid to Non-Executive Directors during the financial year 2021-2022

The details of sitting fees paid/payable to Non-Executive Directors during the financial year 2021-2022 was.

Name of the Director	Sitting Fee					Total
	Board Meetings	Audit Committee Meetings	N & R Committee Meetings	Risk Management Committee Meeting	Stakeholders Relationship Committee Meetings	
Shri.Nageswara Rao Yalamanchili	₹ 1,00,000	-	-	-	-	₹ 1,00,000

The remuneration is within the limits prescribed under Schedule V to the Companies Act, 2013.

b) Number of Shares and Convertible Instruments held by Non-executive Directors:

Name of the Non-Executive Director	No. of Equity Shares	No. of Convertible Instruments
Shri. S.Veerabhadra Rao	Nil	Nil
Shri. K.Satyanarayana Prasad	Nil	Nil
Shri. Satyanand Sinha Chunduri	1,17,700	Nil
Smt. Vupputuri Vasantha Lakshmi	24,91,794	Nil

c) Familiarisation Programme:

The Company has Familiarisation Programme for the Independent Directors with respect to the Company, their roles, rights, responsibilities and details of such Familiarisation Programme is available in the Company's website at this web address: www.ikffinance.com.

d) The list of core skills/ expertise/competencies as identified by the Board of Directors as required in the context of business and sector for it to function effectively and those actually available with the Board of Directors:

Industry, Accounts & Finance, Taxes, Legal, Marketing, Branding, Risks, Administration and Governance.

List of Directors possessing the skills/expertise and competencies:

Name of the Director	Skills/Expertise and Competencies
V G K Prasad	Industry, Marketing, Branding, Risks, Administration
V Indira Devi	Industry, Marketing, Branding, Risks, Administration
K Vasumathi Devi	Industry, Marketing, Branding, Risks, Administration
K Satyanarayana Prasad	Risks, Administration and Governance
Sinha S Chunduri	Accounts & Finance
S Veerabhadra Rao	Risks, Administration and Governance
Vinit Mukesh Mehta	Accounts & Finance, Taxes, Legal & Governance
Nageswara Rao Yalamanchili	Risks, Administration and Governance

e) Confirmation by the Board:

The Board hereby confirms that the independent directors fulfill the conditions specified in these regulations and are independent of the management.

f) Resignation of Independent Director:

During the year none of the Independent Directors has resigned.

6. Stakeholder Relationship Committee:

The Share Transfer and Investor Grievance Committee comprises of Sri. K. Satyanarayana Prasad as Chairman and Sri. S. Veerabhadra Rao as Member. The Stakeholder Relationship Committee was constituted in accordance with the provisions Section 178 of the Companies Act, 2013 and Rules made thereunder. During the year there was no complaints received by the Company.

7. Asset Liability Management Committee:

The Asset Liability Management Committee comprises of Sri V G K Prasad as Chairman, Sri S.Veerabhadra Rao, Sri Vinit Mukesh Mehta and Smt. K.Vasumathi Devi as Members. During the year there was no changes in the composition of the Committee. The Asset Liability Management Committee was formed to review and monitor liquidity and interest rate risk arising out of maturity mismatch of assets and liabilities and to address the mismatches, if any, from time to time. During the year 2021-2022 the committee met 4 times on 26.06.2021, 21.07.2021, 20.10.2021 and 14.02.2022.

Attendance of each Director at Asset Liability Management Committee Meeting

Name of the Director	Category	Number of committee meetings	
		Held	Attended
V G K Prasad	Executive Director	4	4
S.Veerabhadra Rao	Independent Director	4	4
K.Vasumathi Devi	Whole Time Director	4	4
Sri Vinit Mukesh Mehta	Nominee Director	4	4

8. Risk Management Committee:

The Risk Management Committee comprises of Sri V.G.K.Prasad as Chairman, Sri. S Veerabhadra, Sri Vinit Mukesh Mehta, Smt K.Vasumathi Devi as Members. During the year there was no change in the composition of Committee. The Risk Management Committee was formed to review and monitor Risk Management policies and systems from time to time. During the year 2021-2022 the committee met 4 times on 26.06.2021, 21.07.2021, 20.10.2021 and 14.02.2022.

The terms of reference of the Committee to include, review of operational, reputational and market risks. The other terms inter alia, include, managing the integrated risk, laying down procedures to inform the Board about risk assessment and minimisation procedures in the Company, and framing, implementing, monitoring the risk management plan for the Company.

Attendance of each Director at Risk Management Committee Meetings

Name of the Director	Category	Number of committee meetings	
		Held	Attended
V G K Prasad	Executive Director	4	4
S.Veerabhadra Rao	Independent Director	4	4
K.Vasumathi Devi	Whole Time Director	4	4
Vinit Mukesh Mehta	Nominee Director	4	4

9. Management Committee:

The Management Committee comprises of Sri. VG.K.Prasad as Chairman, Sri. S Veerabhadra Rao and Smt K.Vasumathi Devi as Members. During the year there was no change in the composition of Committee. The management Committee was formed to review and monitor borrowings, assignment and securitization transactions, day to day management activities etc from time to time. During the year 2021-2022 the committee met 27 times 17.05.2021, 12.07.2021, 30.07.2021, 09.08.2021, 04.09.2021, 23.09.2021, 27.09.2021, 30.09.2021, 18.10.2021, 20.11.2021, 24.11.2021, 25.11.2021, 30.11.2021, 06.12.2021, 15.12.2021, 31.12.2021, 11.01.2022, 25.01.2022, 28.01.2022, 04.02.2022, 16.02.2022, 23.02.2022, 04.03.2022, 15.03.2022, 21.03.2022, 30.03.2022 and 31.03.2022.

Name of the Director	Category	Number of committee meetings	
		Held	Attended
V G K Prasad	Executive Director	27	27
S.Veerabhadra Rao	Independent Director	27	27
K.Vasumathi Devi	Whole Time Director	27	27

1. Remuneration of directors

Pecuniary relationship/transaction with non-executive directors

During FY 2021-22, there were no pecuniary relationship/transactions of any non–executive directors with the Company. During FY 2021-22, the Company did not advance any loans to any of its directors.

Criteria of making payments to non-executive directors

Non-executive directors of the Company play a crucial role in the independent functioning of the Board. They bring in an external perspective to decision-making and provide leadership and strategic guidance while maintaining objective judgment. They also oversee the corporate governance framework of the Company.

Details of Remuneration of directors

Non-Executive Directors do not receive any remuneration from the company and except sitting fee of ₹ 50,000/- per meeting to Sri. Y. Nageswara Rao, Additional Director (Non-Executive and Independent) the Company has not any sitting fees also for attending the meetings of the Board and Committees thereof.

Details of remuneration, sitting fees and commission paid to the Directors are provided in the Form MGT-7 (annual return) which is hosted on the website of the Company and can be accessed at www.ikffinance.com.

11. General Body Meetings:

a) Time and location of last three Annual General Meetings and Special Resolutions passed by the members during the past 3 years AGMs.

AGM	Day	Date	Time	Venue	Special Resolutions passed
30th AGM	Tuesday	30.11.2021	11.00 AM	Audio Visual	• Renew the Borrowing Powers of the Company of ₹ 5000 crores • Renew the power of Board of Directors of the Company to lease and mortgage of the property (ies) of the Company • Issue of Non Convertible Debentures (NCD)/ Tier II Debt(s)/ Commercial Papers/Bonds on Private Placement Basis
29th AGM	Thursday	24.12.2020	11.00 AM	Audio Visual	• Enhance the Borrowing Powers of the Company from ₹ 4000 crores to ₹ 5000 crores • Enhance the power of Board of Directors of the Company to lease and mortgage of the property (ies) of the Company • Issue of Non Convertible Debentures (NCD)/ Tier II Debt(s)/ Commercial Papers/Bonds on Private Placement Basis
28th AGM	Wednesday	04.12.2019	4.30 PM	Registered Office of the Company. 40-1-144, Corporate Centre, M.G.Road Vijayawada-520010, Andhra Pradesh	• Re-Appointment of ShriSatyanarayana Prasad Kanaparthi (DIN 03598603), as Independent Director. • Re-Appointment of Shri Veerabhadra Rao Sunkara (DIN 01180981), as Independent Director • Enhance the Borrowing Powers of the Company from ₹ 3000 crores to ₹ 4000 crores • Enhance the power of Board of Directors of the Company to lease and mortgage of the property (ies) of the Company • Issue of Non Convertible Debentures (NCD)/ Tier II Debt(s)/ Commercial Papers/Bonds on Private Placement Basis

b) No special resolution was proposed to be passed through postal ballot.

c) No special resolution is proposed to be passed through postal ballot

12. Means of Communication:

The half yearly financial results are published in "Business Line" (English) and "Praja Shakthi" (Telugu) and website of the Company www.ikffinance.com.

The Company has not made any presentations to institutional investors or to the analysts.

13. General Information to Shareholder:

General Body Meeting, Day, Date, Time &Location

31st Annual General Meeting will be held on Friday, 30th September, 2022 at 11.00 A,M., at the Registered Office situated at # 40-1-144, Corporate Centre, M.G. Road, Vijayawada - 520 010.

Pursuant to Ministry of Corporate Affairs ('MCA') circulars dated 8 April 2020, 13 April 2020, 5 May 2020 and 13 January 2021, the ensuing 31st Annual General Meeting ('AGM') is being conducted through VC or OAVM.

Financial Calendar

Financial Year - 1st April 2021 to 31st March 2022.

Dividend Payment

Your Directors have not recommended payment of dividend for the financial year ended 31st March 2022 since it is proposed to retain the same in the business.

Stock Exchange(s) at which the securities are listed

None of the equity shares and convertible securities are listed on any Stock Exchange.

The Non-convertible Debentures are listed on the debt market of BSE.

Annual listing fees, as prescribed, have been paid to the said stock exchange.

Stock Code:

959773

Market price data- high, low during each month in last financial year

Not Applicable as the Securities of the Company are not traded on the Stock Exchange.

Performance in comparison to broad-based indices such as BSE Sensex, CRISIL Index etc

Not Applicable as the Securities of the Company are not traded on the Stock Exchange.

Book Closure dates

September 23, 2022 to September 30, 2022

Share Transfers

There was no physical transfer of shares.

The company's shares are being compulsorily traded in dematerialized form with effect from 1st April, 2003. M/s. Bigshare Services Private Limited, who have been appointed as the Registrar and Share Transfer Agents of the company for both physical and electronic segments have attended to the share transfer formalities regularly. The Registrars and Share Transfer Agents can be contacted by the investors at the following address

M/s.Bigshare Services Private Limited, 306, 3rd Floor, Right Wing, Amrutha Ville, Opp.: Yashoda Hospital, Rajbhavan Road, Somajiguda, Hyderabad – 500 082, Tel.No.: 040-23374967, Fax No.: 040-23374295, Email : bsshyd@bigshareonline.com.

Outstanding GDRs or ADRs or Warrants or any Convertible Instruments, conversion date and likely impact on equity

Not Applicable as the Company hasn't issued any GDRs or ADRs or Warrants or any Convertible Instruments.

Commodity price risk or foreign exchange risk and hedging activities

The Company does not have exposure to commodity price risks. The Company has no foreign exchange exposures.

Plant location

Not Applicable

14. Distribution of Shareholding as on 31st March, 2022:

Fully Paid up Shares

Shareholdings		Shareholders		Share Amount	
₹	₹	No	% of total	₹	% of total
Upto	5,000	1068	1985450	1985450	0.38%
5,001	10,000	187	1647880	1647880	0.31%
10,001	20,000	97	1542990	1542990	0.29%
20,001	30,000	31	821770	821770	0.16%
30,001	40,000	22	808340	808340	0.15%
40,001	50,000	12	584820	584820	0.11%
50,001	1,00,000	15	1183990	1183990	0.22%
1,00,001	& above	27	518015430	518015430	98.37%
Total		**1459**	**100.00%**	**526590670**	**100.00%**

15. Shareholding Pattern as on 31.03.2022:

Category	Total Shareholders	% of Shareholders	Total Shares	%
Clearing Member	3	0.21%	526	0.00%
Corporate Bodies	22	1.51%	48436	0.09%
Foreign Company	1	0.07%	13051546	24.78%
Foreign Promoters	2	0.14%	1611800	3.06%
Non Resident Indians	8	0.55%	5206	0.01%
Promoters	5	0.34%	28331028	53.80%
Public	1416	97.05%	1746507	3.32%
Trusts	2	0.14%	7864018	14.93%
Total	**1459**	**100.00%**	**52659067**	**100%**

Dematerialization of Shares & Liquidity

Total Shares held in electronic mode as on 31st March, 2022– 88.97%. (Inclusive of 51,79,688 Partly Paid up shares Converted into fully paid up on 31.03.2022- otherwise 98.67%)

Address for correspondence and any assistance/ clarification

16. Compliance Officer:

Shri Ch.Sreenivasa Rao, Company Secretary, IKF Finance Limited, D.No.: 40-1-144, Corporate Centre, M.G.Road, Vijayawada – 520010.

17. Other Disclosures:

Materially significant related party transactions

There are no materially significant transactions with related parties i.e. Associate Companies, Promoters, Directors or the key management personnel and their relatives conflicting with the Company's interest that may have potential conflict with the interests of listed entity at large.

Details of non-compliance by the listed entity –Nil

Total fees for all services paid by to the statutory auditor

(in Lacs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Auditor's remuneration		
- Audit fees	22.00	31.50
In other capacity	-	-
- Certification services	10.91	8.75
Other of pocket expenses	0.06	1.00
Total	**32.97**	**41.25**

Annexure-I

Statement containing the salient features of the financial statements of subsidiaries / associate companies / joint ventures

[Pursuant to first proviso to Sub-section (3) of Section 129 of the Companies Act, 2013, read with Rule 5 of the Companies (Accounts) Rules, 2014 – AOC-1]

Part "A": Subsidiaries

(₹ in Rupees)

Name of the subsidiary	IKF Home Finance Limited
Financial period ended	31.03.2022
Exchange rate	Not Applicable
Share capital	46,59,64,251
Reserves & surplus	38,97,62,697
Total assets	4,12,57,43,118
Total liabilities (excluding share capital and reserves & surplus)	3,27,00,16,170
Investments	Nil
Turnover	52,59,53,585
Profit/(Loss) before taxation	13,29,00,514
Provision for taxation	3,28,57,431
Profit / (Loss) after taxation	10,00,43,083
% of shareholding	92.49% (Fully Diluted Basis)

1. Names of subsidiaries which are yet to commence operations: Nil

2. Names of subsidiaries which have been liquidated or sold during the year: Nil

Part "B": Associate Company

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Company.

As on 31.03.2022, the Company did not have any associate or joint venture company.

1. Names of associates or joint ventures which are yet to commence operations: Nil

2. Names of associates or joint ventures which have been liquidated or sold during the year: Nil

For and on behalf of the Board of Directors
IKF Finance Limited

	(V G K Prasad)	**(V. Indira Devi)**
Place: Vijayawada	Chairman	Whole-time Director
Date: 11.08.2022	DIN: 01817992	DIN: 03161174

Annexure II

Form No. MR-3
Secretarial Audit Report
For the Financial Year ended on March 31, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
M/s. IKF Finance Limited,
40-1-144,3rd Floor, Corporate Centre,
M.G.Road, Vijayawada - 520010.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **IKF Finance Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company, during the audit period covering the financial year ended on March 31, 2022 complied with the statutory provisions listed hereunder and also the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not applicable to the Company during the audit period)**

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the audit period)**

(d) The Securities Exchange Board of India (Share Based Employee Benefit) Regulations, 2014; **(Not applicable to the Company during the audit period)**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the Company during the audit period)**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the audit period)** and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the audit period)**

(vi) The Employees Provident Fund and Miscellaneous Provisions Act, 1952;

(vii) Employees State Insurance Act, 1948;

(viii) Employers Liability Act, 1938;

(ix) Equal Remuneration Act, 1976;

(x) Maternity Benefits Act, 1961;

(xi) Minimum Wages Act, 1948;

(xii) Negotiable Instruments Act, 1881;

(xiii) Payment of Bonus Act, 1965;

(xiv) Payment of Gratuity Act, 1972;

(xv) Payment of Wages Act, 1936 and other applicable labour laws;

(xvi) Laws specially applicable to the industry to which the Company belongs, as identified by the Management:

- NBFC – The Reserve Bank of India Act, 1934 and all applicable Laws, Rules, Regulations, Guidelines, Circulars, Notifications, etc

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by the Institute of Company Secretaries of India;

(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that on examination of the relevant documents and records and based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, and also on the review of compliance reports by respective department heads / Company Secretary of the Company, in our opinion, there exist adequate systems and processes and control mechanism in the Company to monitor and ensure compliance with applicable general laws.

We further report that that the compliances by the Company of applicable financial laws, like direct and indirect tax laws, have not been reviewed in this audit since the same is not within the scope of our audit.

We further report that the Board of Directors of the Company has been duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

We further report that adequate notice was given to all directors to schedule the Board Meetings and agenda with detailed notes thereon were sent to all the directors at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications as may be required on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, all the decisions of the Board were without any dissent.

We further report that there are adequate systems and processes in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that, during the audit period, the following material events / actions have taken place:

1. The Company has taken approval from the shareholders for following:

   i. To enhance the Borrowing Powers of the Company for an aggregate amount not exceeding ` 5000 Crores.

   ii. Enhance the power of Board of Directors of the Company to lease and mortgage of the property (ies) of the Company up to an amount of ₹ 5000 Crores.

   iii. Authorization to issue of Non Convertible Debentures (NCD)/Tier II Debt(s)/Commercial Papers/Bonds on Private Placement Basis up to an amount of ₹ 2000 Crores.

for **B S S & Associates**
Company Secretaries

B. Sathish
Partner
ACS No.: 27885
C P No.: 10089
UDIN: A027885D000778019

Place: Hyderabad
Date: 11.08.2022

This Report is to be read with our letter of even date which is annexed as **'Annexure A'** and Forms an integral part of this report.

Annexure-A

To,
The Members,
M/s. IKF Finance Limited,
40-1-144,3rd Floor, Corporate Centre,
M.G.Road, Vijayawada - 520010.

Our report of even date is to be read along with this letter.

Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

1. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, that we followed provide a reasonable basis for our opinion.

2. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

3. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.

4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

5. The Secretarial Audit report is not an assurance as to the future viability of the Company or of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

for **B S S & Associates**
Company Secretaries

B. Sathish
Partner
ACS No.: 27885
C P No.: 10089
UDIN: A027885D000778019

Place: Hyderabad
Date: 11.08.2022

Annexure-III

Annual Report on CSR Activities

[Pursuant to Clause (o) of sub section (3) of Section 134 of the Act and Rule 8 of the Companies (Corporate Social Responsibility) Rules 2014]

1. Brief outline on CSR Policy of the Company.

Brief outline of the Company's CSR Policy, including overview of projects or programmes proposed to be undertaken:

a. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water;

b. Promoting education, including special education and employment enhancing vocation skills and livelihood enhancement projects;

c. Promoting gender equality, empowering women;

d. Ensuring environmental sustainability, ecological balance;

e. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central / State Government for socio-economic development and relief;

f. Rural Development projects;

g. Any other measures with the approval of Board of Directors on the recommendation of CSR Committee subject to the provisions of Section 135 of Companies Act, 2013 and rules made there-under.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Sri S.Veerabhadra Rao	Chairman	4	4
2	Sri V.G.K.Prasad	Member	4	4
4	Sri.VinitMukesh Mehta	Member	4	0

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company www.ikffinance.com.

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014:

As the Company is not having average CSR obligation of ₹ 10 Crores or more in pursuance of subsection (5) of section 135 of the Act and hence impact assessment is not applicable to the Company.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year:

The Company has spent an amount of ₹ ₹ 7,67,396 in excess of requirement provided under sub section (5) of section 135 of the Companies Act, 2013, therefore no amount is required to be set-off against the requirement to spend under sub section (5) of section 135 of the Companies Act, 2013 up to immediate succeeding three financial years.

6. Average net profit of the company as per section 135(5):

₹ 44,42,62,229

7. (a) Two percent of average net profit of the company as per section 135(5): ₹ 88,85,245

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

(c) Amount required to be set off for the financial year: Nil

(d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 88,85,245

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount.	Date of transfer	Name of the Fund	Amount	Date of transfer
96,52,641	Nil	Not Applicable	Not Applicable	Not Applicable	Not Applicable

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
1.	NA	NA	NA	NA		NA	NA	NA	NA	NA	NA	NA

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1.	Disaster Relief, Sanitation and Hygiene	(i)	Yes	Andhra Pradesh	Krishna	96,52,641	Yes	NA	NA
	Total					**96,52,641**			

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable : Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) ₹ 96,52,641

(g) Excess amount for set off, if any : ₹ 7,67,396

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	88,85,245
(ii)	Total amount spent for the Financial Year	96,52,641
(iii)	Excess amount spent for the financial year [(ii)-(i)]	1,66,11,378
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	7,67,396
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	7,67,396

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.	2020-21	Nil	2,45,06,400	NA	NA	NA	Nil
2.	2019-20	Nil	19,92,467	NA	NA	NA	Nil
3.	2018-19	Nil	49,15,947	NA	NA	NA	Nil
	Total		3,14,14,784	NA	NA	NA	Nil

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1) Sl. No.	(2) Project ID	(3) Name of the Project	(4) Financial Year in which the project was commenced	(5) Project duration	(6) Total amount allocated for the project (in ₹)	(7) Amount spent on the project in the reporting Financial Year (in ₹)	(8) Cumulative amount spent at the end of reporting Financial Year (in ₹)	(9) Status of the project - Completed / Ongoing
1	NA	NA	NA	NA	NA	NA	NA	NA
	Total							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year

(asset-wise details).

(a) Date of creation or acquisition of the capital asset(s): Nil

(b) Amount of CSR spent for creation or acquisition of capital asset: Nil

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Nil

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).: Nil

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).: Not Applicable

For and on behalf of the Board of Directors
IKF Finance Limited

(V G K Prasad)
Chairman
DIN: 01817992

(S Veerabhadra Rao)
Chairman of CSR Committee
DIN: 01180981

Place: Vijayawada
Date: 11.08.2022

Annexure-IV

Particulars of contracts / arrangements made with related parties

[Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013, and Rule 8(2) of the Companies (Accounts) Rules, 2014 – AOC-2]

This Form pertains to the disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in Section 188(1) of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. **Details of contracts or arrangements or transactions not at arm's length basis**

   There were no contracts or arrangements or transactions entered in to during the year ended March 31, 2022, which were not at arm's length basis.

2. **Details of material contracts or arrangement or transactions at arm's length basis**

   There were no material contracts or arrangements or transactions entered in to during the year ended March 31, 2022.

For and on behalf of the Board of Directors
IKF Finance Limited

	(V G K Prasad)	**(V. Indira Devi)**
Place: Vijayawada	Chairman	Whole-time Director
Date: 11.08.2022	DIN: 01817992	DIN: 03161174

FINANCIAL STATEMENTS

Independent Auditor's Report

To the Members of
IKF Finance Limited

Report on the audit of standalone financial statements

We have audited the accompanying standalone financial statements of **IKF Finance Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SA), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the standalone financial statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of matter

We draw attention to note no. 57 of standalone financial statement, which describes the uncertainty caused by the continuing COVID-19 pandemic and the related probable events which could impact the Group's estimates of impairment of loans to customers. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements for the year ended March 31, 2022. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit Matters	How our audit addressed the key audit matter
Impairment of Financial Instruments (expected credit Losses) has been described in Note 2.4.c, 2.6.f and 6 of the financial statements.	
Management estimates impairment provision using Expected Credit loss model for the loan exposure as per the Board approved policy which is in line with Ind AS and the Regulations. Measurement of loan impairment involves application of significant judgement by the management. The most significant judgements are:	• We evaluated the design and operating effectiveness of controls across the processes relevant to ECL, including the judgements and estimates. • We tested the completeness of loans and advances included in the Expected Credit Loss calculations as of March 31, 2022 by reconciling it with the balances as per loan balance register and loan commitment report as on that date.

Key audit Matters	How our audit addressed the key audit matter
• Timely identification and classification of the impaired loans, including classification of assets to stage 1, 2, or 3 using criteria in accordance with Ind AS 109 which also include considering the impact of RBI's regulatory circulars, • The segmentation of financial assets when their ECL is assessed on a collective basis, • Determination of probability of defaults (PD) and loss given defaults (LGD) based on the default history of loans, subsequent recoveries made and other relevant factors and • Assessment of qualitative factors having an impact on the credit risk.	• We tested assets in stage 1, 2 and 3 on sample basis to verify that they were allocated to the appropriate stage. • Tested samples to ascertain the completeness and accuracy of the input data used for determining the PD and LGD rates and agreed the data with underlying books of accounts and records. • For samples of exposure, we tested the appropriateness of determining EAD, PD and LGD. • For exposure determined to be individually impaired, we tested samples of loans and advances and examined management's estimate of future cash flows, assessed their reasonableness and checked the resultant provision calculations. • We performed an overall assessment of the ECL provision levels at each stage including management's assessment and provision on account of Company's portfolio, risk profile, credit risk management practices. • We assessed the adequacy and appropriateness of disclosures in compliance with the Ind AS 107 in relation to ECL especially in relation to judgements used in estimation of ECL provision.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board report, but does not include the standalone financial statements and our auditors' report thereon, which we obtained prior to the date of this auditors report, and the Annual report which is expected to be made available to us after that date.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 (Revised) 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Those Charged with Governance for the standalone financial statements

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these standalone financial statement that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and

presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statement, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so, the Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the standalone financial statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial statement made by the Management and Board of Directors

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statement, including the disclosures, and whether the standalone financial statement represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The standalone financial statements as at and for the year ended March 31, 2021, have been audited by the predecessor auditor. The report of the predecessor auditor on the comparative standalone financial statements dated June 26, 2021 expressed an unmodified opinion.

Our opinion on the financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2020 ("the Order"} issued by the Central Government of India in terms of sub-section (11} of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   (b) In our opinion, proper books of account as required by law have been Kept by the Company so far as it appears from our examination of those books;

   (c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of written representations received from the directors as on March 31, 2022, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, from being appointed as a director in terms of section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**" to this report;

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company does not have any pending litigations which would impact its financial position;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

      iv. (a) The Management has represented that to the best of it's knowledge and belief, as disclosed in note no. 49, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or other wise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

      (b) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in note no. 49, no funds (which are material either individually or in the aggregate) have been received by the Company from

any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

For **SGCO & CO. LLP**
Chartered Accountants
Firm Reg. No.:- 112081W/W100184

Suresh Murarka
Partner
Membership No. :- 044739
UDIN :- 22044739AJYANJ4717

Place :- Mumbai
Date :- May 30, 2022

Annexure A

REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

Re: IKF Finance Limited ("the Company")

(i) (a) (1) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

(2) The Company has maintained proper records showing full particulars of intangible assets.

(b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in investment property are held in the name of the Company.

(d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 201 6) and rules made thereunder.

(ii) (a) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii)(a) of the Order are not applicable to the Company.

(b) The Company has been sanctioned working capital limits in excess of 5 crore, in aggregate, from banks or financial institutions on the basis of security of current assets. Quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.

(iii) During the year, in the ordinary course of its business, the Company has made investments in, provided guarantee / security to and granted loans and advances in the nature of loans, secured and unsecured, to companies, firms, limited liability partnerships and other parties. With respect to such investments, guarantees / security and loans and advances:

(a) The Company's principal business is to give loans and, accordingly, the requirements under paragraph 3(iii)(a) of the Order are not applicable to the Company.

(b) The investments made and the terms and conditions of the grant of all the loans and advances in the nature of loans, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans and advances in the nature of loans (together referred to as "loan assets"), the schedule of repayment of principal and payment of interest has been stipulated. Note 2.6 (f) to the Financial Statements explains the Company's accounting policy relating to impairment of financial assets which include loans assets. In accordance with that policy, loan assets with balances as at March 31, 2022, aggregating ₹ 4,338.15 lakhs were categorised as credit impaired ("Stage 3") and ₹ 25,161.20 lakhs were categorised as those where the credit risk has increased significantly since initial recognition ("Stage 2"). Disclosures in respect of such loans have been provided in Note 6.2 to the Financial Statements. Additionally, out of loans and advances in the nature of loans with balances as at the year-end aggregating ₹ 129,844.46 lakhs, where credit risk has not significantly increased since initial recognition (categorised as "Stage 1"), overdues in the repayment interest and/ or principal aggregating ₹ 1,299.24 Lakhs were also identified. In all other cases, the repayment of principal and interest is regular. Having regard

to the nature of the Company's business and the volume of information involved, it is not practicable to provide an itemised list of loan assets where delinquencies in the repayment of principal and interest have been identified.

(d) The total amount overdue for more than ninety days, in respect of loans and advances in the nature of loans, as at the year-end is ₹ 2,804.16 Lakhs. Reasonable steps are been taken by the Company for recovery of the principal and interest as stated in the applicable Regulations and Loan agreements.

(e) The Company's principal business is to give loans and, accordingly, the requirements under paragraph 3(iii)(e) of the Order are not applicable to the Company.

(f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

(iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investment made and guarantees, and securities given have been complied with by the Company.

(v) The Company has not accepted any deposits from the public. Hence, reporting under clause 3(v) of the Order is not applicable.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the services of the Company. Hence, reporting under clause 3 (vi) of the Order is not applicable to the Company

(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there have been slight delays in payment of tax deducted at source and profession tax in few cases. As informed, the provisions relating to service tax, wealth tax, sales tax, value added tax, excise duty and customs duty are currently not applicable to the Company.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees! state insurance, income-tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. As informed, the provisions relating to service tax, wealth tax, sales tax, value added tax, excise duty and customs duty are currently not applicable to the Company.

(c) According to the information and explanations given to us, there are no dues of income tax, goods and service tax and cess which have not been deposited on account of any dispute. As informed, the provisions of service tax, wealth tax, sales tax, value added tax, excise duty and customs duty are not applicable to the Company.

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) In our opinion and according to the information and explanations given by the management, the company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has applied term loans for the purpose for which the loans were obtained.

(d) The Company has not utilised fund raised on short term basis for long term purposes.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting on clause 3(ix)(f) of the Order is not applicable.

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

(xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) There were no whistle blower complaint received during the year and hence reporting under clause 3(xi)(c) of the Order is not applicable.

(xii) The Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable.

(xiij) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) (a) According to the information and explanations given to us, we report that the Company has registered as required, under section 45-IA of the Reserve Bank of India Act, 1934.

(b) The company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) In our opinion, the Company is not a core investment company (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi) (c) and (d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) During the year, consequent to the issuance of the Circular No. DoS.COARG/SEC.01/08.91.001 12021-22 dated April 27, 2021 by the RBI, the predecessor auditors resigned, as they had completed three continuous years as statutory auditors of the Company. The predecessor statutory auditors have confirmed to us that they were not aware of reasons as to why we should not accept the statutory audit engagements of the Company.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due

within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) There are no unspent amounts towards CSR on ongoing projects under sub-section (5) of Section 135 requiring transfer to special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause of the Order is not applicable for the year.

For **SGCO & CO. LLP**
Chartered Accountants
Firm Reg. No.:- 112081W/W100184

Suresh Murarka
Partner
Membership No. :- 044739
UDIN :- 22044739AJYANJ4717

Place :- Mumbai
Date :- May 30, 2022

Annexure B

REFERRED TO IN PARAGRAPH 2 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY RE-OUIREMENTS" OF OUR REPORT OF EVEN DATE

Report on the Internal Financial Controls under Clause (i) of 5ub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of IKF Finance Limited ("the Company") as of March 31, 2022, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Companyrs management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the " Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these standalone financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with Reference to these standalone financial statements

A Company's Internal financial control over financial reporting with reference to these standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purpose in accordance with generally accepted accounting principles. A company's Internal financial control over financial reporting with reference to these standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transaction are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting Principles,

and that receipts and expenditure of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisitions, use or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting with Reference to these standalone financial statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these standalone financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at March 31, 2022, based on the internal over financial reporting criteria established by the Company considering the essential components of internal control stated in the guidance note on audit of Internal financial controls over financial reporting issued by the Institute of Chartered Accountants of India.

For **SGCO & CO. LLP**
Chartered Accountants
Firm Reg. No.:- 112081W/W100184

Suresh Murarka
Partner
Membership No. :- 044739
UDIN :- 22044739AJYANJ4717

Place :- Mumbai
Date :- May 30, 2022

IKF FINANCE
"LEGACY THAT INSPIRES, TECHNOLOGY THAT DELIVERS"

Standalone Balance Sheet

as at March 31, 2022

(Currency : ₹ in lakhs)

Particulars	Note No	As at March 31, 2022	As at March 31, 2021
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	3	3,377.21	11,793.28
(b) Bank Balance other than included in (a) above	4	2,208.65	3,964.82
(c) Receivables			
(I) Trade receivables	5	-	-
(d) Loans	6	1,56,325.40	1,40,161.15
(e) Investments	8	6,252.92	4,525.10
(f) Other financial assets	7	1,800.96	1,018.54
		1,69,965.14	**1,61,462.89**
(2) Non-financial assets			
(a) Current Tax Assets (Net)		183.04	217.94
(b) Deferred Tax Assets (Net)	29	70.34	-
(c) Investment Property	11	114.31	6.47
(d) Property, Plant and Equipment	10	260.11	240.52
(e) Right of use asset	10	10.75	24.77
(f) Intangible assets	12	154.42	170.57
(g) Other non-financial assets	9	1,067.42	382.01
		1,860.39	**1,042.28**
Total assets		**1,71,825.53**	**1,62,505.17**
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial liabilities			
(a) Payables			
(i) Trade payables and other payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(II) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(b) Debt securities	13	15,186.47	33,687.94
(c) Borrowings (other than debt securities)	14	1,09,462.84	85,755.89
(d) Subordinated Liabilities	15	6,003.45	5,986.79
(e) Other financial liabilities	16	2,030.13	2,670.12
		1,32,682.89	**1,28,100.74**
(2) Non-financial liabilities			
(a) Provisions	17	306.37	275.54
(b) Deferred tax liabilities (Net)	29	-	27.12
(c) Other non-financial liabilities	18	99.50	112.08
		405.87	**414.74**
EQUITY			
(a) Equity share capital	19	5,265.91	5,167.49
(b) Other equity	20	33,470.86	28,822.20
		38,736.77	**33,989.69**
Total liabilities and equity		**1,71,825.53**	**1,62,505.17**
Significant accounting policies and key accounting estimates and judgments	2		

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

For and on behalf of the Board of Directors of

IKF Finance Limited

CIN: U65992AP1991PLC012736

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number: 112081W/W100184

per Suresh Murarka
Partner
Membership No. 044739

Place: Mumbai
Date: May 30, 2022

V.G.K Prasad
Chairman
DIN: 01817992

Sreepal Jain
Chief Financial Officer

Place: Vijayawada
Date: May 30, 2022

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Ch.Sreenivasa Rao
Company Secretary
M.No. ACS14723

Standalone Statement of Profit and Loss

for the year ended March 31, 2022

(Currency : ₹ in lakhs)

Particulars		Note No	Year ended March 31, 2022	Year ended March 31, 2021
Revenue From operations				
(i)	Interest income	21	21,899.30	20,295.71
(ii)	Fees and commission income	22	160.21	110.92
(I)	**Total revenue from operations**		**22,059.51**	**20,406.63**
(II)	Other income	23	63.31	16.29
(III)	**Total income (I + II)**		**22,122.82**	**20,422.92**
Expenses				
(i)	Finance costs	24	11,787.65	11,609.00
(ii)	Impairment on financial instruments	25	511.78	647.15
(iii)	Employee benefits expenses	26	3,248.03	2,621.34
(iv)	Depreciation, amortization and impairment	27	128.96	144.14
(v)	Others expenses	28	1,019.11	981.02
(IV)	**Total expenses**		**16,695.53**	**16,002.65**
(V)	**Profit before tax (III - IV)**		**5,427.29**	**4,420.27**
(VI)	**Tax Expense:**			
	(1) Current Tax	29	1,487.04	795.96
	(2) Deferred Tax	29	(100.25)	368.34
	(3) Adjustment of tax relating to earlier periods	29	10.06	65.46
			1,396.85	**1,229.76**
(VII)	**Profit for the period (V-VI)**		**4,030.44**	**3,190.51**
(VIII)	**Other comprehensive income**			
	(A) Items that will not be reclassified to profit or loss (specify items and amounts)			
	(a) Remeasurements of the defined benefit plans	30	11.07	13.44
	Income tax relating to items that will not be reclassified to profit or loss		(2.79)	(3.38)
	Other comprehensive income / (loss)		**8.28**	**10.06**
(IX)	**Total comprehensive income for the period (VII + VIII)**		**4,038.72**	**3,200.57**
(X)	**Earnings per share (equity share, par value of ₹ 10 each)**			
	Basic	31	7.80	6.35
	Diluted	31	7.80	6.34
Significant accounting policies and key accounting estimates and judgments		2		

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

For and on behalf of the Board of Directors of

IKF Finance Limited

CIN: U65992AP1991PLC012736

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number: 112081W/W100184

per Suresh Murarka
Partner
Membership No. 044739

Place: Mumbai
Date: May 30, 2022

V.G.K Prasad
Chairman
DIN: 01817992

Sreepal Jain
Chief Financial Officer

Place: Vijayawada
Date: May 30, 2022

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Ch.Sreenivasa Rao
Company Secretary
M.No. ACS14723

Standalone Cash Flow Statement

for the year ended March 31, 2022

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	5,427.28	4,420.27
Adjustments for:		
Depreciation, amortisation and impairment	128.96	144.14
Interest Income	(21,899.30)	(20,295.71)
Interest expenses	11,787.65	11,609.00
Impairment on financial instrument	511.78	647.15
Share based payment expense	(6.03)	13.09
Provision for expenses	6.60	4.83
Employee benefit expenses	81.57	98.26
Rental income on Investment property	(7.63)	(6.36)
(Profit)/ Loss on sale of property, plant and equipment	(0.07)	(0.14)
(Profit)/ Loss on sale of immovable Property	6.10	
Cash generated from / (used in) operations before working capital changes and adjustments for interest received and interest paid	**(3,963.08)**	**(3,365.47)**
Adjustments for changes in Working Capital :		
Decrease / (Increase) in trade receivable	26.21	20.87
Decrease / (Increase) in loans	(24,454.76)	(21,661.13)
Decrease / (Increase) in bank balances other than cash and cash equivalents	1,756.18	(189.89)
Decrease / (Increase) in other financial assets	126.85	(330.53)
Decrease / (Increase) in other non-financial assets	(685.42)	(53.83)
(Decrease) / Increase in other financial liabilities	(631.52)	(32.01)
(Decrease) / Increase in provisions	(39.67)	(17.76)
(Decrease) / Increase in other non-financial liabilities	(12.59)	(6.61)
Interest received	22,327.41	17,250.35
Interest paid	(11,836.88)	(10,176.00)
	(17,387.28)	**(18,562.00)**
Income tax paid (net of refunds)	(1,462.20)	(922.80)
Deferred tax adjustment	0.00	0.00
NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES	**(18,849.48)**	**(19,484.80)**
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(86.52)	(33.46)
Purchase of Investment property	(224.11)	-
Rental income on Investment property	7.63	6.36
Proceeds from sale of property, plant and equipment	0.08	0.54
Proceeds from sale of Investment property	110.00	-
Purchase of intangible assets	(27.55)	(31.99)
Purchase of investments measured at cost	(1,727.82)	-
NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES	**(1,948.29)**	**(58.53)**

Standalone Cash Flow Statement

for the year ended March 31, 2022

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
CASH FROM FINANCING ACTIVITIES		
Proceeds from issue of equity shares (including securities premium)	714.39	1,015.18
Amount received from debt securities	8,000.00	30,500.00
Repayment of debt securities	(25,950.00)	(3,300.00)
Amount received from borrowings other than debt securities	56,500.00	33,730.08
Repayment of borrowings other than debt securities	(26,861.44)	(32,548.05)
Amount received from subordinated Liabilities	-	2,500.00
Repayment of subordinated debt	-	(3,000.00)
Payment of principal portion of lease liabilities	(19.13)	(41.45)
Payment of interest on lease liabilities	(2.12)	(4.77)
NET CASH GENERATED FROM / (USED IN) FROM FINANCING ACTIVITIES	**12,381.70**	**28,850.99**
Net Increase / (Decrease) in Cash and Cash Equivalents	**(8,416.07)**	**9,307.66**
Cash and Cash Equivalents at the beginning of Year	11,793.28	2,485.62
Cash and Cash Equivalents at the end of the Year	3,377.21	11,793.28

The above Cash Flow Statement has been prepared under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows'.

The above Cash Flow Statement has been prepared under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows'.

As per our report of even date

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number: 112081W/W100184

per Suresh Murarka
Partner
Membership No. 044739

Place: Mumbai
Date: May 30, 2022

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

V.G.K Prasad
Chairman
DIN: 01817992

Sreepal Jain
Chief Financial Officer

Place: Vijayawada
Date: May 30, 2022

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Ch.Sreenivasa Rao
Company Secretary
M.No. ACS14723

Standalone Statement of Changes in Equity

for the year ended March 31, 2022

A. Equity share capital

Current Reporting Period

Particulars	Balance at the beginning of the current reporting period As at March 31, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the beginning of the current reporting period As at March 31, 2022
Issued, Subscribed and paid up - fully paid (Equity shares of ₹ 10 each, Fully paid-up)	4,747.94	-	4,747.94	517.97	5,265.91
Issued, Subscribed and paid up - partly paid (Equity shares of ₹ 10 each, partly paid-up of 8.10 per share in March 2021	419.55	-	419.55	(419.55)	0.00

Previous Reporting Period

Particulars	Balance at the beginning of the current reporting period As at March 31, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the beginning of the current reporting period As at March 31, 2022
Issued, Subscribed and paid up - fully paid (Equity shares of ₹ 10 each, Fully paid-up)	4,747.94	-	4,747.94	-	4,747.94
Issued, Subscribed and paid up - partly paid (Equity shares of ₹ 10 each, partly paid-up of 8.10 per share in March 2021	279.70	-	279.70	139.85	419.55

B. Other equity

(Currency : ₹ in lakhs)

Particulars	Reserves and Surplus							Total
	Statutory Reserve	Capital Reserve	Securities Premium	General Reserve	Share based payment Reserve	Retained Earnings	Impairment Reserve	
Balance at April 01, 2020	**3,549.31**	**32.50**	**9,085.06**	**860.41**	**17.56**	**11,188.37**	**-**	**24,733.21**
Changes in Accounting Policies / Prior Period Errors	-	-	-	-	-	-	-	-
Restated balance as at April 01, 2020	3,549.31	32.50	9,085.06	860.41	17.56	11,188.37	-	24,733.20
Profit for the year	-	-	-	-	-	3,190.51	-	3,190.51
Other comprehensive income for the year	-	-	-	-	-	10.06	-	10.06
Total comprehensive income for the year (net of tax)	-	-	-	-	-	3,200.57	-	3,200.57
Transfer to Statutory Reserve	638.10	-	-	-	-	(638.10)	-	-
Transfer to General Reserve	-	-	-	159.53	-	(159.53)	-	-
Issue of equity shares	-	-	875.33	-	-	-	-	875.33
Share based payment expense	-	-	-	-	13.09	-	-	13.09
Balance at March 31, 2021	**4,187.41**	**32.50**	**9,960.39**	**1,019.93**	**30.65**	**13,591.31**	**-**	**28,822.20**

Standalone Statement of Changes in Equity

for the year ended March 31, 2022

(Currency : ₹ in lakhs)

Particulars	Reserves and Surplus							Total
	Statutory Reserve	Capital Reserve	Securities Premium	General Reserve	Share based payment Reserve	Retained Earnings	Impairment Reserve	
Changes in Accounting Policies / Prior Period Errors	-	-	-	-	-	-	-	-
Restated balance as at April 01, 2021	4,187.41	32.50	9,960.39	1,019.93	30.65	13,591.31	-	28,822.20
Profit for the year	-	-	-	-	-	4,030.44	-	4,030.44
Other comprehensive income for the year	-	-	-	-	-	8.28	-	8.28
Total comprehensive income for the year (net of tax)	-	-	-	-	-	4,038.72	-	4,038.72
Transfer to Statutory Reserve	806.09	-	-	-	-	(806.09)	-	-
Transfer to General Reserve	-	-	-	201.52	-	(201.52)	-	-
Issue of equity shares	-	-	615.97	-	-	-	-	615.97
Share based payment expense	-	-	-	-	(6.03)	-	-	(6.03)
Balance at March 31, 2022	4,993.50	32.50	10,576.37	1,221.45	24.62	16,622.42	-	33,470.87

As per our report of even date

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number: 112081W/W100184

per Suresh Murarka
Partner
Membership No. 044739

Place: Mumbai
Date: May 30, 2022

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

V.G.K Prasad
Chairman
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Sreepal Jain
Chief Financial Officer

Ch.Sreenivasa Rao
Company Secretary
M.No. ACS14723

Place: Vijayawada
Date: May 30, 2022

Notes

on Standalone Financial Statements for the year ended March 31, 2022

1 Company Overview

IKF Finance Limited ('the Company') is a public company domiciled in India and incorporated under the provision of the Companies Act, 1956. The Company was registered as a non-deposit accepting Non-Banking Financial Company ('NBFC-ND') with the Reserve Bank of India ('RBI') and classified as a Non-Banking Financial Company- Asset Finance Company ('NBFC-AFC') with effect from May 12, 2014. The Company provides finance for commercial vehicles, construction equipment and other loans

2 Significant Accounting Policies

2.1 Basis of preparation

The financial statements for the year ended March 31, 2022 have been prepared by the Company in accordance with Indian Accounting Standards ("Ind AS") notified by the Ministry of Corporate Affairs, Government of India under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016, as amended from time to time, in this regard. Any application guidance/ clarifications/ directions issued by RBI or other regulators are implemented as and when they are issued/ applicable.

2.2 Presentation of Financial Statements

The financial statement of the company are presented as per Division III of the Schedule III to the Companies Act 2013 as amended from time to time, for Non-Banking Financial Companies ('NBFCs') that are required to comply with Ind-AS. The Statement of Cash Flows has been presented as per the requirements of Ind-AS 7 Statement of Cash Flows. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in Note 34 – Maturity analysis of assets and liabilities.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Company and/or its counterparties

2.3 Basis of Measurement

The financial statements have been prepared under the historical cost convention on the accrual basis except for certain financial instruments, plan assets of defined benefit plans and share based payment plans, which are measured at fair values at the end of each reporting period as explained in the accounting policies below. All amounts disclosed in the financial statements and notes have been rounded off to the nearest ₹ Lakhs in compliance with Schedule III of the Act, unless otherwise stated.

2.4 Significant accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) at the date of the financial statements and the reported amounts of revenues and expenses for the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual results could differ from these estimates. Any revisions to accounting estimates are recognized prospectively in the current and future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Key sources of estimation of uncertainty at the date of financial statements, which may cause a material adjustment to the carrying amount of assets and liabilities within the next financial year are included in the following notes:

a. Business model assessment

Classification and measurement of financial assets depends on the results of the solely payments of principal and interest (SPPI) and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the

Notes

on Standalone Financial Statements for the year ended March 31, 2022

risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

b. Effective Interest Rate (EIR) method

The Company recognizes interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loans given / taken.

This estimation, by nature, requires an element of judgement regarding the expected behaviour and lifecycle of the instruments, as well as expected changes to other fee income/expense that are integral parts of the instrument.

c. Impairment of loans portfolio

The measurement of impairment losses on loan assets requires judgement, in estimating the amount and timing of future cash flows and recoverability of collateral values while determining the impairment losses and assessing a significant increase in credit risk.

The Company's Expected Credit Loss (ECL) calculation is the output of a complex model with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL model that are considered accounting judgements and estimates include:

- PD calculation includes historical data, benchmarking, assumptions and expectations of future conditions.
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life-time expected credit loss and the qualitative assessment.
- The segmentation of financial assets when their ECL is assessed on a collective basis.
- Development of ECL models, including the various formulas and the choice of inputs.

It is the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

The impairment loss on loans and advances is disclosed in more detail in Note 6-Loans and Note 42- Risk Management.

d. Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

e. Fair value measurement:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

f. Operating leases

Company as a lessee:

The Company has applied Ind AS 116 using the partial retrospective approach.

The Company assesses at contract inception whether a contract is, or contains, a lease. That is,

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if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right of use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short term lease

The Company has elected not to recognise right of use asset and lease liabilities for short term leases of property that has lease term of 12 months or less. The Company recognises lease payment associated with these leases as an expense on a straight line basis over lease term.

g. Share based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

2.5 Revenue recognition

a. Interest Income on loans

Interest income is recorded using effective interest rate (EIR) method for all financial assets measured at amortised cost.

EIR is the rate that exactly discounts the estimated future cash flows through the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset except for credit impaired asset.

The calculation of the effective interest rate includes transaction costs and fees (loan processing fees, commission paid to direct selling agents and other premiums or discounts) that are an integral part of the contract. Transaction costs include incremental costs that are directly attributable to the acquisition of financial asset.

b. Rental Income

Rental income arising from operating leases is recognised on a straight-line basis over the lease term. In cases where the increase is in line with expected general inflation rental income is recognised as per the contractual terms.

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Operating leases are leases where the Company does not transfer substantially all of the risk and benefits of ownership of the asset.

c. Interest income on fixed deposits

Interest on fixed deposits is recognised on a time proportion basis taking into account the amount outstanding and the applicable rate.

d. Other income

Other charges including application fees (penal interest, cheque bouncing charges, etc.) are recognised on realization basis.

2.6 Financial instruments

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Recognised financial assets and financial liabilities are initially measured at transaction price, which equates fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

A financial asset and a financial liability are offset and presented on net basis in the balance sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

a. Classification and measurement of Financial assets

Based on the business model, the contractual characteristics of the financial assets and specific elections where appropriate, the Company classifies and measures financial assets in the following categories:

- Amortised cost
- Fair value through other comprehensive income ('FVOCI')
- Fair value through profit and loss ('FVTPL')

Financial assets at amortised cost

Financial assets are measured at amortised cost using the effective interest rate (EIR) if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement and based on the assessment of the business model as asset held to collect contractual cash flows and SPPI, such financial assets are subsequently measured at amortised cost using effective interest rate ('EIR') method. Interest income and impairment expenses are recognised in statement of profit and loss. Any gain or loss on derecognition is also recognised in statement of profit and loss.

The EIR method is a method of calculating the amortised cost of a financial instrument and of allocating interest over the relevant period. The EIR is the rate that exactly discounts estimated future cash flows (including all fees paid or received that form an integral part of the EIR, transaction costs and other premiums or discounts) through the expected life of the instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

The Company records loans at amortised cost.

Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to sole payments of principal and interest on the principal amount outstanding and by selling financial assets.

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Movements in the carrying amount of such financial assets are recognised in Other Comprehensive Income ('OCI'), except dividend income and interest income which is recognised in statement of profit and loss. Equity instruments at FVOCI are not subject to an impairment assessment.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

b. Financial Liabilities

Financial liabilities are measured at amortised cost. The carrying amounts are determined based on the EIR method. Interest expense is recognised in statement of profit and loss. Any gain or loss on de-recognition of financial liabilities is also recognised in statement of profit and loss.

c. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company is recognised at the proceeds received, net of directly attributable transaction costs.

d. Reclassification

Financial assets and liabilities are not reclassified subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line or in the period the Company changes its business model for managing financial assets.

e. De-recognition of financial assets and financial liabilities

i. Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Company has transferred the financial asset if, and only if, either:

i. The Company has transferred its contractual rights to receive cash flows from the financial asset, or

ii. It retains the rights to the cash flows but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement.

Pass-through arrangements are transactions whereby the Company retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

i. The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.

ii. The Company cannot sell or pledge the original asset other than as security to the eventual recipients.

iii. The Company has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Company is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

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A transfer only qualifies for derecognition if either:

i. The Company has transferred substantially all the risks and rewards of the asset, or

ii. The Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

ii. Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying value of the original financial liability and the new financial liability with modified terms is recognised in statement of profit and loss.

f. Impairment of Financial Assets

The Company recognises impairment allowances for Expected Credit Loss (ECL) on all the financial assets that are not measured at FVTPL:

The ECL provision is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss.

The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on financial assets that are possible within the 12 months after the reporting date.

The Company performs an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Company categorises its loans into three stages as described below:

For non-impaired financial instruments

- Stage 1 is comprised of all non-impaired financial instruments which have not experienced a significant increase in credit risk (SICR) since initial recognition. A 12-month ECL provision is made for stage 1 financial instruments. In assessing whether credit risk has increased significantly, the Company compares the risk of a default occurring on the financial instrument as at the reporting date, with the risk of a default occurring on the financial instrument as at the date of initial recognition.

- Stage 2 is comprised of all non-impaired financial instruments which have experienced a SICR since initial recognition. The Company recognises lifetime ECL for stage 2 financial instruments. In subsequent reporting periods, if the credit risk of the financial instrument improves such that there is no longer a SICR since initial recognition, then entities shall revert to recognizing 12 months of ECL.

For impaired financial instruments:

Financial instruments are classified as stage 3 when there is objective evidence of impairment

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as a result of one or more loss events that have occurred after initial recognition with a negative impact on the estimated future cash flows of a loan or a portfolio of loans. The Company recognises lifetime ECL for impaired financial instruments.

The calculation of ECLs

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

Probability of Default (PD)

The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognized and is still in the portfolio. The concept of PD is further explained in Note 42- Risk Management.

Exposure at Default – The Exposure at Default is an estimate of the exposure at a future default date, considering expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

Loss Given Default – The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive.

Collateral Valuation

To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. The collateral comes in various forms, such as movable and immovable assets, guarantees, etc. However, the fair value of collateral affects the calculation of ECLs. To the extent possible, the Company uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using other methodologies. Non-financial collateral, such as vehicles, is valued based on data provided by third parties or management judgements.

Collateral repossessed

In its normal course of business whenever default occurs, the Company may take possession of properties or other assets in its retail portfolio and generally disposes such assets through auction, to settle outstanding debt. Any surplus funds are returned to the customers/obligors. As a result of this practice, assets under legal repossession processes are not recorded on the balance sheet.

Write-offs

Loans are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when it is determined that the customer does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

g. Determination of fair value

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, the Company measures certain categories of financial instruments (as explained in Note 41- Fair Value Measurement) at fair value on each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1 financial instruments - Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2 financial instruments - Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.

Level 3 financial instruments - Those that include one or more unobservable input that is significant to the measurement as whole.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. No such instances of transfers between levels of the fair value hierarchy were recorded during the reporting period.

2.7 Property, plant and equipment

Property, plant and equipment are carried at cost of acquisition less accumulated depreciation and accumulated impairment loss (if any). The total cost of the asset comprises the purchase price, taxes, duties, freight (net of rebates and discounts) and any other directly attributable costs of bringing the assets to their working condition for their intended use. Borrowing costs directly attributable to acquisition of those assets which necessarily take a substantial period of time to get ready for their intended use are capitalised. Advances paid towards the acquisition of assets outstanding at each balance sheet date are disclosed as other non-financial assets. The cost of assets not ready for their intended use at each balance sheet date is disclosed as capital work-in-progress.

Depreciation is provided on a straight-line method, over the estimated useful life of each asset as prescribed in Schedule II of the Companies Act, 2013 as follows:

Asset	Useful Life
Building (Investment Property)	60 years
Office Equipment	5 years
Furniture and Fixture	10 years
Computers	3 years
Vehicles (Car, Lorry, Bus)	8 years
Vehicles (Bike, Moped, Cycle)	10 years
Servers	6 years

An item of property, plant and equipment, is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment, is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.8 Intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment

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losses, if any. Cost comprise the purchase price and any attributable cost of bringing the asset to its working condition for its intended use

Intangible assets are amortised on a straight line basis over their estimated useful life.

The estimated useful life of intangible assets are as follows:

Asset	Useful Life
Software	6 years

2.9 Investment in Subsidiaries

Ind AS 101 permits a first time adopter to measure its investment, at the date of transition, at cost determined in accordance with Ind AS 27, or deemed cost. The deemed cost of such investment shall be its fair value at the Company's date of transition to Ind AS, or Previous GAAP carrying amount at that date. The Company has elected to measure its investment in subsidiary at the Previous GAAP carrying amount as its deemed cost on the transition date.

2.10 Impairment of non-financial assets

Assessment is done at each balance sheet date as to whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, the recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting years may no longer exist or may have decreased.

2.11 Employee benefits

Defined Contribution Plan:

The Company has a defined contribution plan for post-employment benefits in the form of Provident Fund. Under the Provident Fund Plan, the Company contributes to a Government administered provident fund / recognized provident fund on behalf of the employees. The Company has no further obligation beyond making the contributions.

The Company's contributions to the above Plan are charged to the Statement of Profit and Loss.

Defined Benefit Plan:

The Company provides for gratuity to all employees. The benefit is in the form of lump sum payments to vested employees on resignation, retirement, or death while in employment or on termination of employment of an amount equivalent to 15 days basic salary payable for each completed year of service as required under 'The Payment of Gratuity Act, 1972'. Vesting occurs upon completion of five years of service.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non- routine settlements; and
- Net interest expense or income

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An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Other Employee Benefits:

The employees of the Company are entitled to compensated absence and deferred compensation as per the policy of the Company, the liability in respect of which is provided, based on an actuarial valuation carried out by an independent actuary as at the year end. The actuarial valuation method used by the independent actuary for measuring the liability is the Projected Unit Credit Method.

Actuarial gains and losses comprise experience adjustments and the effects of changes in the actuarial assumptions are recognized immediately in the Statement of Profit and Loss in the year in which they arise.

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. Unutilised leave balance that accrues to employees as at the year end is charged to the Statement of Profit and Loss on an undiscounted basis.

2.12 Income Taxes

Income-tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income-tax expense is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in equity or in OCI.

(a) Current tax

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961, enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(b) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are reviewed at each reporting date and based on management's judgement, are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if the Company:

- has a legally enforceable right to set off current tax assets against current tax liabilities; and
- the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

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2.13 Provision and contingencies

A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost.

A contract is considered as onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

2.14 Earnings per share

The Company reports basic and diluted earnings per share in accordance with Indian Accounting Standard 33 – "Earnings Per Share". Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share reflects the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by weighted average number of equity shares considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all potential equity shares.

2.15 Cash and cash equivalent

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

2.16 Statement of cash flows

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash future, any deferrals or accruals of past or future operating cash receipts or payments and item of expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.17 Share based payments

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting year, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting year, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve.

2.18 Statutory Reserve

In accordance with section 45-IC of the RBI Act, 1934, the Company creates a reserve fund and transfers therein a sum not less than twenty per cent of its net profit every year as disclosed in the Statement of Profit and loss before any dividend is declared.

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3 Cash and cash equivalents

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	96.00	93.49
Balances with banks in current accounts	3,281.21	11,699.79
Total	**3,377.21**	**11,793.28**

4 Bank balance other than cash and cash equivalents

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks to the extent held as margin money*	2,208.65	3,964.82
Total	**2,208.65**	**3,964.82**

*Represent margin money deposits placed to avail term loans from banks, financial institutions and as cash collateral in connection with securitisation transactions.

5 Receivables

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(I) Trade receivables		
Receivables considered good - Unsecured	-	-
	-	**-**
Less: Provision for impairment	-	-
Total	**-**	**-**

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person, or from firms or private companies respectively in which any director is a partner, a director or a member.

6 Loans (at Amortised Cost)

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Term loans	1,59,308.77	1,43,354.04
(ii) Term loans - related parties	-	-
(iii) Staff loans	35.04	49.69
Total	**1,59,343.81**	**1,43,403.73**
Less: Impairment loss allowance	3,018.42	3,242.58
Total - Net of impairment loss allowance	**1,56,325.40**	**1,40,161.15**
(i) Secured by tangible assets*	1,59,343.81	1,43,403.73
(i) Secured by intangible assets	-	-
(ii) Covered by Bank/ Government Guarantees	-	-
(iii) Unsecured	-	-
Total	**1,59,343.81**	**1,43,403.73**
Less: Impairment loss allowance	3,018.42	3,242.58
Total - Net of impairment loss allowance	**1,56,325.40**	**1,40,161.15**

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(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Public sectors	-	-
(ii) Others	1,59,343.81	1,43,403.73
Total	**1,59,343.81**	**1,43,403.73**
Less: Impairment loss allowance	3,018.42	3,242.58
Total - Net of impairment loss allowance	**1,56,325.40**	**1,40,161.15**
(i) Loans in India	1,59,343.81	1,43,403.73
(ii) Loans outside India	-	-
Total	**1,59,343.81**	**1,43,403.73**
Less: Impairment loss allowance	3,018.42	3,242.58
Total - Net of impairment loss allowance	**1,56,325.40**	**1,40,161.15**

*Secured against hypothecation of automobiles, book debts, equitable mortgage of immovable property etc.

6.1 The table below discloses credit quality and the maximum exposure to credit risk based on the company's year end stage classification. The numbers presented are gross of impairment loss allowance:

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Term loans		
Stage I	1,29,809.42	82,084.22
Stage II	25,161.20	56,993.86
Stage III	4,338.15	4,275.96
Total	**1,59,308.77**	**1,43,354.04**

6.2 Gross movement of loans for the year ended March 31, 2022:

(Currency : ₹ in lakhs)

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount as at April 1, 2021				
Term loans	**82,084.22**	**56,993.86**	**4,275.96**	**1,43,354.04**
Staff loans	**49.69**	**-**	**-**	**49.69**
New loans originated during the year				-
Term loans	80,082.60	2,782.07	104.43	82,969.10
Staff loans	6.35			-
Inter-stage movements:				
-Term loans				
Transfers to Stage 1	17,315.85	(17,251.52)	(64.34)	-
Transfers to Stage 2	(8,774.35)	8,849.51	(75.16)	-
Transfers to Stage 3	(527.83)	(1,672.81)	2,200.63	-
Interest on stage 3 loans	-	-	84.13	84.13
Amounts written off				
Term loans	(48.00)	(103.66)	(584.28)	(735.95)
Staff loans	-	-	-	-
Assets derecognised or repaid (excluding write offs)				
Term loans	(40,323.07)	(24,436.26)	(1,603.23)	(66,362.56)
Staff loans	(21.00)	-	-	(21.00)
Gross carrying amount as at March 31, 2022				
Term loans	**1,29,809.42**	**25,161.20**	**4,338.15**	**1,59,308.77**
Staff loans	**35.04**	**-**	**-**	**35.04**

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6.3 Gross movement of loans for the year ended March 31, 2021:

(Currency : ₹ in lakhs)

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount as at April 1, 2020				
Term loans	**81,348.86**	**44,851.14**	**3,490.59**	**1,29,690.59**
Staff loans	**18.95**	**-**	**-**	**18.95**
New loans originated during the year				-
Term loans	42,798.30	9,123.74	114.71	52,036.75
Staff loans	-	-	-	-
Inter-stage movements:				
-Term loans				
Transfers to Stage 1	10,524.93	(10,059.58)	(465.36)	-
Transfers to Stage 2	(26,750.05)	27,027.07	(277.02)	-
Transfers to Stage 3	(1,332.89)	(1,995.48)	3,328.37	-
Interest on stage 3 loans	-	-	98.96	98.96
Amounts written off				
Term loans	(158.19)	(320.80)	(594.59)	(1,073.58)
Staff loans	-	-	-	-
Assets derecognised or repaid (excluding write offs)				
Term loans	(24,346.74)	(11,632.23)	(1,419.70)	(37,398.67)
Staff loans	30.75	-	-	30.75
Gross carrying amount as at March 31, 2021				
Term loans	**82,084.22**	**56,993.86**	**4,275.96**	**1,43,354.04**
Staff loans	**49.69**	**-**	**-**	**49.69**

6.4 ECL movement of term loans during the year ended March 31, 2022:

(Currency : ₹ in lakhs)

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount as at April 1, 2021	**678.70**	**1,355.87**	**1,208.00**	**3,242.57**
New loans originated during the year	648.57	68.49	39.11	756.16
Inter-stage movements:				
Transfers to Stage 1	654.22	(623.13)	(31.09)	-
Transfers to Stage 2	(100.45)	140.51	(40.06)	-
Transfers to Stage 3	(5.99)	(50.47)	56.46	-
Amounts written off	(1.49)	(14.10)	(395.79)	(411.37)
Assets derecognised or repaid (excluding write offs)	(883.92)	(313.70)	628.68	(568.94)
Gross carrying amount as at March 31, 2022	**989.64**	**563.47**	**1,465.31**	**3,018.42**

6.5 ECL movement of term loans during the year ended March 31, 2021:

(Currency : ₹ in lakhs)

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount as at April 1, 2020	**905.92**	**1,761.54**	**1,004.64**	**3,672.10**
New loans originated during the year	**358.85**	**217.76**	**28.90**	**605.51**
Inter-stage movements:				
Transfers to Stage 1	598.95	(383.94)	(215.01)	-
Transfers to Stage 2	(301.98)	369.41	(67.43)	-
Transfers to Stage 3	(15.05)	(77.17)	92.22	-
Amounts written off	(6.65)	(35.05)	(365.38)	(407.08)
Assets derecognised or repaid (excluding write offs)	(861.34)	(496.68)	730.06	(627.96)
Gross carrying amount as at March 31, 2021	**678.70**	**1,355.87**	**1,208.00**	**3,242.57**

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7 Other Financial Assets

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Rent and utility deposit	217.70	145.70
Excess Interest Spread (EIS) Receivables	1,450.27	541.71
Other -unsecured, considered good	132.99	331.13
Total	**1,800.96**	**1,018.54**

8 Investments

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Investment in Equity instruments		
- Subsidiary (at cost)		
IKF Home finance limited*	6,252.92	4,525.10
(March 31, 2022: 3,76,14,747 Equity shares of ₹ 10 each, fully paid & 1,97,89,430 Equity shares of ₹ 2.77, partly paid; March 31, 2021: 3,76,14,747 Equity shares of ₹ 10 each, fully paid)		
Total (A)	**6,252.92**	**4,525.10**
(i) Investments in India	6,252.92	4,525.10
(ii) Investments outside India	-	-
Total (B)	**6,252.92**	**4,525.10**

In accordance with the Amendment to the Share Purchase Agreement dated March 23, 2018 executed on October 20, 2018, the company has subscribed to the 2,91,14,747 Equity shares of ₹ 10 each (fully paid) at a premium of ₹ 2.6228 per share in IKF Home Finance Limited during the year ended March 31, 2019.

Further, the company subscribed to the 85,00,000 Equity shares of ₹10 each (fully paid) at par on preferential allotment basis in IKF Home Finance Limited during the year ended March 31, 2019.

Further, the company subscribed to the 1,97,89,430 Equity shares of ₹ 10 each with a premium of ₹ 21.52 per Share (Party paid of ₹ 2.77) at par on preferential allotment basis in IKF Home Finance Limited during the year ended March 31, 2022.

9 Other Non-Financial Assets

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Prepaid expenses	161.05	20.07
Advances to employees	2.39	0.92
GST input credit	403.98	345.10
Other -unsecured, considered good	500.00	15.92
Total	**1,067.42**	**382.01**

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10 Property, Plant and Equipment

(Currency : ₹ in lakhs)

Particulars	Furniture and Fixtures	Computer & Printer	Office equipment	Vehicles	Total	Right to Use Assets
Gross carrying amount						
As at March 31, 2020	**245.17**	**74.55**	**11.16**	**75.51**	**406.39**	**139.78**
Additions	25.35	8.09	-	-	33.45	8.58
Disposals	-	(0.68)	-	-	(0.68)	(18.21)
As at March 31, 2021	**270.52**	**81.96**	**11.16**	**75.51**	**439.16**	**130.15**
Additions	28.52	58.05	-	-	86.57	4.92
Disposals		(0.25)	-	-	(0.25)	(1.67)
As at March 31, 2022	**299.04**	**139.76**	**11.16**	**75.51**	**525.48**	**133.39**
Accumulated depreciation and impairment:						
As at March 31, 2020	**62.87**	**44.11**	**3.26**	**23.75**	**133.99**	**76.23**
Depreciation for the year	33.58	17.36	2.18	11.81	64.93	39.22
Disposals	-	(0.28)	-	-	(0.28)	(10.06)
As at March 31, 2021	**96.45**	**61.20**	**5.44**	**35.56**	**198.64**	**105.39**
Depreciation for the year	36.50	17.68	1.76	11.00	66.93	18.17
Disposals	-	(0.20)	-	-	(0.20)	(0.93)
As at March 31, 2022	**132.93**	**78.68**	**7.20**	**46.55**	**265.37**	**122.64**
Net book value						
As at March 31, 2020	182.30	30.44	7.90	51.76	272.40	63.55
As at March 31, 2021	174.07	20.76	5.72	39.95	240.52	24.77
As at March 31, 2022	166.11	61.09	3.97	28.95	260.11	10.75

Note: The Company has not revalued any of its property, plant and equipment during the years ended March 31, 2022 and March 31, 2021. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is nil.

11 Investment Property

(Currency : ₹ in lakhs

Particulars	Buildings	Vacant Site	Total
Gross carrying amount			
As at March 31, 2020	**6.98**		**6.98**
Additions	-	-	-
Disposals	-	-	-
As at March 31, 2021	**6.98**		**6.98**
Additions	-	224.11	224.11
Disposals	-	(116.10)	(116.10)
As at March 31, 2022	**6.98**	**108.01**	**114.99**
As at March 31, 2020	**0.34**	**-**	**0.34**
Depreciation for the year	0.17	-	0.17
Disposals	-	-	-
As at March 31, 2021	**0.51**	**-**	**0.51**
Depreciation for the year	0.17	-	0.17
Disposals	-	-	-
As at March 31, 2022	**0.68**	**-**	**0.68**
Net book value			
As at March 31, 2020	6.64	-	6.64
As at March 31, 2021	6.47	-	6.47
As at March 31, 2022	6.30	108.01	114.31

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(i) Amounts recognised in Statement of Profit and Loss for Investment Property

(Currency : ₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Rental Income	7.63	6.36
Direct operating expense from property that generated rental income		-
Profit from investment properties before depreciation	7.63	6.36
Depreciation	0.17	0.17
Profit from investment properties	**7.46**	**6.19**

(ii) Contractual obligations

The Company has no contractual obligations to purchase, construct or develop investment property. However, the responsibility for its repairs, maintenance or enhancements is with the Company.

(iii) Pledged details

Investment property pledged in favor of consortium leader central bank for cash credit facility.

(iv) Estimation of fair value

The fair values of investment property is determined by guidance value given by the local government of the area where the investment properties are located.

(v) Revaluation

The Company has not revalued any of its investment property during the years ended March 31, 2022 and March 31, 2021. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is nil.

12 Intangible assets

(Currency : ₹ in lakhs

Particulars	Computer software
Gross carrying amount	
As at March 31, 2020	**238.24**
Additions	32.00
Disposal	-
As at March 31, 2021	**270.24**
Additions	27.54
Disposal	-
As at March 31, 2022	**297.78**
Accumulated amortisation and impairment	
As at March 31, 2020	**59.85**
Amortisation for the year	39.82
Disposal	-
As at March 31, 2021	**99.67**
Amortisation for the year	43.70
Disposal	-
As at March 31, 2022	**143.37**
Net book value	
As at March 31, 2020	178.39
As at March 31, 2021	170.57
As at March 31, 2022	154.42

Note: The Company has not revalued any of its intangible assets during the years ended March 31, 2022 and March 31, 2021. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is nil.

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13 Debt Securities

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
At amortised cost		
Secured		
Non convertible debentures	11,369.58	31,926.12
Unsecured		
Other non convertible debentures	3,816.89	1,761.82
Commercial Paper	-	-
Total	**15,186.47**	**33,687.94**
Debt Securities:		
Within India	15,186.47	33,687.94
Outside India	-	-
Total	**15,186.47**	**33,687.94**

Nature of security

Non convertible debentures (secured)

Non convertible debentures are secured by an exclusive charge by way of hypothecation of specific loan receivable created out of the loan proceeds and mortgage of personal properties of directors in addition to their personal guarantees.

The Company has utilised the funds raised from banks and financial institutions for the specific purpose for which they were borrowed.

The Company has borrowed funds from banks and financial institutions on the basis of security of current assets. It has filed quarterly returns or statements of current assets with banks and financial institutions and the said returns/statements are in agreement with books of accounts.

Terms of repayment of Debt securities as on March 31, 2022

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Monthly repayment schedule								
1-7 Years	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Quarterly repayment schedule								
1-5 Years	9.01%-10.00%	-	-	-	-	-	-	-
	10.01%-11.00%	-	-	-	-	-	-	-
	11.01%-12.00%	-	-	-	-	-	-	-
	12.01%-12.50%	5	650.00	-	-	-	-	650.00
Bullet repayment schedule								
1-7 Years	8.51%-9.50%	1	1,250.00	1	5,000.00	-	-	6,250.00
	9.51%-10.50%	1.00	1,500.00	2	6,500.00	-	-	8,000.00
	10.51%-11.50%	-	-	-	-	-	-	-
	11.51%-12.50%	-	-	-	-	-	-	-
Total			**3,400.00**	**-**	**11,500.00**	**-**	**-**	**14,900.00**
Add : Interest accrued but not due								299.41
Less : Unamortized Finance Cost								(12.95)
Total Amortized Cost			**3,400.00**		**11,500.00**		**-**	**15,186.47**

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Terms of repayment of Debt securities as on March 31, 2021

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Monthly repayment schedule								
1-7 Years	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Quarterly repayment schedule								
1-5 Years	9.01%-10.00%	3	3,750.00	1	1,250.00	-	-	5,000.00
	10.01%-11.00%	-	-	-	-	-	-	-
	11.01%-12.00%	-	-	-	-	-	-	-
	12.01%-12.50%	8	1,100.00	5	650.00			1,750.00
Bullet repayment schedule								
1-7 Years	8.51%-9.50%	3	15,500.00	-	-	-	-	15,500.00
	9.51%-10.50%	-	-	1	5,000.00	-	-	5,000.00
	10.51%-11.50%	2	600.00	-	-	-	-	600.00
	11.51%-12.50%	-	-	1	5,000.00	-	-	5,000.00
Total			**20,950.00**	**-**	**11,900.00**	**-**	**-**	**32,850.00**
Add : Interest accrued but not due								907.60
Less : Unamortized Finance Cost								(69.66)
Total Amortized Cost			**20,950.00**		**11,900.00**		**-**	**33,687.94**

14 Borrowings (other than debt securities)

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
At amortised cost		
Term loans (Secured)		
from banks	59,562.30	42,976.76
from non banking financial companies	10,993.61	8,632.55
from financial institutions	5,344.18	862.58
Loans repayable on demand (Secured):		
Cash credit from Bank	32,691.04	26,472.34
Associated liabilities in respect of securitisation transactions	871.72	6,811.66
Total	**1,09,462.84**	**85,755.89**
Borrowings:		
Within India	1,09,462.84	85,755.89
Outside India		
Total	**1,09,462.84**	**85,755.89**

Nature of security

Term loans (secured)

Term Loans from bank, financial institutions and NBFCs are secured by an exclusive charge by way of hypothecation of specific loan receivable created out of the loan proceeds and cash collateral by way of fixed deposits and mortgage of personal properties of directors in addition to their personal guarantees.

Loans repayable on demand (Secured)

These loans are secured against the first pari passu charge on current assets, book debts and receivables including loans & advances of the Company as per the agreement. Further, the loan has been guaranteed by personal guarantee of director/ promoter to the extent of ₹ 342.20 Cr (March 31, 2021: ₹ 312.20 Cr).

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The Company has utilised the funds raised from banks and financial institutions for the specific purpose for which they were borrowed.

The Company has borrowed funds from banks and financial institutions on the basis of security of current assets. It has filed quarterly returns or statements of current assets with banks and financial institutions and the said returns/statements are in agreement with books of accounts.

Terms of repayment of Debt securities as on March 31, 2022

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Monthly repayment schedule								
1-7 Years	6.00%-7.00%	4	5,335.00	-	-	-	-	5,335.00
	7.01%-8.00%	12	930.71	11	869.33	-	-	1,800.04
	8.01%-9.00%	150	7,993.59	270	15,973.10	-	-	23,966.69
	9.01%-10.50%	35	1,250.32	21	1,175.66	-	-	2,425.98
	10.51%-11.50%	14	698.81	-	-	-	-	698.81
	11.51%-12.50%	28	1,692.40	-	-	-	-	1,692.40
Quarterly repayment schedule								
1-5 Years	6.00%-7.00%	-	-	-	-	-	-	-
	7.01%-8.00%	-	-	-	-	-	-	-
	8.01%-9.00%	47	9,853.33	93	19,850.83	-	-	29,704.16
	9.01%-10.50%	12	3,566.67	18	6,155.76	-	-	9,722.43
	10.51%-11.50%	5	832.98	-	-	-	-	832.98
	11.51%-12.50%	-	-	-	-	-	-	-
Total			**32,153.80**		**44,024.68**		**-**	**76,178.48**
Add : Interest accrued but not due								153.74
Less : Unamortized Finance Cost								(432.14)
Total Amortized Cost			**32,153.80**	**-**	**44,024.68**	**-**	**-**	**75,900.08**

Terms of repayment of Debt securities as on March 31, 2021

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Monthly repayment schedule								
1-7 Years	6.00%-7.00%	1	860.00	-	-	-	-	860.00
	7.01%-8.00%	17	1,542.66	23	1,821.75	-	-	3,364.41
	8.01%-9.00%	46	1,535.41	84	3,079.74	-	-	4,615.15
	9.01%-10.50%	36	1,009.21	17	422.45	-	-	1,431.66
	10.51%-11.50%	24	1,504.83	14	698.81	-	-	2,203.64
	11.51%-12.50%	84	4,619.98	74	3,551.32	-	-	8,171.30
Quarterly repayment schedule								
1-5 Years	6.00%-7.00%	-	-	-	-	-	-	-
	7.01%-8.00%	-	-	-	-	-	-	-
	8.01%-9.00%	23	3,850.00	74	12,796.70	1.00	239.88	16,886.58
	9.01%-10.50%	15	4,610.33	26	9,115.89	-	-	13,726.22
	10.51%-11.50%	4	666.67	5	832.99	-	-	1,499.66
	11.51%-12.50%	-	-	-	-	-	-	-
Total			20,199.09		32,319.65		239.88	52,758.62
Add : Interest accrued but not due								65.52
Less : Unamortized Finance Cost								(352.25)
Total Amortized Cost			**20,199.09**	**-**	**32,319.65**	**-**	**239.88**	**52,471.89**

Notes

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15 Subordinated Liabilities

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured - At amortised cost		
Non convertible debentures (Tier-II)	4,505.22	4,500.44
Indian rupee loan from banks (Tier-II)	1,498.23	1,486.35
Total	**6,003.45**	**5,986.79**
Subordinated Liabilities:		
Within India	6,003.45	5,986.79
Outside India	-	-
Total	**6,003.45**	**5,986.79**

Terms of repayment of subordinated liabilities as on March 31, 2022

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Monthly repayment schedule								
1-7 Years	11.51%-12.50%	1.00	1,500.00	2	4,500.00	-	-	6,000.00
	>13.50%	-	-	-	-	-	-	-
Total					**-**	**6,000.00**	**-**	**76,178.48**
Add : Interest accrued but not due								37.37
Less : Unamortized Finance Cost								(33.92)
Total Amortized Cost					**4,500.00**	**-**	**-**	**6,003.45**

Terms of repayment of subordinated liabilities as on March 31, 2021

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Monthly repayment schedule								
1-7 Years	11.51%-12.50%	-	-	1	1,500.00	-	-	1,500.00
	>13.50%	-	-	1	2,000.00	1	2,500.00	4,500.00
Total					3,500.00		2,500.00	6,000.00
Add : Interest accrued but not due								37.71
Less : Unamortized Finance Cost								(50.92)
Total Amortized Cost					**3,500.00**	**-**	**2,500.00**	**5,986.79**

16 Other financial liabilities

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Lease Liabilities	11.61	26.68
Employee benefits payable	216.76	109.74
Expenses payable	4.45	7.66
Other Payables	204.17	191.17
Deposit from franchisees	341.41	501.93
Payable towards securitisation / assignment transactions	1,251.73	1,832.94
Total	**2,030.13**	**2,670.12**

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17 Provisions

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for gratuity	122.20	110.45
Provision for leave benefits	184.17	165.09
Total	**306.37**	**275.54**

18 Other non-financial liabilities

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory dues payable	99.50	112.08
Total	**99.50**	**112.08**

19. Equity share capital

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	Amount	Number	Amount
Authorised Capital				
Equity shares of ₹ 10 each	6,00,00,000	6,000.00	6,00,00,000	6,000.00
Preference shares of ₹ 100 each	25,00,000	2,500.00	25,00,000	2,500.00
	6,25,00,000	**8,500.00**	**6,25,00,000**	**8,500.00**
Issued, subscribed and fully paid-up shares				
Equity Shares of ₹ 10 each fully paid up	4,74,79,379	4,747.94	4,74,79,379	4,747.94
Coverted from Partly Paid to Fully Paid Equity Shares	51,79,688	517.97		
	5,26,59,067	**5,265.91**	**4,74,79,379**	**4,747.94**
Issued, subscribed and fully paid-up shares				
Equity Shares of ₹ 10 each, Fully paid up ₹ 10 per share (Partly paid up ₹ 8.10 per share in March 2021)	51,79,688	517.97	51,79,688	419.55
Converted to Fully Paid Equity Shares	(51,79,688)	(517.97)	-	-
	-	**-**	**51,79,688**	**419.55**
Total	**5,26,59,067**	**5,265.91**	**5,26,59,067**	**5,167.49**

A. Reconciliation of number of shares

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	Amount	Number	Amount
Fully paid equity share of ₹ 10 each				
At the beginning of the year	4,74,79,379	4,747.94	4,74,79,379	4,747.94
Shares issued during the year	-	-	-	-
Coverted from Partly Paid to Fully Paid Equity Shares	51,79,688	517.97		
Outstanding at the end of the year	**5,26,59,067**	**5,265.91**	**4,74,79,379**	**4,747.94**
Partly paid up equity share of ₹ 10 each, partly paid up ₹ 10 per share				
(Partly paid up ₹ 8.10 per share in March 2021)				
At the beginning of the year	51,79,688	419.55	51,79,688	279.70
Amount called/Issued during the year	-	98.41	-	139.85
Converted to Fully Paid Equity Shares	(51,79,688)	(517.97)		
Outstanding at the end of the year	**-**	**-**	**51,79,688**	**419.55**

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Notes:

B. Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share fully paid up. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend if and when proposed by the Board of Directors will be subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, if any, in proportion to the number of equity shares held by the shareholder.

C. Details of shareholder(s) holding more than 5% of equity shares in the Company:

(Currency : ₹ in lakhs)

Name of shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of shares held	% Holding	No. of shares held	% Holding
Equity shares of ₹ 10 each fully paid up				
Vupputuri Gopala Kishan Prasad	1,97,43,156	37.49%	1,58,75,616	33.44%
India Business Excellence Fund-IIA	1,30,51,546	24.78%	1,30,51,546	27.49%
Vistra ITCL (India) Limited (formerly known as IL and FS Trust Company Limited) (Trustee of Business Excellence Trust-II - India Business Excellence Fund II)	78,04,018	14.82%	78,04,018	16.44%
Koganti Vasumathi Devi	26,47,266	5.03%	21,31,286	4.49%
Equity Shares of ₹ 10 each, partly paid up ₹ 8.10 per share in March 2021				
Vupputuri Gopala Kishan Prasad	-	-	35,05,821	67.68%
Koganti Vasumathi Devi	-	-	5,15,980	9.96%
Devineni Vasantha Lakshmi	-	-	4,85,677	9.38%
Vupputuri Raghu Ram	-	-	3,50,970	6.78%
Vupputuri Indira Devi	-	-	3,21,240	6.20%

As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

D. Shareholding of Promotors

(Currency : ₹ in lakhs)

Name of shareholder	As at March 31, 2022			As at March 31, 2021		
	No. of Shares	% of Total Shares	% Change during the year	No. of Shares	% of Total Shares	% Change during the year
a. Equity shares of ₹ 10 each fully paid up*						
Vupputuri Gopala Kishan Prasad	1,97,43,156	37.49%	24.36%	1,58,75,616	33.44%	0.05%
Vupputuri Indira Devi	16,48,142	3.13%	24.21%	13,26,902	2.79%	0.00%
Koganti Vasumathi Devi	26,47,266	5.03%	24.21%	21,31,286	4.49%	0.00%
Devineni Vasantha Lakshmi	24,91,794	4.73%	24.21%	20,06,117	4.23%	0.00%
Vupputuri Raghu Ram	18,00,670	3.42%	24.21%	14,49,700	3.05%	0.00%
Durga Rani Chunduri	14,94,100	2.84%	0.00%	14,94,100	3.15%	0.00%
Sinha Satyanand Chunduri	1,17,700	0.22%	0.00%	1,17,700	0.25%	0.00%

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(Currency : ₹ in lakhs)

Name of shareholder	As at March 31, 2022			As at March 31, 2021		
	No. of Shares	% of Total Shares	% Change during the year	No. of Shares	% of Total Shares	% Change during the year
b. Equity shares of ₹ 10 each partly paid up ₹ 8.10 per share in March 2021*						
Vupputuri Gopala Kishan Prasad	-	0.00%	-100%	35,05,821	67.68%	0%
Vupputuri Indira Devi	-	0.00%	-100%	3,21,240	6.20%	0%
Koganti Vasumathi Devi	-	0.00%	-100%	5,15,980	9.96%	0%
Devineni Vasantha Lakshmi	-	0.00%	-100%	4,85,677	9.38%	0%
Vupputuri Raghu Ram	-	0.00%	-100%	3,50,970	6.78%	0%

* Partly paid shares are full paid and converted to fully paid equity shares

E. Aggregate number of equity shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
Equity shares of ₹ 10 each, fully paid up, allotted on conversion of 19,53,125/- 0.01% Compulsorily convertible preference share of ₹ 100 each, Fully paid-up	-	-	-	195.31	-

20. Other equity

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Capital reserve	32.50	32.50
Securities premium reserve	10,576.37	9,960.39
Share Based Payment reserve	24.62	30.65
Statutory Reserve under section 45-IC of the Reserve Bank of India Act, 1934	4,993.50	4,187.41
General reserve	1,221.46	1,019.94
Retained earnings	16,622.42	13,591.31
Total	**33,470.86**	**28,822.20**

A. Nature and purpose of reserve

a. Capital reserve

This reserve was created to record the excess carrying value of optionally convertible debentures provided through securities premium. The excess value is recorded by reversing the capital reserve with corresponding debit to debentures.

b. Securities premium reserve

The securities premium reserve is used to record the premium received on issue of shares. The reserve cab be utilised only for limited purpose such as issuance of bonus shares in accordance with provision of the Companies Act, 2013.

c. Statutory reserve

Reserves created under Section 45IC of The Reserve Bank of India Act, 1934

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d. Share based payment reserve

The share based payment reserve is used to recognise the grant date fair value of options issued to employees of the Company and its subsidiaries under stock option schemes of the Company.

e. Retained earnings

Retained earnings represents surplus / accumulated earnings of the Company and are available for distribution to shareholders.

B. Movement in Other equity

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
I. Capital Reserve		
Opening balance	32.50	32.50
Add : Share issued during the year	-	-
	32.50	**32.50**
II. Securities premium reserve		
Opening balance	9,960.39	9,085.06
Add : Premium received on issue of securities	615.97	875.33
	10,576.37	**9,960.39**
III. Share Based Payment reserve		
Opening balance	30.65	17.56
Add : During the year	(6.03)	13.09
	24.62	**30.65**
IV. Statutory Reserve under section 45-IC of the Reserve Bank of India Act, 1934		
Opening balance	4,187.41	3,549.31
Add : Transfer from retained earnings	806.09	638.10
	4,993.50	**4,187.41**
V. General Reserve		
Opening balance	1,019.94	860.41
Add : Transfer from retained earnings	201.52	159.53
	1,221.46	**1,019.94**
VI. Retained earnings		
Opening balance	13,591.31	11,188.37
Add : Profit for the year	4,030.44	3,190.51
Add : Other comprehensive income	8.28	10.06
Appropriations:		
Transfer to Statutory Reserve u/s 45-IC of the Reserve Bank of India Act, 1934	(806.09)	(638.10)
Transfer to General reserve	(201.52)	(159.53)
Total	**16,622.42**	**13,591.31**

21 Interest income

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
On financial assets measured at amortised cost		
Interest on loans	21,757.50	20,081.82
Interest on deposits with banks	141.80	213.89
Total	**21,899.30**	**20,295.71**

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22 Fees and commission income

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Other fees and charges	160.21	110.92
Total	**160.21**	**110.92**

23 Other income

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest on income tax refund	-	7.68
Rental income	7.63	6.36
Miscellaneous Income	55.68	2.25
Total	**63.31**	**16.29**

24 Finance costs

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
On financial liabilities measured at amortised cost		
Interest on deposits	70.16	84.87
Interest on borrowings	6,879.65	6,661.38
Interest on commercial paper and bonds	-	-
Interest on debentures	2,720.03	2,237.52
Interest on subordinated liabilities	800.06	843.17
Interest on ICD	265.90	261.37
Interest on lease liabilities	2.12	4.77
Interest on securitisation	475.13	1,025.83
Bank Charges	9.57	9.35
Other finance cost	565.04	480.74
Total	**11,787.65**	**11,609.00**

25 Impairment on financial instruments

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
On financial instruments measured at amortised cost		
Loans	(224.16)	(429.52)
Trade receivables	(26.21)	3.08
Bad debts and write offs	762.15	1,073.59
Total	**511.78**	**647.15**

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26 Employee benefits expenses

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and wages	2,964.03	2,337.96
Contribution to provident and other funds	165.42	130.81
Share based payment to employees	(6.03)	13.09
Staff welfare expenses	43.05	41.21
Gratuity	34.49	31.28
Leave encashment	47.07	66.99
Total	**3,248.03**	**2,621.34**

27 Depreciation, amortization and impairment

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation on property, plant and equipment	85.10	104.15
Depreciation on investment property	0.17	0.17
Amortization of intangible assets	43.70	39.82
Total	**128.96**	**144.14**

28 Other expenses

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Rent	200.31	164.38
Communication cost	49.06	42.60
Travelling and conveyance	113.57	74.02
Rates and taxes	224.80	159.19
Insurance	3.83	4.41
Commission and Brokerage	17.20	14.30
Repairs and maintenance	66.61	58.37
Printing and stationary	28.68	25.94
Payment to auditors (Refer Note 28.1)	32.97	41.25
Advertisement, publicity and sales promotion expenses	3.36	4.19
Operation Cost	29.84	27.16
Legal and professional fees	128.29	107.93
Corporate social responsibility (Refer Note 28.2)	96.53	245.06
Director sitting fees	1.00	-
Loss on sale of Investment Property	6.10	-
Miscellaneous expenses	16.97	12.22
Total	**1,019.11**	**981.02**

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28.1 Payment to the auditors:

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Auditor's remuneration		
- Audit fees	22.00	31.50
In other capacity		-
- Certification services	10.91	8.75
Other of pocket expenses	0.06	1.00
Total	**32.97**	**41.25**

28.2Corporate social responsibility:

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a) Amount required to be spent by the company during the year	88.85	78.95
b) Amount of expenditure incurred		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	96.53	245.06
c) Shortfall at the end of the year	-	-
d) Total of previous years shortfall	-	162.23
e) Net Shortfall	-	-
f) Reason for shortfall	NA	NA
g) Natuure of CSR activities	Disaster relief, Sanitation and Hygiene.	Disaster relief, Sanitation and Hygiene.
h) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	-	-
i) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	-	-

29 Income tax

(a) Income tax expense

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
	₹	₹
Current tax		
Current tax on profits for the year	1,487.04	795.96
Adjustment for current tax of the prior periods	10.06	65.46
Subtotal (A)	**1,497.10**	**861.42**
Deferred tax		
Decrease/(Increase) in deferred tax assets	52.59	68.44
(Decrease)/Increase in deferred tax liabilities	(155.62)	296.52
Subtotal (B)	**(103.03)**	**364.95**
Deferred tax asset/ (liability) relating to items recognised in other Comprehensive Income (C)	(2.79)	(3.38)
Income tax expense for the year (A+B+C)	**1,396.85**	**1,229.75**

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(b) Deferred tax

The major components of deferred tax (liabilities) arising on account of timing differences for the year ended March 31, 2022:

(Currency : ₹ in lakhs)

Particulars	Net balance March 31, 2021	Recognised in profit or loss	Recognised in OCI	Net balance March 31, 2022
Deferred tax assets				
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	69.35	10.55	(2.79)	77.11
Impact of provision for expected credit loss on loans	680.46	(63.01)		617.45
Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	2.58	2.40		4.98
Impact of leases under Ind AS 116	6.71	(3.79)		2.92
Share based payment	7.72	(1.52)		6.21
Others	-			-
(A)	**766.82**	**(55.38)**	**(2.79)**	**708.66**
Deferred tax liabilities				
Impact of amortisation of anciallary borrowing cost	119.00	1.56		120.56
EIR impact of financial asssets and liabilities	86.49	(46.51)		39.98
Impact of direct assignment and securitisaton transactions	507.77	(128.31)		379.46
Interest income recognised on stage 3 loans	74.43	21.17		95.60
Others	6.24	(3.53)		2.71
(B)	**793.94**	**(155.62)**	**-**	**638.31**
Deferred tax assets (net) (A-B)	**(27.12)**	**100.25**	**(2.79)**	**70.34**

The major components of deferred tax (liabilities) arising on account of timing differences for the year ended March 31, 2021:

(Currency : ₹ in lakhs)

Particulars	Net balance March 31, 2020	Recognised in profit or loss	Recognised in OCI	Net balance March 31, 2021
Deferred tax assets				
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	52.47	20.26	(3.38)	69.35
Impact of provision for expected credit loss on loans	781.32	(100.86)	-	680.46
Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	1.96	0.62	-	2.58
Impact of leases under Ind AS 116	1.60	5.11	-	6.71
Share based payment	4.42	3.30	-	7.72
Others	0.25	(0.25)	-	-
(A)	**842.02**	**(71.82)**	**(3.38)**	766.82
Deferred tax liabilities				
Impact of amortisation of anciallary borrowing cost	130.25	(11.25)	-	119.00
EIR impact of financial asssets and liabilities	40.49	46.00	-	86.49
Impact of direct assignment and securitisaton transactions	277.15	230.62	-	507.77
Interest income recognised on stage 3 loans	49.52	24.91	-	74.43
Others	-	6.24	-	6.24
(B)	**497.41**	**296.52**	**-**	**793.94**
Deferred tax assets (net) (A-B)	**344.61**	**(368.34)**	**(3.38)**	**(27.12)**

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(c) Reconciliation of effective tax rate

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
	₹	₹
Profit before tax as per Statement of profit and loss (A)	5,427.29	4,420.27
Applicable income tax rate	25.17%	25.17%
Expected Income Tax Expense (B)	**1,365.94**	**1,112.49**
Tax effect of:		
Effect of income exempt from tax	(0.55)	(0.45)
Effect of expenses/provisions not deductible in determining taxable profit	24.31	61.95
Effect of differential tax rate	-	-
Adjustment related to tax of prior years	10.06	65.46
Others	(2.92)	(9.69)
Income tax expense	**1,396.85**	**1,229.76**

30 Employee Benefits

a. Defined contribution plan - provident funds

In accordance with Employees' Provident Fund and Miscellaneous Provisions Act, 1952, employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which, both the employee and the Company contribute monthly at a determined rate. These contributions are made to a recognized provident fund administered by Regional Provident Fund Commissioner. The employees contribute 12% of their basic salary and the Company contributes an equal amount.

The Company recognised ₹ 165.42 lakhs (PY: ₹ 130.81 lakhs) for year ended March 31, 2022, for provident fund and other contributions in the Statement of profit and loss.

b. Defined Benefit Plan - Gratuity

The Company has a defined benefit gratuity plan (unfunded). Every employee who has completed five years or more of service is eligible for gratuity on cessation of employment and it is computed at 15 days salary (last drawn salary) for each completed year of service subject to limit of ₹ 20 lakhs as per The Payment of Gratuity Act. 1972.

The following tables summarizes the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the Balance Sheet for the gratuity plan.

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of obligation (A)	122.20	110.45
Fair Value of plan assets (B)	-	-
Present value of obligation (A-B)	**122.20**	**110.45**

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Obligation expected to be settled in the next 12 months	9.62	7.86
Obligation expected to be settled beyond next 12 months	112.58	102.59

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(Currency : ₹ in lakhs)

Particulars	Defined Benefit Obligation		Fair Value of plan assets		Net defined benefit (asset) liability	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Opening balance	110.45	96.40	-	-	110.45	96.40
Current service cost	27.26	24.83	-	-	27.26	24.83
Past service cost	-	-	-	-	-	-
Interest cost (income)	7.23	6.45	-	-	7.23	6.45
Defined benefit cost included in P&L	**34.49**	**31.28**	**-**	**-**	**34.49**	**31.28**
Other comprehensive income						
Remeasurement loss (gain) due to:						
Demographic assumptions	-	-	-	-	-	-
Financial assumption	(3.69)	(0.70)	-	-	(3.69)	(0.70)
Experience adjustments	(7.38)	(12.74)	-	-	(7.38)	(12.74)
Total remeasurements in OCI	**(11.07)**	**(13.44)**	**-**	**-**	**(11.07)**	**(13.44)**
Others						
Benefits paid	(11.67)	(3.79)	-	-	(11.67)	(3.79)
Closing balance	**122.20**	**110.45**	**-**	**-**	**122.20**	**110.45**

Actuarial assumptions:

The following were the principal actuarial assumptions at the reporting date:

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate	7.33%	6.91%
Salary escalation rate	6.00%	6.00%
Withdrawal/attrition rate (based on categories)	9.00%	9.00%
Mortality rate (as % of IALM (2012-14) Ult. Mortality Table)	100.00%	100.00%
Disability rate	0.00%	0.00%
Expected weighted average remaining working lives of employees	24.90 years	23.08 years

Notes:

a) The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields / rates available on applicable bonds as on the current valuation date.

b) The salary growth rate indicated above is the Company's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

c) Attrition rate indicated above represents the Company's best estimate of employee turnover in future (other than on account of retirement, death or disablement) determined considering various factors such as nature of business, retention policy, industry factors, past experience, etc.

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Sensitivity analysis:

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2022		Year ended March 31, 2021	
	Increase	Decrease	Increase	Decrease
Salary escalation Rate (+/- 1%)	130.98	114.20	118.63	103.05
	7.20%	-6.50%	7.40%	-6.70%
Discount Rate (+/- 1%)	114.15	131.33	103.18	118.67
	-6.60%	7.50%	-6.60%	7.40%
Withdrawal Rate (+/- 1%)	122.42	121.90	110.23	110.62
	0.20%	-0.20%	-0.20%	0.20%

The Sensitivity is performed on the defined benefit obligation at the respective valuation date by modifying one parameter whilst retaining other parameters constant. There are no changes from the previous year to the methods and assumptions underlying the sensitivity analyses.

Expected future contributions

The Best Estimate Contribution for the Company during the next year would be ₹ Nil

Expected cash flow for following years:

Maturity Profile of Defined Benefit Obligations

(Currency : ₹ in lakhs)

Year 1	9.62
Year 2	11.78
Year 3	11.23
Year 4	22.10
Year 5	13.12
Year 6	12.27
Year 7	10.03
Year 8	9.13
Year 9	9.12
Year 10	10.91

The weighted average duration of the defined benefit obligation is 8.03

c. Compensated absences :

The Company provides for accumulated compensated absences as at the balance sheet date using projected unit credit method based on actuarial valuation.

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of unfunded obligation	184.17	165.09
Expenses recognised in the Statement of Profit and Loss	47.07	66.99

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31 Earnings per share

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Profit for the year	**4,030.44**	**3,190.51**
Weighted average number of equity shares used in calculating basic earnings per share	516.78	502.80
Effect of potential dilutive Equity Shares on account of unexercised employee stock options	0.23	0.33
Weighted average number of equity shares and potential equity shares used in calculating diluted earnings per share	517.01	503.13
Basic earnings per share	**7.80**	**6.35**
Diluted earnings per share	**7.80**	**6.34**

32 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Promoters of the Company. The Company operates only in one Business Segment i.e. lending, since the nature of the loans are exposed to similar risks and return profiles, hence they are collectively operating under a single segment. Accordingly the Company does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

33 Transfer of financial assets

Transfer of financial assets that are not derecognised in their entirety

(i) Securitisations:

The Company uses securitisations as a source of finance. Such transactions generally result in the transfer of contractual cash flows from portfolios of financial assets to holders of issued debt securities. Securitisation has resulted in the continued recognition of the securitised assets.

The table below outlines the carrying amounts and fair values of all financial assets transferred that are not derecognised in their entirety and associated liabilities.

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Carrying amount of EIS receivable	1,450.27	541.71

34 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulars	As at March 31, 2022			As at March 31, 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	3,377.21		3,377.21	11,793.28	-	11,793.28
Bank Balance other than cash and cash equivalents	1274.79	933.86	2,208.65	2,813.43	1,151.39	3,964.82
Receivables						
(I) Trade receivables	-		-	-	-	-
Loans	65514.88	90810.52	1,56,325.40	59,994.63	80,166.52	1,40,161.15

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Particulars	As at March 31, 2022			As at March 31, 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Investments	-	6,252.92	6,252.92	-	4,525.10	4,525.10
Other Financial assets	1,173.95	627.01	1,800.96	731.67	286.87	1,018.54
Sub total	**71,340.83**	**98,624.31**	**1,69,965.14**	**75,333.01**	**86,129.88**	**1,61,462.89**
Non-financial assets						
Current Tax assets (Net)	183.04		183.04	217.94	-	217.94
Deferred Tax assets (Net)		70.34	70.34	-	-	-
Investment Property		114.31	114.31	-	6.47	6.47
Property, plant and equipment		260.11	260.11	-	240.52	240.52
Right to Use Assets		10.75	10.75	-	24.77	24.77
Other intangible assets		154.42	154.42	-	170.57	170.57
Other non-financial assets	2.39	1,065.03	1,067.42	36.91	345.10	382.01
Sub total	**185.43**	**1,674.96**	**1,860.39**	**254.85**	**787.43**	**1,042.28**
Total assets	**71,526.27**	**1,00,299.26**	**1,71,825.53**	**75,587.85**	**86,917.30**	**1,62,505.17**
LIABILITIES AND EQUITY						
LIABILITIES						
Financial liabilities						
Payables						
(I) Trade payables and Other payables						
(i) total outstanding dues of creditors of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Debt Securities	3,699.42	11,487.05	15,186.47	21,857.60	11,830.34	33,687.94
Borrowings (Other than Debt Securities)	65,827.60	43,635.24	1,09,462.84	52,285.89	33,470.00	85,755.89
Subordinated Liabilities	1,537.37	4,466.08	6,003.45	37.70	5,949.09	5,986.79
Other Financial liabilities	1,808.65	221.48	2,030.13	2,387.06	283.06	2,670.12
Sub total	**72,873.04**	**59,809.85**	**1,32,682.89**	**76,568.25**	**51,532.49**	**1,28,100.74**
Non-Financial liabilities						
Current tax liabilities (Net)			-	-	-	-
Provisions	31.70	274.67	306.37	27.14	248.40	275.54
Deferred tax liabilities (Net)			-	-	27.12	27.12
Other non-financial liabilities	99.50		99.50	112.08	-	112.08
Sub total	**131.20**	**274.67**	**405.87**	**139.22**	**275.52**	**414.74**
Total liabilities	**73,004.24**	**60,084.52**	**1,33,088.76**	**76,707.47**	**51,808.01**	**1,28,515.48**

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35 Changes in liabilities arising from financing activities

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2021	Cash Flows (net)	Others (net)*	As at March 31, 2022
Subordinated liabilities	5,986.80	-	16.65	6,003.45
Debt securities	33,687.94	(17,950.00)	(551.48)	15,186.47
Borrowing other than debt securities	85,755.90	29,638.55	(5,931.61)	1,09,462.84
	1,25,430.64	**11,688.55**	**(6,466.44)**	**1,30,652.75**

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2020	Cash Flows (net)	Others (net)*	As at March 31, 2021
Subordinated liabilities	6,450.76	(500.00)	36.04	5,986.80
Debt securities	6,109.77	27,200.00	378.17	33,687.94
Borrowing other than debt securities	93,150.87	1,182.04	(8,577.01)	85,755.90
	1,05,711.40	**27,882.04**	**(8,162.80)**	**1,25,430.64**

*Others column includes the effect of accrued but not paid interest on borrowing, amortisation of processing fees and cash flows from securitisation etc.

36 Employee Stock Option Plan (ESOP)

The Company had granted 5,62,860 Equity shares (face value of ₹ 10/- each) under Employee Stock Option Plan 2019 on June 11, 2019 to the employees of IKF Finance Limited. The shares will vest gradually and vesting of these shares is dependent on continued employment with the company.

A. Expenses arising from share-based payment transactions

Total expenses arising from equity - settled share-based payment transaction recognised in profit or loss as part of employee benefit expense for the year ended March 31, 2022 is ₹ (6.03) lakhs (March 31, 2021 - ₹ 13.09 lakhs).

B. Movement during the year

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year:

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022 Number	As at March 31, 2022 WAEP	As at March 31, 2021 Number	As at March 31, 2021 WAEP
Outstanding at 1 April	3,56,930.00	120.00	4,75,550.00	120.00
Granted during the year	-		-	
Forfeited during the year	1,50,930.00	120.00	1,18,620.00	120.00
Exercised during the year	-		-	
Expired during the year	-		-	
Outstanding at 31 March	2,06,000.00	120.00	3,56,930.00	120.00
Exercisable at 31 March	92,700.00	120.00	71,386.00	120.00

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No Share options granted during the year. No options were vested or exercised during the year.

The weighted average remaining contractual life for the share options outstanding as at March 31, 2022 is 0.58 years (March 31, 2021: 1.25 years).

The weighted average fair value of options granted during the year ending March 31, 2020 was 14.79.

C. Fair value of options granted

The weighted average fair value of options granted during the year ending March 31, 2020 was 14.79. The fair value of options was determined using the Black Scholes Model using the following inputs as follows :

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Weighted average fair values at the measurement date	14.79	14.79
Expected volatility (%)	0.36%	0.36%
Risk–free interest rate (%)	4.50%	4.50%
Expected life of share options/SARs (years)	1.30 years to 4.30 years	1.30 years to 4.30 years
Weighted average share price (₹)	120.00	120.00

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

37 Contingent liabilities and commitments

In the ordinary course of business, the Company faces claims and assertions by various parties. The Company assesses such claims and assertions and monitors the legal environment on an ongoing basis, with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

The Company believes that the outcome of these proceedings will not have a materially adverse effect on the Company's financial position and results of operations.

37.1 Contingent Liability

There are no Contingent Liabilities as on March 31, 2022 (March 31, 2021: ₹ 0.)

37.2 Commitment

There are no commitment as on March 31, 2022 (March 31, 2021: ₹ 0.)

38 Leases

Company as a Lessee

The Company's lease asset classes primarily consist of leases for office spaces. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

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At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases). For these short-term leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Following are the changes in the carrying value of right of use assets:

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening	24.77	63.55
Additions	4.92	8.58
Deletion	(0.74)	(8.14)
Depreciation	(18.17)	(39.22)
Closing Balance	**10.78**	**24.77**

The following is the movement in lease liabilities:

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning	26.68	68.23
Additions	4.80	7.91
Finance cost accrued during the period	2.12	4.77
Payment of lease liabilities	(21.99)	(54.23)
Balance at the end	**11.61**	**26.68**

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The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Less than 3 months	2.61	8.79
Over 3 months & upto 6 months	2.76	8.74
Over 6 months & upto 1 year	3.18	17.15
Over 1 year & upto 3 years	9.81	46.49
Over 3 years	6.41	20.40

The following are the amounts recognised in statement of profit or loss:

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Depreciation expense of right-of-use assets	18.17	39.22
Interest expense on lease liabilities	2.12	4.77
Expense relating to short-term leases	200.31	164.38
Total amount recognised in profit or loss	**220.60**	**208.37**

Future Commitments:

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022
Future undiscounted lease payments for which the leases have not yet commenced	-

Extension / Termination Options:

Some of the leases contain extension and termination options. Such options are taken into account in the determination of the lease term only if extension or non-termination can be assumed with reasonable certainty. On this basis, there were no such amounts included in the measurement of lease liabilities as at March 31, 2022.

39 Capital Management

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements iron its regulators and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

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40 Analytical Ratios

Particulars	As at March 31, 2022			As at March 31, 2021	% Variance	Reasons for Variance (if above 25%)
	Numerator	Denominator	Ratio	Ratio		
Capital to Risk Weighted Assets Ratio (CRAR)	39,477.07	163744.91	24.11%	23.66%	1.88%	NA
Tier I CRAR	35,287.42	163744.91	21.55%	21.50%	0.26%	NA
Tier II CRAR	4,189.64	163744.91	2.56%	2.17%	17.99%	NA
Liquidity Coverage Ratio			NA	NA		

Note: As per the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, liquidity coverage ratio is not applicable on the company.

41 Fair Value Measurement:

A. Valuation Principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques:

Level 1 - Valuation technique using quoted market price: financial instruments with quoted prices for identical instruments in active markets that Company can access at the measurement date.

Level 2 - Valuation technique using observable inputs: Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life.

Level 3 - Valuation technique with significant unobservable inputs: Those that include one or more unobservable input that is significant to the measurement as whole.

B. Fair value of financial instrument not measured at fair value:

The table below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non-financial assets and non-financial liabilities.

(Currency : ₹ in lakhs)

Particulars	Level	Carrying value		Fair value	
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Financial Assets					
Cash and cash equivalents	1	3,377.21	11,793.28	3,377.21	11,793.28
Bank Balance other than cash and cash equivalents	1	2,208.65	3,964.82	2,208.65	3,964.82
Trade receivables	3	-	-	-	-

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(Currency : ₹ in lakhs)

Particulars	Level	Carrying value		Fair value	
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Loans	3	1,56,325.40	1,40,161.15	1,61,025.03	1,44,747.52
Rent and utility deposits	3	217.70	145.70	217.70	145.70
EIS receivable	3	1,450.27	541.71	1,450.27	541.71
Other financial assets	3	132.99	331.14	132.99	331.14
		1,63,712.21	**1,56,937.80**	**1,68,411.85**	**1,61,524.17**
Financial Liabilities					
Debt securities	3	15,186.47	33,687.94	15,506.33	34,718.59
Borrowings (other than debt securities)	3	1,09,462.84	85,755.89	1,09,459.96	85,821.94
Subordinated Liabilities	3	6,003.45	5,986.79	6,099.99	6,045.49
Other financial liabilities	3	2,030.13	2,670.12	2,030.13	2,670.12
Total Financial liabilities		**1,32,682.89**	**1,28,100.74**	**1,33,096.40**	**1,29,256.14**

Investment in subsidiary is measured at cost in accordance with Ind AS 27.

Valuation Methodologies of Financial Instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables and, as such, may differ from the techniques and assumptions explained in notes.

Short Term Financial Assets and Liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, bank balance other than cash and cash equivalents, trade receivables, rent and utility deposits and other financial liabilities.

Loans and advances to customers

The fair values of loans are estimated by discounted cash flow models based on contractual cash flows using actual or estimated yields.

Borrowings other than debt securities, Debt securities and Subordinated liabilities

The fair value of issued debt is estimated by a discounted cash flow model incorporating the Company's own credit risk.

EIS receivable

EIS receivable is calculated by discounting the contractual future cash flows. The carrying value closely approximates its fair value.

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42 Risk management

Risk is an integral part of the Company's business and sound risk management is critical to the success. As a financial intermediary, the Company is exposed to risks that are particular to its lending and the environment within which it operates and primarily includes credit, liquidity and market risks. The Board of Directors of the Company are responsible for the overall risk management approach and for approving the risk management strategies and principles. The Company has a risk management policy which covers all the risk associated with its assets and liabilities.

42.1 Introduction and Risk Profile

Risk management and mitigation

The Company's risks are measured using a method that reflects both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the ultimate actual loss. The models make use of probabilities derived from historical experience, adjusted to reflect the economic environment, as necessary.

The Company's policy is to measure and monitor the overall risk-bearing capacity in relation to the aggregate risk exposure across all risk types and activities.

It is the Company's policy to ensure that a robust risk awareness is embedded in its organisational risk culture. Employees are expected to take ownership and be accountable for the risks the Company is exposed to that they decide to take on. The Company's continuous training and development emphasises that employees are made aware of the Company's risk appetite and they are supported in their roles and responsibilities to monitor and keep their exposure to risk within the Company's risk appetite limits.

The Company is generally exposed to credit risk, liquidity risk, market risk, prepayment risk and operational risk.

42.2 Credit Risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical concentrations, and by monitoring exposures in relation to such limits. Credit risk is monitored by the credit department of the Company. It is their responsibility to review and manage credit risk. Credit risk consists of line credit managers who are responsible for their business lines and manage specific portfolios and experts who support both the line credit manager, as well as the business with tools like credit risk systems, policies, models and reporting. The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions."

Impairment assessment

The references below show where the Company's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the summary of significant accounting policies.

Definition of default and cure

The Company considers a financial instrument as defaulted and therefore Stage 3 (credit-impaired) for Expected Credit Loss (ECL) calculations in all cases when the borrower becomes more than 3 months past due on its contractual payments.

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The staging criteria used by the Company is as below:

Loans months past due	Stage
Upto 1 month	Stage 1
Between 1 month to 3 months	Stage 2
More than 3 months	Stage 3

The Company considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes past due for more than 3 months on its contractual payments. It is the Company's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage 3 when the due amount have been paid. The decision whether to classify an asset as Stage 2 or Stage 1 once cured depends on the updated credit grade, at the time of the cure, and whether this indicates there has been a significant increase in credit risk compared to initial recognition.

Exposure at default (EAD)

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the ability to increase its exposure while approaching default and potential early repayments too.

To calculate the EAD for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12 months ECL.

For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments.

Probability of default (PD)

The Probability of Default is an estimate of the likelihood of default over a given time horizon. To calculate the ECL for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12month ECL. For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments. The Company uses historical information wherever available to determine PD

Loss given Default (LGD)

LGD is the estimated loss that the Company might bear if the borrower defaults. The Company determines its recovery (net present value) by analysing the recovery trends, borrower rating, collateral value and expected proceeds from sale of asset.

LGD Rates have been computed internally based on the discounted recoveries in defaulted accounts that are closed/ written off/ repossessed and upgraded during the year.

When estimating ECLs on a collective basis for a group of similar assets, the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

Significant increase in credit risk

The Company continuously monitors all assets subject to ECLs in order to determine whether an instrument or a portfolio of instruments is subject to 12 month ECL or lifetime ECL. The Company assesses whether there has been an event which could cause a significantly increase in the credit risk of the underlying asset or the customers ability to pay and accordingly change the 12 month ECL to a lifetime ECL.

If contractual payments are more than 30 days past due, the credit risk is deemed to have increased significantly since initial recognition.

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Concentration of Credit Risk

Company's loan portfolio is predominantly to finance commercial vehicle loans. The Company manages concentration of risk primarily by geographical region. The following tables show the region-wise concentrations of net terms loans.

(Currency : ₹ in lakhs)

Geography	As at March 31, 2022	As at March 31, 2021
West	37,808.22	38,272.29
Central	5,531.19	6,492.54
South	1,15,969.36	98,589.21
	1,59,308.77	**1,43,354.04**

Quantitative Information of Collateral

Net value of total term loans to value of collateral is as follows:

As at March 31, 2022	Loan to value			
	Upto 50%	51%-70%	More than 70%	Total
Cars & Muvs	1,224.12	19,288.11	10,382.32	30,894.55
Commercial Vehicles	2,350.49	28,154.20	14,292.21	44,796.91
Construction Equipment	3,477.80	14,367.04	12,146.46	29,991.30
Three Wheeler	48.26	9,201.86	1,808.16	11,058.28
Tractor	203.45	2,018.47	381.49	2,603.41
Two Wheeler	1,139.12	1,041.94	772.97	2,954.04
SME	6,491.94	4,304.85	26,213.51	37,010.29
Total	**14,935.19**	**78,376.46**	**65,997.12**	**1,59,308.77**

As at March 31, 2021	Loan to value			
	Upto 50%	51%-70%	More than 70%	Total
Cars & Muvs	1,224.12	19,288.11	10,382.32	30,894.55
Commercial Vehicles	2,350.49	28,154.20	14,292.21	44,796.91
Construction Equipment	3,477.80	14,367.04	12,146.46	29,991.30
Three Wheeler	48.26	9,201.86	1,808.16	11,058.28
Tractor	203.45	2,018.47	381.49	2,603.41
Two Wheeler	1,139.12	1,041.94	772.97	2,954.04
SME	6,491.94	4,304.85	26,213.51	37,010.29
Total	**14,935.19**	**78,376.46**	**65,997.12**	**1,59,308.77**

42.3 Liquidity Risk

In assessing the Company's liquidity position, consideration shall be given to: (1) present and anticipated asset quality (2) present and future earnings capacity (3) historical funding requirements (4) current liquidity position (5) anticipated future funding needs, and (6) sources of funds. The Company maintains a portfolio of marketable assets that are assumed to be easily liquidated and undrawn cash credit limits which can be used in the event of an unforeseen interruption in cash flow. The Company also enters into securitization deals (direct assignment as well as pass through certificates) of their loan portfolio, the funding from which can be accessed to meet liquidity needs. Net liquid assets consist of cash and short–term bank deposits. Borrowings from banks and financial institutions and issue of Non convertible debentures are considered as important sources of funds to finance lending to customers.

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Analysis of financial assets and liabilities by remaining contractual maturities:

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at March 31, 2022.

(Currency : ₹ in lakhs)

Particulars	Less than 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years	Total
Financial assets						
Cash and cash equivalents	3,377.21	-	-	-	-	3,377.21
Bank Balance other than included in (a) above	267.49	906.32	122.85	999.25	-	2,295.91
Trade receivables	-	-	-	-	-	-
Loans	32,748.04	19,308.14	33,438.99	96,340.47	16,332.84	1,98,168.48
Investments	-	-	-	-	6,252.92	6,252.92
Other financial assets	493.84	292.83	440.36	480.51	221.30	1,928.84
Total undiscounted financial assets	**36,886.58**	**20,507.29**	**34,002.20**	**97,820.23**	**22,807.06**	**2,12,023.36**
Financial liabilities						
Trade payables	-	-	-	-	-	-
Other payables	-	-	-	-	-	-
Subordinated Liabilities	198.70	1,696.45	304.02	1,221.46	5,084.17	8,504.80
Debt securities	1,949.37	377.48	2,640.40	12,296.95	-	17,264.20
Borrowings (other than debt securities)	13,263.27	10,566.57	49,799.03	44,216.10	4,158.98	1,22,003.95
Deposits	-	-	-	-	-	-
Other financial liabilities	1,723.42	18.60	77.09	275.92	-	2,095.03
Total undiscounted financial liabilities	**17,134.76**	**12,659.10**	**52,820.54**	**58,010.43**	**9,243.15**	**1,49,867.98**
Net undiscounted financial assets / (liabilities)	**19,751.82**	**7,848.19**	**(18,818.34)**	**39,809.80**	**13,563.91**	**62,155.38**

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at March 31, 2021.

(Currency : ₹ in lakhs)

Particulars	Less than 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years	Total
Financial assets						
Cash and cash equivalents	11,793.28	-	-	-	-	11,793.28
Bank Balance other than included in (a) above	271.56	1,935.22	743.51	1,192.56	-	4,142.85
Trade receivables	-	-	-	-	-	-
Loans	29,462.88	18,308.32	33,152.96	83,990.23	19,975.91	1,84,890.30
Investments	-	-	-	-	4,525.10	4,525.10
Other financial assets	498.89	100.40	149.38	164.06	147.92	1,060.65
Total undiscounted financial assets	**42,026.60**	**20,343.94**	**34,045.85**	**85,346.85**	**24,648.93**	**2,06,412.17**

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(Currency : ₹ in lakhs)

Particulars	Less than 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years	Total
Financial liabilities						
Trade payables	-	-	-	-	-	-
Other payables	-	-	-	-	-	-
Subordinated Liabilities	201.19	203.52	395.54	2,820.05	5,693.40	9,313.70
Debt securities	1,625.02	1,827.57	21,283.72	13,376.58	-	38,112.89
Borrowings (other than debt securities)	12,291.50	9,611.61	36,989.50	29,768.40	8,285.65	96,946.66
Deposits	-	-	-	-	-	-
Other financial liabilities	2,254.43	38.07	109.12	361.53	-	2,763.15
Total undiscounted financial liabilities	**16,372.14**	**11,680.77**	**58,777.88**	**46,326.56**	**13,979.05**	**1,47,136.40**
Net undiscounted financial assets / (liabilities)	**25,654.47**	**8,663.17**	**(24,732.03)**	**39,020.29**	**10,669.88**	**59,275.78**

The table below shows the contractual expiry by maturity of the Company's contingent liabilities and commitments. Each undrawn loan commitment is included in the time band containing the earliest date it can be drawn down.

Particulars	On demand	Less than 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years
As at March 31, 2022						
Guarantees and counter guarantees	-	-	-	-	-	-
Estimated amount of contracts remaining to be executed on capital account, net of advances	-	-	-	-	-	-
Total commitments	**-**	**-**	**-**	**-**	**-**	**-**
As at March 31, 2021						
Guarantees and counter guarantees	-	-	-	-	-	-
Estimated amount of contracts remaining to be executed on capital account, net of advances	-	-	-	-	-	-
Total commitments	**-**	**-**	**-**	**-**	**-**	**-**

42.4 Market Risk

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity, and other market changes. The objective of market risk management is to avoid excessive exposure of our earnings and equity to loss and reduce our exposure to the volatility inherent in financial instruments. There are broadly two types of market risks: (1) Interest rate risk, and (2) Price risk. The Company has not made investments in quoted equity instruments or other quoted investments and hence is not exposed to Equity price risk. Interest rate risk is discussed below:

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is subject to interest rate risk, primarily since it lends to customers at fixed rates and for maturity periods shorter than the funding sources.

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The Company has taken borrowings at floating rates gives rise to interest rate risk. Interest rates are highly sensitive to many factors beyond control, including the monetary policies of the Reserve Bank of India, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. In order to manage interest rate risk, the Company seek to optimize borrowing profile between short-term and long-term loans. The Company adopts funding strategies to ensure diversified resource-raising options to minimize cost and maximize stability of funds. Assets and liabilities are categorized into various time buckets based on their maturities. The Interest Rate Risk is mitigated by availing funds at very competitive rates through diversified borrowings and for different tenors.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the portion of borrowings affected. With all other variables held constant, the profit before taxes affected through the impact on floating rate borrowings are as follows:

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
On Floating Rate Borrowings:		
1% increase in interest rates	(523.75)	(351.75)
1% decrease in interest rates	523.75	351.75

42.5 Prepayment risk

Prepayment risk is the risk that the Company will incur a financial loss because its customers and counterparties repay or request repayment earlier or later than expected, such as fixed rate loans like ours when interest rates fall.

42.6 Operational and business risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

43 Related Party Disclosure

a. Name of related party and nature of relationship:

Enterprises having a significant influence	India Business Excellence Fund -IIA Vistra ITCL (india) Limied (formerly known as IL and FS trust Company Limited) (Trustee of Business Excellence Trust -II - India Business Excellence Fund - II)
Subsidiary	IKF Home Finance Limited (formerly known as IKF Housing Finance Private Limited)
Enterprises in which directors are interested	SVR Finance & Leasing Private Limited
Enterprises significantly influenced by Key Management Personnel and their relatives	IKF Infratech Private Limited
Relative of Key Management Personnel	Mrs. D. Vasantha Lakshmi Mr. V. Raghu Ram Mr. Sinha Satyanand Chunduri Mrs. Durga Rani Chunduri
Key Management Personnel (KMP)	Mr V.G.K.Prasad — Chairman Mrs. V. Indira Devi — Whole time Director Mrs. K Vasumathi Devi — Managing Director Mr.Sreepal Gulabchand Jain-Chief Financial Officer Mr. Ch.Sreenivasa Rao - Company Secretary

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b. Transaction with related parties:

Name of related party	Nature of transaction	For the FY 2021					For the FY 2022			
		As at March 31, 2020	Transaction value for the year ended March 31, 2021	Received During the year	Paid During the year	As at March 31, 2021	Transaction value for the year ended March 31, 2022	Received During the year	Paid During the Year	As at March 31, 2022
Key management personnel										
Mr. V G K Prasad	Rent paid	-	20.33	-	-	-	21.60	-	-	-
	Director's remuneration	-	70.00	-	-	-	75.83	-	-	-
	Director Commission Payable	35.66	41.55	-	35.66	41.55	51.02	-	41.55	51.02
	Rent deposit given	50.00	-	-	-	50.00	-	-	-	50.00
	Advance Received	-	-	(344.85)	344.85	-	-	-	-	-
	Interest paid on advance	-	0.64	-	-	-	-	-	-	-
	Share Capital (₹ 10/- Paid up)	1586.79 *	-	-	-	1587.56*	-	-	-	1974.32*
	Partly paid up shares (₹ 10 Paid Up) **	189.31	-	94.66	-	283.97	-	66.61	-	-
	Premium Received on Allotment of Partly Paid up Shares **	1,184.92	-	592.46	-	1,777.38	-	416.92	-	-
Mrs. V Indira Devi	Rent paid	-	43.56	-	-	-	48.00	-	-	-
	Director's remuneration	-	30.00	-	-	-	32.50	-	-	-
	Director Commission Payable	15.18	17.68	-	15.18	17.68	21.71	-	17.68	21.71
	Rent deposit given	38.50	-	-	-	38.50	-	-	-	38.50
	Share Capital (₹ 10/- Paid up)	132.69	-	-	-	132.69	-	-	-	164.81
	Partly paid up shares (₹ 10 Paid Up) **	17.35	-	8.67	-	26.02	-	6.10	-	-
	Premium Received on Allotment of Partly Paid up Shares **	108.57	-	54.29	-	162.86	-	38.20	-	-
Mrs.K.Vasumathi Devi	Director's remuneration	-	50.00	-	-	-	54.17	-	-	-
	Director Commission Payable	25.04	29.17	-	25.04	29.17	35.82	-	-	64.99
	Share Capital (₹ 10/- Paid up)	213.13	-	-	-	213.13	-	-	-	264.73
	Partly paid up shares (₹ 10 Paid Up) **	27.86	-	13.93	-	41.79	-	9.80	-	-
	Premium Received on Allotment of Partly Paid up Shares **	174.39	-	87.20	-	261.59	-	61.36	-	-
Mr.Sreepal Gulabchand Jain	Salary Paid	-	47.71	-	-	-	51.05	-	-	-
Mr.Ch.Sreenivasa Rao	Salary Paid	-	21.00	-	-	-	23.10	-	-	-
	Staff Loan	-	-	-	-	-	-	(10.00)	10.00	-
	Interest Received						0.04			
	ESOP Compensation	-	0.56	-	-	-		-	-	-
Relatives of key management personnel										
Mrs. D Vasantha Lakshmi	Share Capital (₹ 10/- Paid up)	200.61	-		-	200.61				249.18
	Partly paid up shares (₹ 10 Paid Up) **	26.23	-	13.11		39.34		9.23		
	Premium Received on Allotment of Partly Paid up Shares **	164.15		82.08		246.23		57.76		
	Purchase of IKF Home Finance Limited Shares	-	-		-	-	-		-	-

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Name of related party	Nature of transaction	For the FY 2021					For the FY 2022			
		As at March 31, 2020	Transaction value for the year ended March 31, 2021	Received During the year	Paid During the year	As at March 31, 2021	Transaction value for the year ended March 31, 2022	Received During the year	Paid During the Year	As at March 31, 2022
Mr. V Raghu Ram	Share Capital (₹ 10/- Paid up)	144.97	-		-	144.97	-		-	180.07
	Partly paid up shares (₹ 10 Paid Up) **	18.95	-	9.48	-	28.43	-	6.67	-	-
	Premium Received on Allotment of Partly Paid up Shares **	118.62	-	59.31	-	177.93	-	41.74	-	
Mr. Sinha Satyanand Chunduri	Share Capital (₹ 10/- Paid up)	11.77	-	-	-	11.77	-	-	-	11.77
Mrs. Durga Rani Chunduri	Share Capital (₹ 10/- Paid up)	149.41	-	-	-	149.41	-	-	-	149.41
IKF Home Finance Limited	Loan given	1,912.22	-	(2,362.22)	450.00	-	-	-	-	-
	Interest Received	-	54.20	-	-	-	-	-	-	-
	Inter Corporate deposits taken ***	-	-	(26,600.00)	26,600.00	-	-	(48,200.00)	48,200.00	-
	Interest Paid	-	261.37	-	-	-	265.90	-	-	-
	Direct Assignment	2,316.22	-	(352.88)	1,523.88	3,487.22	-	(704.24)	-	2,782.98
	Interest Receivable on Direct Assignment	26.55	247.12	(250.82)	-	22.85	441.76	(430.15)	-	34.46
	Investments in equity shares by IKF Finance Ltd.,	4,525.10	-	-	-	4,525.10	-	-	1,727.82	6,252.92
	Investments in equity shares Refundable								1.75	1.75
	Service Fee Collected	-	40.05	-	-	-	28.89	-	-	
	Service Fee Paid	-	-	-	-	-	-	-	-	
	Purchase of IKF Home Finance Limited Shares	-	-	-	-	-		-	-	
Enterprises significantly influenced by key management personnel or their relatives										
IKF Infratech Private Limited	Non Convertible Debentures	63.20*	-	-	-	58.20*		-	58.20	-
	Interest Paid	-	6.80	-	5.42	1.38	0.76	-	2.14	-
Enterprises in which Directors are interested										
SVR Finance & Leasing Private Limited	Trade Advance	50.00	-	(50.00)	-	-	-	-	-	-
	Interest Paid	-	-		-	-	-	-	-	-
Enterprises having a significant influence										
India Business Excellence Fund-IIA	Share Capital (₹ 10/- Paid up)	1,305.16	-	-	-	1,305.16	-	-	-	1,305.16
	Share Premium	-	-	-	-	-	-	-	-	
	Compulsorily Convertible Preference Shares of ₹ 100/- Each (Converted into equity shares during the FY 2018-19)			-						
	Share premium on preference shares		-	-	-	-				

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Name of related party	Nature of transaction	For the FY 2021					For the FY 2022			
		As at March 31, 2020	Transaction value for the year ended March 31, 2021	Received During the year	Paid During the year	As at March 31, 2021	Transaction value for the year ended March 31, 2022	Received During the year	Paid During the Year	As at March 31, 2022
Vistra ITCL (India) Limited (formerly known as IL and FS Trust Company Limited) (Trustee of Business Excellence Trust-II - India Business Excellence Fund II)	Share Capital (₹ 10/- Paid up)	780.40	-	-	-	780.40	-	-	-	780.40
	Share premium on preference shares									
		-	-		-	-				

Particulars	As at March 31, 2022	As at March 31, 2021
Short-term employee benefits	345.20	331.12
Post-employment benefits#	-	-
Long-term employee benefits	-	-
Termination benefits	-	-
Employee-share based payment	-	1.27
Total compensation	**345.21**	**332.39**

#As the provision for gratuity is made for the Company as a whole, the amount pertaining to the Key Management Personnel is not specifically identified and hence is not included above.

* The Increased/Decreased value is relating to purchase of shares/debentures from the public.

** Partly paid shares are full paid and converted to fully paid equity shares.

*** Inter Corporate Deposits taken from IKF Home Finance Ltd are at Interest of 8% to10.00%.

Notes:

(i) Transaction values are excluding taxes and duties.

(ii) Name of the related parties and nature of their relationships where control exists have been disclosed irrespective of whether or not there have been transactions with the Company. In other cases, disclosures have been made only when there have been transactions with those parties.

(iii) Related parties as defined under clause 9 of the Ind AS 24 'Related party disclosures' have been identified based on representations made by key managerial personnel and information available with the Company. All above transactions are in the ordinary course of business.

(iv) The Company has not granted loans or advances to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, that is repayable on demand or without specifying any terms or period of repayment for the financial years ended March 31, 2022 and March 31, 2021.

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44 Disclosure pursuant to Reserve Bank of India notification DOR (NBFC).CC.PD.No.109 /22.10.106/2019-20 dated 13th March 2020 - Implementation of Indian Accounting Standards:

A comparison between provision required under IRACP and impairment allowances under Ind AS 109:

As at March 31, 2022

(Currency : ₹ in lakhs)

Asset Classification as per RBI Norms	Asset Classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provision required as per IRACP norms*	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard	Stage 1	1,29,844.46	989.64	1,28,854.82	541.89	447.75
	Stage 2	25,161.20	563.47	24,597.73	108.95	454.52
Subtotal for Performing Assets		**1,55,005.66**	**1,553.11**	**1,53,452.55**	**650.84**	**902.27**
Non-Performing Assets (NPA)						
Substandard	Stage 3	1,984.96	694.11	1,290.84	187.98	506.13
Doubtful - upto 1 year	Stage 3	2,353.19	771.20	1,582.00	622.18	149.02
Doubtful - 1 to 3 years	Stage 3	-	-	-	-	-
Doubtful - more than 3 years	Stage 3	-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**4,338.15**	**1,465.31**	**2,872.84**	**810.16**	**655.15**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal for other items		**-**	**-**	**-**	**-**	**-**
Total	**Stage 1**	**1,29,844.46**	**989.64**	**1,28,854.82**	**541.89**	**447.75**
	Stage 2	**25,161.20**	**563.47**	**24,597.73**	**108.95**	**454.52**
	Stage 3	**4,338.15**	**1,465.31**	**2,872.84**	**810.16**	**655.15**
	Total	**1,59,343.81**	**3,018.42**	**1,56,325.40**	**1,461.00**	**1,557.42**

* Provision required as per IRACP norms is excluding provision on interest income from Stage 3 loans.

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45 RBI Disclosures

The following additional information is disclosed in the terms of Master Direction - Non-Banking Financial Company - Systematically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 issued vide Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 01, 2016 as amended.

45.01 Capital to Risk Asset Ratio (CRAR)

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Tier I Capital	35,287.42	29,749.42
Tier II Capital	4,189.64	3,001.33
Total Capital	39,477.07	32,750.75
Total Risk Weighted Assets	1,63,744.91	1,38,401.52
CRAR (%)	24.11%	23.66%
CRAR - Tier I Capital (%)	21.55%	21.50%
CRAR - Tier II Capital (%)	2.56%	2.17%
Amount of subordinated debt raised as Tier - II Capital	6,000.00	6,000.00
Amount raised by issue of perpetual debt Instruments	-	-

Tier I capital", "Tier II capital", "Owned fund" and Capital adequacy ratio are calculated as defined in Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 and notification RBI/2019-20/170 DO R (NBFC).CC.PD.No.109/22.10.106/2019-20 "Implementation of Indian Accounting Standards" issued by RBI on March 13, 2020 as amended.

45.02 Investments

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Value of Investments		
(I) Gross value of investments		
(a) In India	6,252.92	4,525.10
(a) Outside India	-	-
(II) Provisions for Depreciation		
(a) In India	-	-
(a) Outside India	-	-
(III) Net value of investments		
(a) In India	6,252.92	4,525.10
(a) Outside India	-	-
(b) Movements of provisions held towards impairment on investments		
(I) Opening balance	-	-
(II) Add : Provisions made during the year	-	-
(III) Less : Write-off/ Written- back of excess provisions during the year	-	-
(IV) Closing balance	-	-

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45.03 Derivatives

The Company has not entered into any forward rate agreements, interest rate swaps, and exchange traded interest rate derivatives. Hence, no disclosure is made for the same

45.04 Disclosure Relating to Securitisation for STC Transactions as per Master Direction – Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021 dated September 24, 2021

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(I) No of SPEs holding assets for securitisation transactions originated by the originator"	1.00	9
(II) Total amount of securitised assets as per books of the SPEs	1,104.05	11,654.96
(III) Total amount of exposure retained by the originator to comply with MRR as on date of balance sheet		
(a) Off-balance sheet exposure towards credit enhancements		
(i) First Loss	-	-
(ii) Others	-	-
(a) On-balance sheet exposure towards credit enhancements		
(i) First Loss	352.00	2,786.29
(ii) Others	-	-
(IV) Amount of exposures to securitisation transactions other than MRR		
(a) Off-balance sheet exposure		
(i) Exposure to own securitisations		
(1) First Loss	-	-
(2) Others	-	-
(i) Exposure to third party securitisations		
(1) First Loss	-	-
(2) Others	-	-
(b) On balance sheet exposure		
(i) Exposure to own securitisations		
(1) First Loss	232.33	4,843.30
(2) Others	-	-
(i) Exposure to third party securitisations		
(1) First Loss	-	-
(2) Others	-	-
(V) Sale consideration received for the securitised assets	2,749.59	30,004.25
Gain/loss on sale on account of securitisation	-	-
(VI) Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	Credit Enhancement, Servicing Agent	Credit Enhancement, Servicing Agent
(VII) Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided. (Credit Enhancement)		
(a) Amount paid	-	352.00
(b) Repayment received	2,349.16	85.12
(c) Outstanding amount	352.00	2,701.16
(VIII) Average default rate of portfolios observed in the past.		
(a) Vehicle Loans	1.97	1.95
(b) Others	-	-

Notes

on Standalone Financial Statements for the year ended March 31, 2022

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(IX) Amount and number of additional/top up loan given on same underlying asset.		
(a) Vehicle Loans	-	-
(b) Others	-	-
(X) Investor complaints (a) Directly/Indirectly received and; (b) Complaints outstanding	-	-

45.05 Details of financial assets sold to securitisation / reconstruction company for asset reconstruction.

The Company has not sold financial assets to Securitisation / Reconstruction companies for asset reconstruction in the current and previous year

45.06 Details of loans transferred / acquired during the quarter ended March 31, 2022 under RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021

(i) Details of loans not in default transferred / acquired through assignment during the Year ended March 31, 2022

Particulars	Transferred	Acquired
Aggregate amount of loans transferred / acquired (₹ in lakhs) *	16826.23	5779.37
Weighted average maturity (in years)	24.78	20.78
Weighted average holding period (in years)	9.55	12.72
Retention of beneficial economic interest by the originator	10.00%	86.54%
Tangible security Coverage	100.00%	100.00%
Rating-wise distribution of rated loans	Not Applicable	Not Applicable

* Represents the total Pool Value

(ii) The Company has not transferred any non-performing assets (NPAs)

(iii) The Company has not transferred any Special Mention Account (SMA) and loan not in default.

(iv) The Company has not acquired any loans not in default through assignment.

(v) The Company has not acquired any stressed loan.

45.07 Value of Imports calculated on CIF basis

The Company has not imported any goods therefore value of import on CIF basis is Nil

45.08 Expenditure in Foreign Currency

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Legal and professional fees	0.90	-
Total	**0.90**	**-**

45.09 Earnings in Foreign Currency

The Company does has not have any earnings in foreign currency

45.10 Details of credit impaired assets purchased / sold

The Company has not purchased / sold non-performing financial assets in the current and previous year

45.11 Exposure to Real estate sector

The Company has no exposure to the real estate sector directly or indirectly in the current and previous year.

Notes

on Standalone Financial Statements for the year ended March 31, 2022

45.12 Exposure to Capital Market

The Company has no exposure to the capital market directly or indirectly in the current and previous year.

45.13 Financing of Parent Company Product

This disclosure is not applicable as the Company does not have any holding / parent company

45.14 Single Borrower Limit / Group Borrower Limit

The Company has not lent / invested / lent and invested in any borrower / group of borrower in excess of limits prescribed by the RBI.

45.15 Unsecured Advances

The Company has no unsecured advances given against rights, licenses, authorizations etc. during the year and for previous year.

45.16 Registration from Other Financial Sector Regulators

The Company is registered with following other financial sector regulators (Financial regulators as described by Ministry of Finance):

i. R.B.I. - B-09.00172

ii. Ministry of Corporate Affairs - U65992AP1991PLC012736

iii. Ministry of Finance (Financial Intelligence Unit) - FINBF13220"

45.17 Penalty

No penalties were imposed by RBI and other regulators during the current year

45.18 Credit Rating

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Nature of borrowing	Rating / Outlook CARE	Rating / Outlook CARE
Long term bank facilities	A (Stable)	A (Stable)
Commercial Paper	-	-
Non - Convertible Debentures	A (Stable)	A (Stable)

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Nature of borrowing	Rating / Outlook Brickwork Ratings	Rating / Outlook Brickwork Ratings
Long term bank facilities	A (Stable)	A (Stable)
Non - Convertible Debentures	A (Stable)	A (Stable)

Notes

on Standalone Financial Statements for the year ended March 31, 2022

45.19 Provisions

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Provisions towards income tax	1,487.04	795.96
2. Provisions towards loans	-224.16	-429.52
3. Provisions towards trade receivables	-26.21	3.08

45.20 Draw down from Reserves:

There has been no draw down from reserves during the year ended March 31, 2021 (previous year: Nil)

45.21 Concentration of Loans

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Total Loans to twenty largest borrowers	17,475.78	10,693.01
Percentage of Loans to twenty largest borrowers to total advances of the NBFC	10.97%	7.63%

45.22 Concentration of All Exposure (including off - balance sheet exposures)

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Total Exposure to twenty largest borrowers / customers	17,576.15	10,693.01
Percentage of exposure to twenty largest borrowers / customers to total exposure of the NBFC on borrowers / customers.	10.09%	7.18%

45.23 Concentration of credit impaired loans

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Total Exposure to top ten credit impaired accounts	674.31	616.24

45.24 Sector Wise Credit-Impaired Assets under Ind AS

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Agriculture & allied activities	1.24%	1.60%
2. MSME	-	-
3. Corporate Borrowers	-	-
4. Services	-	-
5. Unsecured Personal Loans	-	-
6. Auto Loans	3.01%	3.23%
7. Others	1.76%	2.37%

Notes

on Standalone Financial Statements for the year ended March 31, 2022

45.25 Movement of Credit-Impaired Loans under Ind AS

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(I) Net impaired loss allowance to Net loans (%)	1.84%	2.19%
(II) Movement of Credit impaired loans under Ind-AS (Gross)		
(a) Opening Balance	4,275.96	3,490.59
(b) (Deletion)/Addition during the year	62.19	785.37
(c) Closing balance	4,338.15	4,275.96
(III) Movement of Net Impaired loss		
(a) Opening Balance	3,067.95	2,485.95
(b) (Deletion)/Addition during the year	(195.10)	582.00
(c) Closing balance	2,872.84	3,067.95
(III) Movement of impairment loss allowance on credit impaired loans		
(a) Opening Balance	1,208.01	1,004.64
(b) (Deletion)/Addition during the year	257.30	203.37
(c) Closing balance	1,465.31	1,208.01

45.26 Overseas Assets

The Company does not have any joint venture or subsidiary abroad; hence this disclosure is not applicable.

45.27 Off Balance Sheet SPVs sponsored (which are required to be consolidated as per accounting norms)

The Company has not sponsored any off-Balance Sheet SPV

45.28 Customer Complaints

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) No. of complaints pending at the beginning of the year	2	-
(b) No. of complaints received during the year	13	12
(c) No. of complaints redressed during the year	15	10
(d) No. of complaints pending at the end of the year	-	2

45.29 As required by the RBI Master Direction DNBS. PPD.01/66.15.001/2016-17 dated September 29, 2016 the details of frauds noticed / reported are as below:

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Amount Involved	-	-
Amount Recovered	-	-
Amount Written off/provided	-	-
Balance	-	-

Notes

on Standalone Financial Statements for the year ended March 31, 2022

45.30 Transactions with Non-Executive Directors

(Currency : ₹ in lakhs)

Name of Non-Executive Director	Transaction Type	Year ended March 31, 2022	Year ended March 31, 2021
Nageswara Rao Yalamanchili	Payment of Sitting Fees	1.00	-

45.31 Postponement of Revenue Recognition

Refer note 2.5 Revenue from operations for the circumstances in which revenue recognition has been postponed pending uncertainty of realisation.

45.32 Dues to micro, small and medium enterprises

There are no amounts that need to be disclosed in accordance with the Micro Small and Medium Enterprise Development Act, 2006 (the 'MSMED') pertaining to micro or small enterprises.

For the year ended March 31, 2022, no vendor / supplier has intimated the Company about its status as micro or small enterprises or its registration with the appropriate authority under MSMED.

45.33 Disclosure on Resolution Framework – 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses in terms of RBI circular RBI / 2021-22 / 31 DOR. STR. REC.11 /21.04.048 / 2021-22 dated May 5, 2021:

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year **
Personal Loans	-	-	-	-	-
Corporate Persons*	-	-	-	-	-
of which MSMEs	-	-	-	-	-
Others	83.21	-	-	-	84.71
Total	**83.21**	**-**	**-**	**-**	**84.71**

* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

** Customer has paid scheduled installment and interest amount of ₹ 1.5 lakhs was added to outstanding amount

Disclosures for Reserve Bank of India circular on Resolution Framework for Covid-19 related stress dated August 6, 2020 are not applicable to the Company as none of the borrowers opted for the resolution plan.

45.34 Asset liability management

Maturity pattern of certain items of asset and liabilities - As at March 31, 2022

Pattern	1 day to 7 days	8 day to 14 days	15 day to 30-31 days	Over 1 month to 2 months	Over 2 months upto 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 to 3 years	Over 3 to 5 years	Over 5 years	Total
Liabilities*											
Borrowings from banks	322.18	1,356.58	915.01	2,307.85	7,038.92	9,396.89	39,773.42	34,389.76	3,984.25	-	99,484.87
Other Borrowings	166.67	73.68	278.31	617.54	554.06	1,592.67	2,938.52	5,693.37	-	-	11,914.82
Market Borrowings	22.05	-	108.91	134.36	1,429.90	125.00	1,911.87	11,500.00	4,500.00	-	19,732.08
Assets											
Advances*	6,671.61	2,335.89	8,536.77	4,687.83	4,694.78	13,957.78	24,471.36	79,657.94	12,877.30	1,293.70	1,59,184.95
Investments	-	-	-	-	-	-	-	-	-	**6,252.92**	**6,252.92**

Maturity pattern of certain items of asset and liabilities - As at March 31, 2021

Pattern	1 day to 7 days	8 day to 14 days	15 day to 30-31 days	Over 1 month to 2 months	Over 2 months upto 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 to 3 years	Over 3 to 5 years	Over 5 years	Total
Liabilities*											
Borrowings from banks	365.73		511.08	589.57	4,745.55	5,162.01	29,653.93	22,542.70	7,469.56	239.88	71,280.01
Other Borrowings	-	909.25	1,098.33	1,157.72	991.75	2,710.79	4,395.35	5,070.11	-	-	16,333.30
Market Borrowings	21.29	-	252.60	857.35	172.00	786.92	19,800.00	11,900.00	2,000.00	2,500.00	38,290.16
Assets											
Advances*	2,069.52	840.82	11,204.18	4,621.12	4,649.03	12,829.15	23,780.82	66,158.28	15,168.46	1,738.70	1,43,060.08
Investments	-	-	-	-	-	-	-	-	-	4,525.10	4,525.10

*The amount appearing above for gross loans and borrowings excludes the impact of EIR.

Notes

on Standalone Financial Statements for the year ended March 31, 2022

45.35 Disclosure on liquidity risk under RBI circular no. RBI/2019-20/88 DOR.NBFC (PD) CC. No. 102/03.10.001/2019-20 dated November 04, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies as on March 31, 2022.

i) Funding Concentration based on significant counterparty (both deposits and borrowings)

Sr. No	No of Significant Counterparties	As at March 31, 2022			As at March 31, 2021		
		Amount #	% of total Deposits	% of Total Liabilities*	Amount #	% of total Deposits	% of Total Liabilities*
1	25	1,27,107.49	NA	95.51%	1,15,141.16	NA	89.59%

ii) Top 20 large deposits – Not Applicable

iii) Top 10 Borrowings

As at March 31, 2022		As at March 31, 2021	
Amount #	% of Total Liabilities*	Amount #	% of Total Liabilities*
83,507.47	62.75%	0.00%	91,311.79

iv) Funding Concentration based on significant instrument/product

(Currency : ₹ in lakhs)

Sr. No	Name of the instrument	As at March 31, 2022		As at March 31, 2021	
		Amount #	% of Total Liabilities*	Amount #	% of Total Liabilities*
1	Term Loan	76,193.48	57.25%	54,258.62	42.22%
2	Non Convertible Debentures	14,945.00	11.23%	37,350.00	29.06%
3	Working capital / short term facilities	32,691.04	24.56%	26,472.34	20.60%
	Total	**1,23,829.52**	**93.04%**	**1,18,080.94**	**91.88%**

v) Stock Ratios

(Currency : ₹ in lakhs)

Sr. No.	Particulars	31 March, 2022	31 March, 2021
1	Commercial Papers to Total Liabilities	0.00%	0.00%
2	Commercial Papers to Total Assets	0.00%	0.00%
3	NCDs (Original Maturity < 1 year) to Total Liabilities	0.00%	0.00%
4	NCDs (original Maturity < 1 year) to Total Assets	0.00%	0.00%
5	Other Short Term Liabilities # to Total Liabilities*	1.46%	1.97%
6	Other Short Term Liabilities # to Total Assets	1.13%	1.55%

vi) Institutional set-up for liquidity risk management:

The Company has an Asset Liability Management Committee (ALCO), a management level committee to handle liquidity risk management. The ALCO meetings are held at periodic intervals. At the apex level, the Risk Management Committee (RMC), a sub-committee of the Board of Directors of the Company, oversees the liquidity risk management. The RMC subsequently updates the Board of Directors on the same.

Amount does not include accrued but not paid interest on borrowing and amortisation of processing fees.

* Total Liabilities does not include Net Worth.

Notes

on Standalone Financial Statements for the year ended March 31, 2022

46 Registration of charges or satisfaction with Registrar of Companies (ROC)

All charges or satisfaction are registered with ROC within the statutory period for the financial years ended March 31, 2022. No charges or satisfactions are yet to be registered with ROC beyond the statutory period.

47 Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended March 31, 2022 and March 31, 2021.

48 Compliance with approved Scheme(s) of Arrangements

The Board of Directors of the Company did not approve any scheme of Arrangements during the financial year ended March 31, 2022 and March 31, 2021.

49 Utilisation of Borrowed funds and share premium

The Company, as part of its normal business, grants loans and advances, makes investment. These transactions are part of Company's normal non-banking finance business, which is conducted ensuring adherence to all regulatory requirements. Other than the transactions described above, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has also not received any fund from any parties (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

50 Undisclosed income

There are no transactions not recorded in the books of accounts.

51 Title deeds of Immovable Properties not held in name of the Company

The Company does not possess any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the Company during the financial year ended March 31, 2022 and March 31, 2021.

52 Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual currency during the financial years ended March 31, 2022 and March 31, 2021.

53 Details of Benami Property Held

No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder in the financial years ended March 31, 2022 and March 31, 2021.

54 Wilful Defaulter

The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender in the financial years ended March 31, 2022 and March 31, 2021.

Notes

on Standalone Financial Statements for the year ended March 31, 2022

55 Relationship with Struck off Companies

The company does not have any transactions with companies whose names have been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 in the financial years ended March 31, 2022 and March 31, 2021.

56 Investment in Associates and Structured Entities

The Company does not have any Associates and Structured Entities.

57 Impact due to COVID-19

Consequent to the outbreak of the Covid-19 pandemic, the Indian government announced a lockdown in March 2020. Subsequently, the national lockdown was lifted by the government for certain activities in a phased manner outside specified containment zones, but regional lockdowns/restrictions continued to be implemented in areas with a significant number of Covid-19 cases.

The impact of Covid-19, including changes in customer behaviour and pandemic fears, as well as restrictions on business and individual activities, has led to significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. The slowdown during the year led to a decrease in loan originations, and collection efficiency. The extent to which the Covid-19 pandemic, including the current "second wave" that has significantly increased the number of cases in India, will continue to impact the Company's operations and estimates related to Impairment of assets including loans to customers, will depend on future developments, including, among other things, any new information concerning the severity of the Covid-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by the Company.

In accordance with Reserve Bank of India guidelines relating to Covid-19 Regulatory package dated March 27, 2020 April 17, 2020 and May 23, 2020, the Company had offered moratorium on the payment of all instalments and/or interest, as applicable, falling due between March 1, 2020 to August 31, 2020 to all eligible borrowers. Further. the Company offered resolution plan to its customers pursuant to RBI's guideline 'Resolution framework for Covid-19 related stress' dated 6 August 2020.

Estimates and associated assumptions applied in preparing these financial statements, especially for determining the impairment allowance for the Company's financial assets (Loans), are based on historical experience and other emerging/forward looking factors on account of the pandemic. The Company believes that the factors considered are reasonable under the current circumstances. The Company has used estimation of potential stress on probability of default and exposure at default due to Covid-19 situation along with the second wave of Covid-19 in developing the estimates and assumptions to assess the impairment loss allowance on Loans. Given the dynamic nature of the pandemic situation, these estimates are subject to uncertainty and maybe affected by severity and duration of the pandemic. In the event the impacts are more severe or prolonged than anticipated, this will have a corresponding impact on the carrying value of financial assets, the financial position and performance of the Company. The Company holds adequate impairment allowances as at March 31,2022 including the potential impact of Covid-19 based on the information available at this point in time."

58 In accordance with the instructions in RBI circular number RBI/2021-22/17 dated April 7, 2021, all lending institutions shall refund / adjust interest on interest' to all borrowers including those who have availed working capital facilities during the moratorium period, irrespective of whether moratorium had been fully or partially availed or not availed. Pursuant to these instructions, the Indian Banks' Association (IBA) in consultation with other industry participants / bodies published the methodology for calculation of the amount of such 'interest on interest/compound interest/penal interest'. Accordingly, the Company has estimated ₹ 160.55 lakhs and made provision for refund/ adjustment as at March 31, 2021.

Notes

on Standalone Financial Statements for the year ended March 31, 2022

59 Note on Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which subsumes the Provident Fund and the Gratuity Act and rules thereunder. The Ministry of Labour and Employment has also released draft rules thereunder on November 13, 2020 and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will evaluate the rules, assess the impact, if any and account for the same once the rules are notified and become effective

60 Previous year's information have been regrouped/reclassified wherever necessary to correspond with current year's classification/disclosure.

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

per Suresh Murarka
Partner
Membership No.044739

Place: Mumbai
Date: May 30, 2022

V.G.K Prasad
Chairman
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Sreepal Jain
Chief Financial Officer

Ch.Sreenivasa Rao
Company Secretary
M.No. ACS14723

Place: Vijayawada
Date: May 30, 2022

Notes

on Standalone Financial Statements for the year ended March 31, 2022

Schedule to Balance Sheet

Particulars		As at March 31, 2022	
		Amount outstanding	Amount overdue
	Liabilities side		
(1)	**Loans and advances availed by the non- banking financial company inclusive of interest accrued thereon but not paid :**		
	(a) Debentures : Secured	11,369.58	-
	: Unsecured	3,816.89	-
	(other than falling within the meaning of public deposits*)		
	(b) Deferred Credits	-	-
	(c) Term Loans	75,900.08	-
	(d) Inter-corporate loans and borrowing	-	-
	(e) Commercial Paper	-	-
	(f) Public Deposits*	-	-
	(g) Other Loans - Subordinate Debts	6,003.45	-
	- Cash Credit	32,691.04	-
	- Securitization Transaction	871.72	-
	* Please see Note 1 below		
(2)	**Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :**		
	(a) In the form of Unsecured debentures	-	-
	(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
	(c) Other public deposits	-	-
	* Please see Note 1 below		
Assets side		**Amount outstanding**	
(3)	**Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :**		
	(a) Secured		1,59,343.81
	(b) Unsecured		-
(4)	**Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities**		
	(i) Lease assets including lease rentals under sundry debtors :		
	(a) Financial lease		-
	(b) Operating lease		-
	(ii) Stock on hire including hire charges under sundry debtors :		
	(a) Assets on hire		-
	(b) Repossessed Assets		-
	(iii) Other loans counting towards asset financing activities		
	(a) Loans where assets have been repossessed		-
	(b) Loans other than (a) above		-
(5)	**Break-up of Investments**		
	Current Investments		
	1. Quoted		
	(i) Shares		
	(a) Equity		-
	(b) Preference		-
	(ii) Debentures and Bonds		-
	(iii) Units of mutual funds		-
	(iv) Government Securities		-
	(v) Others (please specify)		-

Notes

on Standalone Financial Statements for the year ended March 31, 2022

Particulars	As at March 31, 2022	
	Amount outstanding	Amount overdue
2. Unquoted		
(i) Shares		
(a) Equity		-
(b) Preference		-
(ii) Debentures and Bonds		-
(iii) Units of mutual funds		-
(iv) Government Securities		-
(v) Others (please specify)		-
Long Term investments		
1. Quoted		
(i) Share		
(a) Equity		-
(b) Preference		-
(ii) Debentures and Bonds		-
(iii) Units of mutual funds		-
(iv) Government Securities		-
(v) Others (please specify)		-
2. Unquoted		
(i) Shares		
(a) Equity		6,252.92
(b) Preference		-
(ii) Debentures and Bonds		-
(iii) Units of mutual funds		-
(iv) Government Securities		-
(v) Others (please specify)		-

(6) Borrower group-wise classification of assets financed as in (3) and (4) above : Please see Note 2 below		
Category	**Amount net of provisions**	
	Secured	**Unsecured**
1. Related Parties **		
(a) Subsidiaries	-	-
(b) Companies in the same group	-	-
(c) Other related parties	-	-
2. Other than related parties	1,59,343.81	-
Total	**1,59,343.81**	**-**

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted): Please see note 3 below	
Category	**Market Value / Break up or fair value or NAV**
1. Related Parties **	
(a) Subsidiaries	6,252.92
(b) Companies in the same group	-
(c) Other related parties	-
2. Other than related parties	-
Total	**6,252.92**
** As per Accounting Standard of ICAI (Please see Note 3)	

Notes

on Standalone Financial Statements for the year ended March 31, 2022

Particulars	As at March 31, 2022	
	Amount outstanding	Amount overdue
(8) Other information		
Particulars		Amount
(i) Gross Non-Performing Assets		
(a) Related parties		-
(b) Other than related parties		4,338.15
(ii) Net Non-Performing Assets		
(a) Related parties		-
(b) Other than related parties		2,872.84
(iii) Assets acquired in satisfaction of debt		108.01

Notes:

1. As defined in point xxvii of paragraph 3 of Chapter II of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank)Directions, 2016.
2. Provisioning norms shall be applicable as prescribed in Indian Accounting Standards by MCA.
3. All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above.

Independent Auditor's Report

To the Members of
IKF Finance Limited

Report on the audit of Consolidated financial statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of IKF Finance Limited (hereinafter referred to as " the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as " the Group"), which comprise the consolidated Balance Sheet as at March 31, 2022, the consolidated Statement of Profit and Loss, including other comprehensive Income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as " the consolidated financial statements")

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of other auditor on separate financial statements of such subsidiary, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended (" the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, its consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SA), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the consolidated financial statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained along with consideration of audit report of other auditor referred to in the "other matters" paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of matter

We draw attention to Note 62 to the consolidated financial statement in which the Group describes the continuing uncertainties arising from the COVID 19 pandemic. Our report is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the year ended March 31, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description how our audit addressed the matter is provided in that context.

Key audit Matters	How our audit addressed the key audit matter
Impairment of Financial Instruments (expected credit Losses) has been described in Note 2.4.c, 2.6.f and 6 of the financial statements.	
Management estimates impairment provision using Expected Credit loss model for the loan exposure as per the Board approved policy which is in line with Ind AS and the Regulations. Measurement of loan impairment involves application of significant judgement by the management. The most significant judgements are:	• We evaluated the design and operating effectiveness of controls across the processes relevant to ECL, including the judgements and estimates. • We tested the completeness of loans and advances included in the Expected Credit Loss calculations as of March 31, 2022 by reconciling it with the balances as per loan balance register and loan commitment report as on that date.

Key audit Matters	How our audit addressed the key audit matter
• Timely identification and classification of the impaired loans, including classification of assets to stage 1, 2, or 3 using criteria in accordance with Ind AS 109 which also include considering the impact of RBI's regulatory circulars, • The segmentation of financial assets when their ECL is assessed on a collective basis, • Determination of probability of defaults (PD) and loss given defaults (LGD) based on the default history of loans, subsequent recoveries made and other relevant factors and • Assessment of qualitative factors having an impact on the credit risk.	• We tested assets in stage 1, 2 and 3 on sample basis to verify that they were allocated to the appropriate stage. • Tested samples to ascertain the completeness and accuracy of the input data used for determining the PD and LGD rates and agreed the data with underlying books of accounts and records. • For samples of exposure, we tested the appropriateness of determining EAD, PD and LGD. • For exposure determined to be individually impaired, we tested samples of loans and advances and examined management's estimate of future cash flows, assessed their reasonableness and checked the resultant provision calculations. • We performed an overall assessment of the ECL provision levels at each stage including management's assessment and provision on account of Company's portfolio, risk profile, credit risk management practices. • We assessed the adequacy and appropriateness of disclosures in compliance with the Ind AS 107 in relation to ECL especially in relation to judgements used in estimation of ECL provision.

Other Information

The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditors' report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the consolidated financial statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements, that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act. The respective management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the

companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Group or to cease operations or has no realistic alternative but to do so.

The respective management and Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statement.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated financial statement made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statement, including the disclosures, and whether the consolidated financial statement represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial statement of the entities within the Group to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial statement of such entity included in the consolidated financial statement of which we are the independent auditor. For the other entities included in the consolidated financial statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced.

We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit

findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The consolidated financial statement of the Group for the year ended March 31, 2021 were audited by the predecessor auditor. The predecessor auditor had expressed an unmodified opinion vide their report dated July 21, 2021.

The consolidated financial statement include the audited financial statement of one subsidiary, whose financial statement reflect Group's share of total assets (before consolidation adjustments) of ₹ 41,257.43 lakhs as at 31 March 2022, Group's share of total revenue (before consolidation adjustments) of ₹ 5,114.89 lakhs, Group's share of total net profit after tax (before consolidation adjustments) of ₹ 1,000.43 lakhs and Group's share of net cash inflows (before consolidation adjustments) of ₹ 3,605.96 lakhs for the year ended on that date, as considered in the consolidated financial statement, which have been audited by their other independent auditor. The independent auditor's reports on financial statement of the subsidiary have been furnished to us by the management. Our opinion on the consolidated financial statement, in so far as it relates to the amounts and disclosures included in respect of this entity, is based solely on the reports of such auditor and the procedures performed by us as stated in paragraph above.

Our opinion on the consolidated financial statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements and the other financial information of the subsidiary as noted in the 'other matter ' paragraph we report, to the extent applicable, that :

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of financial statements have been kept so far as it appears from our examination of those books and reports of the other auditor;

   (c) The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor who is appointed under Section 139 of the Act, of its subsidiary company, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A";

(g) In our opinion and according to the information and explanation given to us and based on reports of the statutory auditor of such subsidiary company incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary incorporated in India to its directors in accordance with the provisions of and the limits laid down under section 197 read with Schedule V of the Act;

(h) With respect to the other matters to be included in the Auditor 's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements as also the other financial information of the subsidiary as noted in the 'Other matter ' paragraph:

i. The Group does not have any pending litigations which would impact its consolidated financial position;

ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2022;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary, incorporated in India during the year ended March 31, 2022.

iv. (a) The respective Managements of the Company and its subsidiary which are companies incorporated in India, have represented to us that to the best of their knowledge and belief, as disclosed in Note no. 54, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any such subsidiary company, to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any such subsidiary company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Company and its subsidiary which are companies incorporated in India, have represented to us to the best of their knowledge and belief, as disclosed in Note no. 54, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any such subsidiary company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on reasonable audit procedures adopted by us and those performed by the auditors of the subsidiaries, incorporated in India, nothing has come to our notice or other auditors notice that has caused us to believe that the representation under sub clause (i) and (ii) of the Rule 11(e), as provided under (a) and (b) above, contains any material misstatement.

v. The Holding Company and the subsidiary has not declared or paid any dividend during the year and has not proposed final dividend for the year.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and based on our consideration of CARO reports issued by the respective auditors of the company's such subsidiary as referred to in Other Matter paragraph above, we report that there are no qualifications or adverse remarks in these CARO reports.

For **SGCO & CO. LLP**
Chartered Accountants
Firm Reg. No.:- 112081W/W100184

Suresh Murarka
Partner
Membership No. :- 044739
UDIN :- 22044739AJYAXW7961

Place :- Mumbai
Date :- May 30, 2022

Annexure A

REFERRED TO IN PARAGRAPH 2(f) UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

Report on the Internal Financial Controls under Clause (i) of 5ub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of IKF Finance Limited (hereinafter referred to as the " Holding Company") as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary (the Holding Company and its subsidiary together referred to as " the Group"), which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the " Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor, in terms of his report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with Reference to Consolidated financial statements

A Company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely

detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting with Reference to these Consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to these consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to one subsidiary, which is incorporated in India, is based on the corresponding report of the auditor of such subsidiary.

For **SGCO & CO. LLP**
Chartered Accountants
Firm Reg. No.:- 112081W/W100184

Suresh Murarka
Partner
Membership No. :- 044739
UDIN :- 22044739AJYAXW7961

Place :- Mumbai
Date :- May 30, 2022

Consolidated Balance Sheet

as at March 31, 2022

(Currency : ₹ in lakhs)

Particulars	Note No	As at March 31, 2022	As at March 31, 2021
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	3	9,664.31	14,474.42
(b) Bank Balance other than included in (a) above	4	2,533.65	4,164.82
(c) Receivables		-	
(I) Trade receivables	5	28.35	15.88
(d) Loans	6	1,89,210.12	1,58,784.68
(e) Investments	8	-	-
(f) Other financial assets	7	3,193.40	2,017.53
		2,04,629.83	**1,79,457.33**
(2) Non-financial assets			
(a) Current Tax Assets (Net)		200.95	217.94
(b) Deferred Tax Assets (Net)	29	70.34	-
(c) Investment Property	11	114.31	6.47
(d) Property, Plant and Equipment	10	343.00	319.40
(e) Right of use asset	10	19.67	45.71
(f) Intangible assets	12	175.97	207.32
(g) Goodwill		774.47	774.47
(h) Other non-financial assets	9	1,080.22	401.70
		2,778.93	**1,973.01**
Total assets		**2,07,408.76**	**1,81,430.34**
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial liabilities			
(a) Derivative financial instruments		58.68	-
(b) Payables			
(i) Trade payables and other payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(II) total outstanding dues of creditors other than micro enterprises and small enterprises		7.09	23.52
(c) Debt securities	13	23,807.91	43,210.76
(d) Borrowings (other than debt securities)	14	1,32,139.07	92,148.69
(e) Subordinated Liabilities	15	6,003.45	5,986.79
(f) Other financial liabilities	16	3,103.00	3,583.67
		1,65,119.20	**1,44,953.43**
(2) Non-financial liabilities			
(a) Current tax liabilities (Net)			
(b) Provisions	17	345.34	303.22
(c) Deferred tax liabilities (Net)	29	165.35	116.67
(d) Other non-financial liabilities	18	157.27	148.76
		667.96	**640.55**
EQUITY			
(a) Equity share capital	19	5,265.91	5,167.49
(b) Other equity	20	35,780.90	30,169.33
(c) Non-Controlling Interest		574.79	499.54
		41,621.60	**35,836.36**
Total liabilities and equity		**2,07,408.76**	**1,81,430.34**
Significant accounting policies and key accounting estimates and judgments	2		

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

For and on behalf of the Board of Directors of

IKF Finance Limited

CIN: U65992AP1991PLC012736

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number: 112081W/W100184

per Suresh Murarka
Partner
Membership No. 044739

Place: Mumbai
Date: May 30, 2022

V.G.K Prasad
Chairman
DIN: 01817992

Sreepal Jain
Chief Financial Officer

Place: Vijayawada
Date: May 30, 2022

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Ch.Sreenivasa Rao
Company Secretary
M.No. ACS14723

Consolidated Statement of Profit and Loss

for the year ended March 31, 2022

(Currency : ₹ in lakhs)

Particulars		Note No	Year ended March 31, 2022	Year ended March 31, 2021
Revenue From operations				
(i)	Interest income	21	26,301.60	23,422.50
(ii)	Fees and commission income	22	660.15	329.07
(I)	**Total revenue from operations**		**26,961.75**	**23,751.57**
(II)	Other income	23	207.95	57.33
(III)	**Total income (I + II)**		**27,169.70**	**23,808.90**
Expenses				
(i)	Finance costs	24.1	13,617.93	12,865.82
(ii)	Net loss on fair value changes	24.2	3.35	-
(iii)	Impairment on financial instruments	25	513.01	781.57
(iv)	Employee benefits expenses	26	4,650.46	3,438.10
(v)	Depreciation, amortization and impairment	27	190.23	193.18
(vi)	Others expenses	28	1,356.29	1,219.14
(IV)	**Total expenses**		**20,331.27**	**18,497.81**
(V)	**Profit before tax (III - IV)**		**6,838.43**	**5,311.09**
(VI)	**Tax Expense:**			
	(1) Current Tax	29	1,740.28	1,044.15
	(2) Deferred Tax	29	(24.92)	411.32
	(3) Adjustment of tax relating to earlier periods	29	10.06	65.46
			1,725.42	**1,520.93**
(VII)	**Profit for the period (V-VI)**		**5,113.01**	**3,790.16**
(VIII)	**Other comprehensive income**			
	(A) Items that will not be reclassified to profit or loss (specify items and amounts)			
	(a) Remeasurements of the defined benefit plans	30	12.80	16.20
	Income tax relating to items that will not be reclassified to profit or loss		(3.22)	(4.08)
	Other comprehensive income / (loss)		**9.58**	**12.12**
(IX)	**Total comprehensive income for the period (VII + VIII)**		**5,122.59**	**3,802.28**
	Attributable to:			
	Owners of the Company		5,047.32	3,725.04
	Non-controlling interest		75.24	77.24
(X)	**Earnings per share (equity share, par value of ₹ 10 each)**			
	Basic	31	9.89	7.54
	Diluted	31	9.89	7.53
Significant accounting policies and key accounting estimates and judgments		2		

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

For and on behalf of the Board of Directors of

IKF Finance Limited

CIN: U65992AP1991PLC012736

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number: 112081W/W100184

per Suresh Murarka
Partner
Membership No. 044739

Place: Mumbai
Date: May 30, 2022

V.G.K Prasad
Chairman
DIN: 01817992

Sreepal Jain
Chief Financial Officer

Place: Vijayawada
Date: May 30, 2022

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Ch.Sreenivasa Rao
Company Secretary
M.No. ACS14723

Consolidated Cash Flow Statement

for the year ended March 31, 2022

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	6,838.43	5,311.09
Adjustments for:		
Depreciation, amortisation and impairment	190.23	193.18
Interest Income	(26,301.60)	(23,422.49)
Interest expenses	13,617.93	12,865.83
Impairment on financial instrument	513.01	781.57
Net loss on fair value changes	3.35	
Lease equalisation		-
Share based payment expense	(6.03)	13.09
Net gain/(loss) on financial instrument at fair value through profit and loss (FVTPL)		
Net gain/(loss) on financial instrument at amortised categiry		
Provision for expenses	6.60	4.83
Employee benefit expenses	94.59	106.26
Rental income on Investment property	(7.63)	(6.36)
(Profit)/ Loss on sale of property, plant and equipment	(0.07)	(0.14)
(Profit)/ Loss on sale of immovable Property	6.10	
Cash generated from / (used in) operations before working capital changes and adjustments for interest received and interest paid	**(5,045.09)**	**(4,153.14)**
Adjustments for changes in Working Capital :		
Decrease / (Increase) in trade receivable	(12.47)	4.99
Decrease / (Increase) in loans	(38,117.26)	(28,317.25)
Decrease / (Increase) in bank balances other than cash and cash equivalents	1,631.18	(389.89)
Decrease / (Increase) in other financial assets	(5,403.68)	(292.59)
Decrease / (Increase) in other non-financial assets	(678.52)	(77.57)
(Decrease) / Increase in trade payables	(16.43)	5.67
(Decrease) / Increase in other financial liabilities	(458.46)	(125.82)
(Decrease) / Increase in provisions	(30.08)	(17.77)
(Decrease) / Increase in other non-financial liabilities	8.51	(0.60)
Interest received	31,293.07	20,192.84
Interest paid	(13,450.44)	(10,940.08)
	(30,279.68)	**(24,111.21)**
Income tax paid (net of refunds)	(1,805.25)	(1,137.77)
Derivative financial instruments	-	
NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES	**(32,084.93)**	**(25,248.98)**

Consolidated Cash Flow Statement

for the year ended March 31, 2022

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(114.86)	(45.96)
Purchase of Investment property	(224.11)	-
Rental income on Investment property	7.63	6.36
Proceeds from sale of property, plant and equipment	0.08	0.54
Proceeds from sale of Investment property	110.00	
Purchase of intangible assets	(37.27)	(47.95)
ROU Adj	-	-
Purchase of investments measured at cost		
NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES	**(258.54)**	**(87.01)**
CASH FROM FINANCING ACTIVITIES		
Proceeds from issue of equity shares (including securities premium)	714.39	1,015.18
Amount received from debt securities	8,000.00	39,500.00
Repayment of debt securities	(26,783.33)	(3,300.00)
Amount received from borrowings other than debt securities	77,180.00	38,025.08
Repayment of borrowings other than debt securities	(31,541.19)	(38,101.19)
Amount received from subordinated Liabilities	-	2,500.00
Repayment of subordinated debt	-	(3,000.00)
Payment of principal portion of lease liabilities	(31.05)	(51.94)
Payment of interest on lease liabilities	(3.79)	(6.35)
NET CASH GENERATED FROM / (USED IN) FROM FINANCING ACTIVITIES	**27,535.03**	**36,580.78**
Net Increase / (Decrease) in Cash and Cash Equivalents	**(4,808.44)**	**11,244.79**
Cash and Cash Equivalents at the beginning of Year	14,474.42	3,229.63
Cash and Cash Equivalents at the end of the Year	9,664.31	14,474.42

The above Cash Flow Statement has been prepared under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows'.

The above Cash Flow Statement has been prepared under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows'.

As per our report of even date

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number: 112081W/W100184

per Suresh Murarka
Partner
Membership No. 044739

Place: Mumbai
Date: May 30, 2022

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

V.G.K Prasad
Chairman
DIN: 01817992

Sreepal Jain
Chief Financial Officer

Place: Vijayawada
Date: May 30, 2022

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Ch.Sreenivasa Rao
Company Secretary
M.No. ACS14723

Consolidated Statement of Changes in Equity

for the year ended March 31, 2022

A. Equity share capital

Current Reporting Period

Particulars	Balance at the beginning of the current reporting period As at March 31, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the beginning of the current reporting period As at March 31, 2022
Issued, Subscribed and paid up - fully paid (Equity shares of ₹ 10 each, Fully paid-up)	4,747.94	-	4,747.94	517.97	5,265.91
Issued, Subscribed and paid up - partly paid (Equity shares of ₹ 10 each, partly paid-up of 8.10 per share in March 2021	419.55	-	419.55	(419.55)	-

Previous Reporting Period

Particulars	Balance at the beginning of the current reporting period As at March 31, 2020	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the beginning of the current reporting period As at March 31, 2021
Issued, Subscribed and paid up - fully paid (Equity shares of ₹ 10 each, Fully paid-up)	4,747.94	-	4,747.94	-	4,747.94
Issued, Subscribed and paid up - partly paid (Equity shares of ₹ 10 each, partly paid-up of 8.10 per share in March 2021	279.70	-	279.70	139.85	419.55

B. Other equity

(Currency : ₹ in lakhs)

Particulars	Reserves and Surplus						Total
	Statutory Reserve	Capital Reserve	Securities Premium	General Reserve	Share based payment Reserve	Retained Earnings	
Balance at April 01, 2020	**3,713.89**	**32.50**	**9,085.06**	**860.41**	**17.56**	**11,845.59**	**25,555.01**
Profit for the year	-	-	-	-	-	3,712.93	3,712.93
Other comprehensive income for the year	-	-	-	-	-	12.12	12.12
Prior Period items	-	-	-	-	-	0.85	
Total comprehensive income for the year (net of tax)	**-**	**-**	**-**	**-**	**-**	**3,725.89**	**3,725.89**
Transfer to Statutory Reserve	971.97	-	-	-	-	(971.97)	-
Transfer to General Reserve	-	-	-	159.53	-	(159.53)	-
Issue of equity shares	-	-	875.33	-	-	-	875.33
Share based payment expense	-	-	-	-	13.09	-	13.09
Balance at March 31, 2021	**4,685.86**	**32.50**	**9,960.39**	**1,019.94**	**30.65**	**14,440.00**	**30,169.33**

Consolidated Statement of Changes in Equity

for the year ended March 31, 2022

(Currency : ₹ in lakhs)

Particulars	Reserves and Surplus						Total
	Statutory Reserve	Capital Reserve	Securities Premium	General Reserve	Share based payment Reserve	Retained Earnings	
Profit for the year	-	-	-	-	-	5,037.79	5,037.79
Other comprehensive income for the year	-	-	-	-	-	9.58	9.58
Prior Period items	-	-	-	-	-	9.59	9.59
Total comprehensive income for the year (net of tax)	**-**	**-**	**-**	**-**	**-**	**5,056.96**	**5,056.96**
Transfer to Statutory Reserve	1,056.19	-	-	-	-	(1,056.19)	-
Transfer to General Reserve	-	-	-	201.52	-	(201.52)	-
Transfer to Hedge Reserve						(55.33)	(55.33)
Issue of equity shares	-	-	615.97	-	-	-	615.97
Share based payment expense	-	-	-	-	(6.03)	-	(6.03)
Balance at March 31, 2022	**5,742.05**	**32.50**	**10,576.36**	**1,221.46**	**24.62**	**18,183.90**	**35,780.90**

As per our report of even date

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number: 112081W/W100184

per Suresh Murarka
Partner
Membership No. 044739

Place: Mumbai
Date: May 30, 2022

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

V.G.K Prasad
Chairman
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Sreepal Jain
Chief Financial Officer

Ch.Sreenivasa Rao
Company Secretary
M.No. ACS14723

Place: Vijayawada
Date: May 30, 2022

Notes

on Consolidated Financial Statements for the year ended March 31, 2022

1 Company Overview

IKF Finance Limited ('the Company' or 'the Holding Company') is a public company domiciled in India and incorporated under the provision of the Companies Act, 1956. The Company was registered as a non-deposit accepting Non-Banking Financial Company ('NBFC-ND') with the Reserve Bank of India ('RBI') and classified as a Non-Banking Financial Company-Asset Finance Company ('NBFC-AFC') with effect from May 12, 2014.The Company provides finance for commercial vehicles, construction equipment and other loans.

The consolidated financial statements relates to the Company and its subsidiary company IKF Home Finance Limited (IIKFHF) ("together hereinafter referred to as "Group").

1.1 Basis of Consolidation

i. The financial statements of the subsidiary company used in the consolidation are drawn up to the same reporting date as of the Company i.e. year ended March 31, 2022 and are prepared based on the accounting policies consistent with those used by the Company.

ii. Notes to these consolidated financial statements are intended to serve as a means of informative disclosure and a guide to better understanding of the consolidated position of the companies. Recognising this purpose, the Company has disclosed only such notes from the individual financial statements, which fairly present the needed disclosures. The accounting policies, notes and disclosures made by the parent are best viewed in its standalone financial statements.

The consolidated financial statements have been prepared on the following basis:

a. The financial statements of the Company and its subsidiary company has been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. The intra-group balances and intra-group transactions have been fully eliminated except where losses are realized.

b. The excess of cost to the Company of its investments in the subsidiary company over its share of equity of the subsidiary company, at the dates on which the investments in the subsidiary company is made, is recognized as 'Goodwill' being an asset in the consolidated financial statements. Alternatively, where the share of equity in the subsidiary company as on the date of investment is in excess of cost of investment of the Company, it is recognized as 'Capital Reserve' and shown under the head 'Reserves and Surplus', in the consolidated financial statements.

c. Minority interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit / loss for the year of the subsidiaries attributable to minority interest is identified and adjusted against the profit after tax of the Group to arrive at the income attributable to shareholders of the Company.

d. Goodwill arising on consolidation is not amortized but tested for impairment.

Subsidiary Considered in preparation of these consolidated financial statements are as under:

Name of the subsidiary	Country of in corporation	Proportion of ownership
IKF Home Finance Limited	India	92.49%

2 Significant Accounting Policies

2.1 Basis of preparation

The financial statements for the year ended March 31, 2022 have been prepared by the Group in accordance with Indian Accounting Standards ("Ind AS") notified by the Ministry of Corporate Affairs, Government of India under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016, as amended from time to time, in this regard. Any application guidance/ clarifications/ directions issued by RBI or other regulators are implemented as and when they are issued/ applicable.

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2.2 Presentation of Financial Statements

The financial statements are presented as per Division III of the Schedule III to the Companies Act 2013 as amended from time to time, for Non-Banking Financial Companies ('NBFCs') that are required to comply with Ind-AS. The Statement of Cash Flows has been presented as per the requirements of Ind-AS 7 Statement of Cash Flows. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non–current) is presented in Note 34 – Maturity analysis of assets and liabilities.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Group and/or its counterparties

2.3 Basis of Measurement

The financial statements have been prepared under the historical cost convention on the accrual basis except for certain financial instruments, plan assets of defined benefit plans and share based payment plans, which are measured at fair values at the end of each reporting period as explained in the accounting policies below. All amounts disclosed in the financial statements and notes have been rounded off to the nearest ₹ Lakhs in compliance with Schedule III of the Act, unless otherwise stated.

2.4 Significant accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) at the date of the financial statements and the reported amounts of revenues and expenses for the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual results could differ from these estimates. Any revisions to accounting estimates are recognized prospectively in the current and future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Key sources of estimation of uncertainty at the date of financial statements, which may cause a material adjustment to the carrying amount of assets and liabilities within the next financial year are included in the following notes:

a. Business model assessment

Classification and measurement of financial assets depends on the results of the solely payments of principal and interest (SPPI) and the business model test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

b. Effective Interest Rate (EIR) method

The Group recognizes interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loans given / taken.

This estimation, by nature, requires an element of judgement regarding the expected behaviour and lifecycle of the instruments, as well as expected changes to other fee income/expense that are integral parts of the instrument.

c. Impairment of loans portfolio

The measurement of impairment losses on loan assets requires judgement, in estimating

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on Consolidated Financial Statements for the year ended March 31, 2022

the amount and timing of future cash flows and recoverability of collateral values while determining the impairment losses and assessing a significant increase in credit risk.

The Group's Expected Credit Loss (ECL) calculation is the output of a complex model with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL model that are considered accounting judgements and estimates include:

- PD calculation includes historical data, benchmarking, assumptions and expectations of future conditions.
- The Group's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life-time expected credit loss and the qualitative assessment.
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs

It is the Group's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

The impairment loss on loans and advances is disclosed in more detail in Note 6-Loans and Note 41- Risk Management.

d. Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

e. Fair value measurement:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

f. Operating Leases

Group as a lessee:

The Group has applied Ind AS 116 using the partial retrospective approach.

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right to use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the

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present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short term lease

The Group has elected not to recognise right of use asset and lease liabilities for short term leases of property that has lease term of 12 months or less. The Group recognises lease payment associated with these leases as an expense on a straight line basis over lease term.

g. Share based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

2.5 Revenue recognition

a. Interest Income on loans

Interest income is recorded using effective interest rate (EIR) method for all financial assets measured at amortised cost and at fair value through other comprehensive (FVOCI) income.

EIR is the rate that exactly discounts the estimated future cash flows through the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset except for credit impaired asset.

The calculation of the effective interest rate includes transaction costs and fees (loan processing fees, commission paid to direct selling agents and other premiums or discounts) that are an integral part of the contract. Transaction costs include incremental costs that are directly attributable to the acquisition of financial asset.

When a financial asset becomes credit-impaired, the Group calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial asset cures and is no longer credit- impaired, the Group reverts to calculating interest income on a gross basis.

b. Rental Income

Rental income arising from operating leases is recognised on a straight-line basis over the lease term. In cases where the increase is in line with expected general inflation rental income is recognised as per the contractual terms.

Operating leases are leases where the Group does not transfer substantially all of the risk and benefits of ownership of the asset.

c. Interest income on fixed deposits

Interest on fixed deposits is recognised on a time proportion basis taking into account the amount outstanding and the applicable rate.

d. Other income

Other charges including application fees (penal interest, cheque bouncing charges, etc.) are recognised on realization basis.

2.6 Financial instruments

Financial assets and financial liabilities are recognised in the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Recognised financial assets and financial liabilities are initially measured at transaction price, which

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on Consolidated Financial Statements for the year ended March 31, 2022

equates fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

A financial asset and a financial liability are offset and presented on net basis in the balance sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

a. Classification and measurement of Financial assets

Based on the business model, the contractual characteristics of the financial assets and specific elections where appropriate, the Group classifies and measures financial assets in the following categories:

- Amortised cost
- Fair value through other comprehensive income ('FVOCI')
- Fair value through profit and loss ('FVTPL')

Financial assets at amortised cost

Financial assets are measured at amortised cost using the effective interest rate (EIR) if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement and based on the assessment of the business model as asset held to collect contractual cash flows and SPPI, such financial assets are subsequently measured at amortised cost using effective interest rate ('EIR') method. Interest income and impairment expenses are recognised in statement of profit and loss. Any gain or loss on derecognition is also recognised in statement of profit and loss.

The EIR method is a method of calculating the amortised cost of a financial instrument and of allocating interest over the relevant period. The EIR is the rate that exactly discounts estimated future cash flows (including all fees paid or received that form an integral part of the EIR, transaction costs and other premiums or discounts) through the expected life of the instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

The Group records loans at amortised cost.

Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to sole payments of principal and interest on the principal amount outstanding and by selling financial assets.

Movements in the carrying amount of such financial assets are recognised in Other Comprehensive Income ('OCI'), except dividend income and interest income which is recognised in statement of profit and loss. Equity instruments at FVOCI are not subject to an impairment assessment.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

b. Financial Liabilities

Financial liabilities are measured at amortised cost. The carrying amounts are determined based on the EIR method. Interest expense is recognised

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on Consolidated Financial Statements for the year ended March 31, 2022

in statement of profit and loss. Any gain or loss on de-recognition of financial liabilities is also recognised in statement of profit and loss.

c. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group is recognised at the proceeds received, net of directly attributable transaction costs.

d. Reclassification

Financial assets are not reclassified subsequent to their initial recognition, apart from the exceptional circumstances in which the Group acquires, disposes of, or terminates a business line or in the period the Group changes its business model for managing financial assets. Financial liabilities are not reclassified.

e. De-recognition of financial assets and financial liabilities

i. Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Group also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Group has transferred the financial asset if, and only if, either:

i. The Group has transferred its contractual rights to receive cash flows from the financial asset, or

ii. It retains the rights to the cash flows but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement.

Pass-through arrangements are transactions whereby the Group retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

i. The Group has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.

ii. The Group cannot sell or pledge the original asset other than as security to the eventual recipients

The Group has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Group is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

i. The Group has transferred substantially all the risks and rewards of the asset, or

ii. The Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

The Group considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Group has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the

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on Consolidated Financial Statements for the year ended March 31, 2022

extent of the Group's continuing involvement, in which case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

ii. Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying value of the original financial liability and the new financial liability with modified terms is recognised in statement of profit and loss.

f. Impairment of Financial Assets

The Group recognises impairment allowances for Expected Credit Loss (ECL) on all the financial assets that are not measured at FVTPL:

The ECL provision is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss.

The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on financial assets that are possible within the 12 months after the reporting date.

The Group performs an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Group categorises its loans into three stages as described below:

For non-impaired financial instruments

- **Stage 1** is comprised of all non-impaired financial instruments which have not experienced a significant increase in credit risk (SICR) since initial recognition. A 12-month ECL provision is made for stage 1 financial instruments. In assessing whether credit risk has increased significantly, the Group compares the risk of a default occurring on the financial instrument as at the reporting date, with the risk of a default occurring on the financial instrument as at the date of initial recognition.

- **Stage 2** is comprised of all non-impaired financial instruments which have experienced a SICR since initial recognition. The Group recognises lifetime ECL for stage 2 financial instruments. In subsequent reporting periods, if the credit risk of the financial instrument improves such that there is no longer a SICR since initial recognition, then entities shall revert to recognizing 12 months of ECL.

For impaired financial instruments:

Financial instruments are classified as stage 3 when there is objective evidence of impairment as a result of one or more loss events that have occurred after initial recognition with a negative impact on the estimated future cash flows of a loan or a portfolio of loans. The Group recognises lifetime ECL for impaired financial instruments.

The calculation of ECLs

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

Probability of Default (PD)

The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognized and is still in the portfolio. The concept of PD is further explained in Note 41-Risk Management.

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on Consolidated Financial Statements for the year ended March 31, 2022

Exposure at Default - The Exposure at Default is an estimate of the exposure at a future default date, considering expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

Loss Given Default – The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive.

Collateral Valuation

To mitigate its credit risks on financial assets, the Group seeks to use collateral, where possible. The collateral comes in various forms, such as movable and immovable assets, guarantees, etc. However, the fair value of collateral affects the calculation of ECLs. To the extent possible, the Group uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using other methodologies. Non-financial collateral, such as vehicles, is valued based on data provided by third parties or management judgements.

Collateral repossessed

In its normal course of business whenever default occurs, the Group may take possession of properties or other assets in its retail portfolio and generally disposes such assets through auction, to settle outstanding debt. Any surplus funds are returned to the customers/obligors. As a result of this practice, assets under legal repossession processes are not recorded on the balance sheet.

Write-offs

Loans are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when it is determined that the customer does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

g. Derivative Financial Instruments

A derivative is a financial instrument or other contract with all of the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or, other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract (i.e. underlying)
- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts expected to have a similar response to changes in market factors.
- It is settled at future date.
- The Company enters into derivative transactions with various counterparties to hedge its foreign currency risks and interest rate risks. Derivative transaction consists of hedging of foreign exchange transactions, which includes interest rate and currency swaps, interest rate options and forwards. The Company undertakes derivative transactions for hedging on-balance sheet liabilities.

Hedge Accounting:

Initial Recognition and subsequent remeasurement:

The group uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains and losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

h. Determination of fair value

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, the Group measures certain

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categories of financial instruments (as explained in Note 40- Fair Value Measurement) at fair value on each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1 financial instruments - Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Group has access to at the measurement date. The Group considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2 financial instruments - Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Group will classify the instruments as Level 3.

Level 3 financial instruments - Those that include one or more unobservable input that is significant to the measurement as whole.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. No such instances of transfers between levels of the fair value hierarchy were recorded during the reporting period.

2.7 Property, plant and equipment

Property, plant and equipment are carried at cost of acquisition less accumulated depreciation and accumulated impairment loss (if any). The total cost of the asset comprises the purchase price, taxes, duties, freight (net of rebates and discounts) and any other directly attributable costs of bringing the assets to their working condition for their intended use. Borrowing costs directly attributable to acquisition of those assets which necessarily take a substantial period of time to get ready for their intended use are capitalised. Advances paid towards the acquisition of assets outstanding at each balance sheet date are disclosed as other non-financial assets. The cost of assets not ready for their intended use at each balance sheet date is disclosed as capital work-in-progress.

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Depreciation is provided on a straight-line method, over the estimated useful life of each asset as prescribed in Schedule II of the Companies Act, 2013 as follows:

Asset	Useful Life
Building	60 years
Office Equipment	5 years
Furniture and Fixture*	10 years
Computers	3 years
Vehicles (Car, Lorry, Bus)	8 years
Vehicles (Bike, Moped, Cycle)	10 years
Servers	6 years

*Useful life for Furniture and Fixture for IKF Home Finance Limited is 5 Years. For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuers the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

An item of property, plant and equipment, is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment, is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.8 Intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Cost comprise the purchase price and any attributable cost of bringing the asset to its working condition for its intended use

Intangible assets are amortised on a straight line basis over their estimated useful life.

The estimated useful life of intangible assets are as follows:

Asset	Useful Life
Software	6 years

2.9 Impairment of non-financial assets

Assessment is done at each balance sheet date as to whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, the recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting years may no longer exist or may have decreased.

2.10 Employee benefits

Defined Contribution Plan:

The Group has a defined contribution plan for post-employment benefits in the form of Provident Fund. Under the Provident Fund Plan, the Group contributes to a Government administered provident fund / recognized provident fund on behalf of the employees. The Group has no further obligation beyond making the contributions.

The Group's contributions to the above Plan are charged to the Statement of Profit and Loss.

Defined Benefit Plan:

The Group provides for gratuity to all employees. The benefit is in the form of lump sum payments to vested employees on resignation, retirement, or death while in employment or on termination of employment of an amount equivalent to 15 days basic salary payable for each completed year of service as required under 'The Payment of Gratuity Act, 1972'. Vesting occurs upon completion of five years of service.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

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Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non- routine settlements; and
- Net interest expense or income

An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Other Employee Benefits:

The employees of the Group are entitled to compensated absence and deferred compensation as per the policy of the Group, the liability in respect of which is provided, based on an actuarial valuation carried out by an independent actuary as at the year end. The actuarial valuation method used by the independent actuary for measuring the liability is the Projected Unit Credit Method.

Actuarial gains and losses comprise experience adjustments and the effects of changes in the actuarial assumptions are recognized immediately in the Statement of Profit and Loss in the year in which they arise.

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. Unutilised leave balance that accrues to employees as at the year end is charged to the Statement of Profit and Loss on an undiscounted basis.

2.11 Income Taxes

Income-tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income-tax expense is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in equity or in OCI.

(a) Current tax

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961, enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax assets and liabilities are offset only if, the Group:

- has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(b) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are reviewed at each reporting date and based on management's judgement, are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

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The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if the Group:

- has a legally enforceable right to set off current tax assets against current tax liabilities; and
- the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

2.12 Provision and contingencies

A provision is recognised when the Group has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost.

A contract is considered as onerous when the expected economic benefits to be derived by the Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the financial statements.

2.13 Earnings per share

The Group reports basic and diluted earnings per share in accordance with Indian Accounting Standard 33 – "Earnings Per Share". Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share reflects the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by weighted average number of equity shares considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all potential equity shares.

2.14 Cash and cash equivalent

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

2.15 Statement of cash flows

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash future, any deferrals or accruals of past or future operating cash receipts or payments and item of expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

2.16 Share based payments

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting year, based on the Group₹s estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting year, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve.

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3 Cash and cash equivalents

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	107.03	101.42
Balances with banks in current accounts	9,557.28	14,373.00
Total	**9,664.31**	**14,474.42**

4 Bank balance other than cash and cash equivalents

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks to the extent held as margin money*	2,533.65	4,164.82
Total	**2,533.65**	**4,164.82**

*Represent margin money deposits placed to avail term loans from banks, financial institutions and as cash collateral in connection with securitisation transactions.

5 Receivables

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(I) Trade receivables		
Receivables considered good - Unsecured	28.35	44.67
	28.35	**44.67**
Less: Provision for impairment	-	28.79
Total	**28.35**	**15.88**

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person, or from firms or private companies respectively in which any director is a partner, a director or a member.

Trade Receivables Ageing March - 22

Particulars	Less than 6 months	6 months - 1 year	1-2 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	28.35	-	-	-	28.35
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-

Trade Receivables Ageing March - 21

Particulars	Less than 6 months	6 months - 1 year	1-2 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	15.88	-	-	-	15.88
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	3.08	-	21.94	-	28.79
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-

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6 Loans

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Term loans	1,92,822.33	1,62,605.18
(ii) Term loans - related parties	-	-
(iii) Staff loans	35.04	49.69
Total	**1,92,857.37**	**1,62,654.87**
Less: Impairment loss allowance	3,647.25	3,870.19
Total - Net of impairment loss allowance	**1,89,210.12**	**1,58,784.68**
(i) Secured by tangible assets*	1,92,857.37	1,62,654.87
(i) Secured by intangible assets	-	-
(ii) Covered by Bank/ Government Guarantees	-	-
(iii) Unsecured	-	-
Total	**1,92,857.37**	**1,62,654.87**
Less: Impairment loss allowance	3,647.25	3,870.19
Total - Net of impairment loss allowance	**1,89,210.12**	**1,58,784.68**
(i) Public sectors	-	-
(ii) Others	1,92,857.37	1,62,654.87
Total	**1,92,857.37**	**1,62,654.87**
Less: Impairment loss allowance	3,647.25	3,870.19
Total - Net of impairment loss allowance	**1,89,210.12**	**1,58,784.68**
(i) Loans in India	1,92,857.37	1,62,654.87
(ii) Loans outside India	-	-
Total	**1,92,857.37**	**1,62,654.87**
Less: Impairment loss allowance	3,647.25	3,870.19
Total - Net of impairment loss allowance	**1,89,210.12**	**1,58,784.68**

*Secured against hypothecation of automobiles, book debts, equitable mortgage of immovable property etc.

6.1 The table below discloses credit quality and the maximum exposure to credit risk based on the company's year end stage classification. The numbers presented are gross of impairment loss allowance:

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Term loans		
Stage I	1,61,721.80	1,00,018.78
Stage II	26,443.87	58,131.52
Stage III	4,656.66	4,454.88
Total	**1,92,822.33**	**1,62,605.18**

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6.2 Gross movement of loans for the year ended March 31, 2022:

(Currency : ₹ in lakhs)

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount as at April 1, 2021				
Term loans	**1,00,018.78**	**58,131.52**	**4,454.88**	**1,62,605.17**
Staff loans	**49.69**	**-**	**-**	**49.69**
New loans originated during the year				-
Term loans	99,110.41	2,811.58	104.45	1,02,026.44
Staff loans	6.35	-	-	6.35
Inter-stage movements:				
-Term loans				
Transfers to Stage 1	17,773.41	(17,658.73)	(114.68)	-
Transfers to Stage 2	(9,592.88)	9,668.04	(75.16)	-
Transfers to Stage 3	(637.07)	(1,753.03)	2,390.10	-
Interest on stage 3 loans	-	-	113.81	113.81
Amounts written off				
Term loans	(48.00)	(103.66)	(584.28)	(735.96)
Staff loans	-	-	-	-
Assets derecognised or repaid (excluding write offs)				
Term loans	(44,902.85)	(24,651.85)	(1,632.43)	(71,187.13)
Staff loans	(21.00)	-	-	(21.00)
Gross carrying amount as at March 31, 2022				
Term loans	**1,61,721.80**	**26,443.87**	**4,656.66**	**1,92,822.33**
Staff loans	**35.04**	**-**	**-**	**35.04**

6.3 Gross movement of loans for the year ended March 31, 2021:

(Currency : ₹ in lakhs)

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount as at April 1, 2020				
Term loans	**93,253.81**	**45,302.29**	**3,631.91**	**1,42,188.01**
Staff loans	**18.95**	**-**	**-**	**18.95**
New loans originated during the year				-
Term loans	51,712.08	9,162.23	114.71	60,989.02
Staff loans	-	-	-	-
Inter-stage movements:				
-Term loans				
Transfers to Stage 1	10,673.59	(10,208.24)	(465.35)	-
Transfers to Stage 2	(27,586.92)	27,874.85	(287.93)	-
Transfers to Stage 3	(1,351.59)	(2,042.57)	3,394.16	-
Interest on stage 3 loans	-	-	98.96	98.96
Amounts written off				
Term loans	(158.19)	(320.81)	(594.60)	(1,073.60)
Staff loans	-	-	-	-
Assets derecognised or repaid (excluding write offs)				
Term loans	(26,524.00)	(11,636.23)	(1,436.98)	(39,597.21)
Staff loans	30.74	-	-	30.74
Gross carrying amount as at March 31, 2021				
Term loans	**1,00,018.78**	**58,131.52**	**4,454.88**	**1,62,605.18**
Staff loans	**49.69**	**-**	**-**	**49.69**

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6.4 ECL movement of term loans during the year ended March 31, 2022:

(Currency : ₹ in lakhs)

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount as at April 1, 2021	**1,023.56**	**1,582.69**	**1,263.94**	**3,870.19**
New loans originated during the year	861.26	72.22	39.11	972.59
Inter-stage movements:				
Transfers to Stage 1	659.50	(627.85)	(31.64)	-
Transfers to Stage 2	(189.15)	229.21	(40.06)	-
Transfers to Stage 3	(46.96)	(80.56)	127.51	-
Amounts written off	(1.49)	(14.10)	(395.79)	(411.38)
Assets derecognised or repaid (excluding write offs)	(962.22)	(457.66)	635.73	(784.15)
Gross carrying amount as at March 31, 2022	**1,344.50**	**703.95**	**1,598.80**	**3,647.25**

6.5 ECL movement of term loans during the year ended March 31, 2021:

(Currency : ₹ in lakhs)

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount as at April 1, 2020	**1,235.11**	**1,868.77**	**1,061.41**	**4,165.29**
New loans originated during the year	**530.58**	**225.68**	**28.90**	**785.16**
Inter-stage movements:				
Transfers to Stage 1	643.76	(428.75)	(215.01)	-
Transfers to Stage 2	(323.13)	395.00	(71.87)	-
Transfers to Stage 3	(15.56)	(89.36)	104.92	-
Amounts written off	(6.65)	(35.05)	(365.37)	(407.07)
Assets derecognised or repaid (excluding write offs)	(1,040.55)	(353.60)	720.96	(673.19)
Gross carrying amount as at March 31, 2021	**1,023.56**	**1,582.69**	**1,263.94**	**3,870.19**

7 Other Financial Assets

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Rent and utility deposit	299.17	175.11
Excess Interest Spread (EIS) Receivables	2,719.59	1,508.93
Other -unsecured, considered good	174.64	333.49
Total	**3,193.40**	**2,017.53**

8 Investments

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Investment in Equity instruments		
Total (A)	**-**	**-**
(i) Investments in India	-	-
(ii) Investments outside India	-	-
Total (B)	**-**	**-**

*In accordance with the Amendment to the Share Purchase Agreement dated March 23, 2018 executed on October 20, 2018, the company has subscribed to the 2,91,14,747 Equity shares of ₹ 10 each (fully paid) at a premium of ₹ 2.6228 per share in IKF Home Finance Limited during the year ended March 31, 2019.

Further, the company subscribed to the 85,00,000 Equity shares of ₹ 10 each (fully paid) at par on preferential allotment basis in IKF Home Finance Limited during the year ended March 31, 2019.

Further, the company subscribed to the 1,97,89,430 Equity shares of ₹ 10 each with a premium of ₹ 21.52 per Share (Party paid of ₹ 2.77) at par on preferential allotment basis in IKF Home Finance Limited during the year ended March 31, 2022.

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9 Other Non-Financial Assets

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Prepaid expenses	168.34	34.26
Advances to employees	7.04	6.42
GST input credit	404.84	345.10
Other -unsecured, considered good	500.00	15.92
Total	**1,080.22**	**401.70**

10 Property, plant and equipment

(Currency : ₹ in lakhs)

Particulars	Leasehold Improvements	Furniture and Fixtures	Computer & Printer	Office equipment	Vehicles	Total	Right to Use Assets
Gross carrying amount							
As at March 31, 2020	**29.13**	**259.67**	**101.50**	**27.31**	**111.34**	**528.94**	**182.50**
Additions	-	28.57	16.26	1.13	-	45.97	23.21
Disposals	-	-	(0.34)	-	-	(0.34)	(18.21)
As at March 31, 2021	**29.13**	**288.24**	**117.42**	**28.44**	**111.34**	**574.57**	**187.50**
Additions	-	32.55	82.16	0.16	-	114.86	4.92
Disposals	-	-	(0.25)	-	-	(0.25)	(1.67)
As at March 31, 2022	**29.13**	**320.79**	**199.33**	**28.60**	**111.34**	**689.18**	**190.74**
Accumulated depreciation and impairment:							
As at March 31, 2020	**7.66**	**68.07**	**61.19**	**8.06**	**25.53**	**170.50**	**102.76**
Depreciation for the year	2.95	36.43	24.98	4.15	16.07	84.59	49.10
Disposals	-	-	0.06	-	-	0.06	(10.06)
As at March 31, 2021	**10.60**	**104.49**	**86.24**	**12.21**	**41.60**	**255.14**	**141.80**
Depreciation for the year	2.95	40.37	28.69	3.98	15.25	91.24	30.19
Disposals	-	-	(0.20)	-	-	(0.20)	(0.93)
As at March 31, 2022	**13.55**	**144.85**	**114.73**	**16.19**	**56.85**	**346.18**	**171.07**
Net book value							
As at March 31, 2020	21.47	191.60	40.31	19.25	85.81	358.43	79.73
As at March 31, 2021	18.53	183.75	31.18	16.23	69.74	319.40	45.71
As at March 31, 2022	15.58	175.94	84.60	12.41	54.49	343.00	19.67

Note: The Company has not revalued any of its property, plant and equipment during the years ended March 31, 2022 and March 31, 2021. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is nil.

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11 Investment Property

(Currency : ₹ in lakhs)

Particulars	Buildings	Vacant Site	Total
Gross carrying amount			
As at March 31, 2020	**6.98**	**6.98**	**13.96**
Additions	-	-	-
Disposals	-	-	-
As at March 31, 2021	**6.98**	**-**	**6.98**
Additions	-	224.11	224.11
Disposals	-	(116.10)	(116.10)
As at March 31, 2022	**6.98**	**108.01**	**114.99**
As at March 31, 2020	**0.34**	**-**	**0.34**
Depreciation for the year	0.17	-	0.17
Disposals	-	-	-
As at March 31, 2021	**0.51**	**-**	**0.51**
Depreciation for the year	0.17	-	0.17
Disposals	-	-	-
As at March 31, 2022	**0.68**	**-**	**0.68**
Net book value			
As at March 31, 2020	6.64	6.98	13.62
As at March 31, 2021	6.47	-	6.47
As at March 31, 2022	6.30	108.01	114.31

(i) Amounts recognised in Statement of Profit and Loss for Investment Property

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Rental Income	7.63	6.36
Direct operating expense from property that generated rental income		-
Profit from investment properties before depreciation	**7.63**	**6.36**
Depreciation	0.17	0.17
Profit from investment properties	**7.46**	**6.19**

(ii) Contractual obligations

The Company has no contractual obligations to purchase, construct or develop investment property. However, the responsibility for its repairs, maintenance or enhancements is with the Company.

(iii) Pledged details

Investment property pledged in favor of consortium leader central bank for cash credit facility.

(iv) Estimation of fair value

The fair values of investment property is determined by guidance value given by the local government of the area where the investment properties are located.

(v) Revaluation

The Company has not revalued any of its investment property during the years ended March 31, 2022 and March 31, 2021. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is nil.

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12 Intangible assets

(Currency : ₹ in lakhs

Particulars	Computer software
Gross carrying amount	
As at March 31, 2020	**318.68**
Additions	47.95
Disposal	-
As at March 31, 2021	**366.63**
Additions	37.27
Disposal	-
As at March 31, 2022	**403.90**
Accumulated amortisation and impairment	
As at March 31, 2020	**99.99**
Amortisation for the year	59.31
Disposal	-
As at March 31, 2021	**159.30**
Amortisation for the year	68.64
Disposal	-
As at March 31, 2022	**227.93**
Net book value	
As at March 31, 2020	218.69
As at March 31, 2021	207.32
As at March 31, 2022	175.97

Note: The Company has not revalued any of its intangible assets during the years ended March 31, 2022 and March 31, 2021. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is nil.

13 Debt Securities

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
At amortised cost		
Secured		
Non convertible debentures	19,991.02	41,448.94
Unsecured		
Other non convertible debentures	3,816.89	1,761.82
Commercial Paper	-	-
Total	**23,807.91**	**43,210.76**
Debt Securities:		
Within India	23,807.91	43,210.76
Outside India	-	-
Total	**23,807.91**	**43,210.76**

Nature of security

Non convertible debentures (secured)

Non convertible debentures are secured by an exclusive charge by way of hypothecation of specific loan receivable created out of the loan proceeds and mortgage of personal properties of directors in addition to their personal guarantees.

The Company has utilised the funds raised from banks and financial institutions for the specific purpose for which they were borrowed.

The Company has borrowed funds from banks and financial institutions on the basis of security of current assets. It has filed quarterly returns or statements of current assets with banks and financial institutions and the said returns/statements are in agreement with books of accounts.

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Terms of repayment of Debt securities as on March 31, 2022

Original maturity loan	Interest rate	Due within 1 Year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Monthly repayment schedule								
1-7 Years	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Quarterly repayment schedule								
1-5 Years	9.01%-10.00%	-	-	-	-	-	-	-
	10.01%-11.00%	-	-	-	-	-	-	-
	11.01%-12.00%	-	-	-	-	-	-	-
	12.01%-12.50%	5	650.00	-	-	-	-	650.00
Yearly repayment schedule								
1-5 Years	8.51%-9.50%	1	1,250.00	1	5,000.00	-	-	6,250.00
	9.51%-10.50%	1.00	1,500.00	2	6,500.00	-	-	8,000.00
	10.51%-11.50%	-	-	-	-	-	-	-
	11.51%-12.50%	-	-	-	-	-	-	-
Bullet repayment schedule								
1-7 Years	8.51%-9.50%	1	1,250	1	5,000	-	-	6,250.00
	9.51%-10.50%	1	1,500	5	7,500	-	-	9,000.00
	10.51%-11.50%	-	-	4	5,500	-	-	5,500.00
	11.51%-12.50%	-	-	-	-	-	-	-
Total			**4,233.33**	**-**	**18,833.33**	**-**	**-**	**23,066.67**
Add : Interest accrued but not due								832.59
Less : Unamortized Finance Cost								(91.35)
Total Amortized Cost			**4,233.33**		**18,833.33**		**-**	**23,807.91**

Terms of repayment of Debt securities as on March 31, 2021

Original maturity loan	Interest rate	Due within 1 Year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Monthly repayment schedule								
1-7 Years	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Quarterly repayment schedule								
1-5 Years	9.01%-10.00%	3	3,750.00	1	1,250.00	-	-	5,000.00
	10.01%-11.00%	-	-	-	-	-	-	-
	11.01%-12.00%	-	-	-	-	-	-	-
	12.01%-12.50%	8	1,100.00	5	650.00			1,750.00
Yearly repayment schedule								
1-5 Years	8.51%-9.50%	-	-	-	-	-	-	-
	9.51%-10.50%	1	833.33	2	1,666.67	-	-	2,500.00
	10.51%-11.50%	-	-	-	-	-	-	-
	11.51%-12.50%	-	-	-	-	-	-	-
Bullet repayment schedule								
1-7 Years	8.51%-9.50%	3	15,500.00	-	-	-	-	15,500.00
	9.51%-10.50%	-	-	3	6,000.00	-	-	6,000.00
	10.51%-11.50%	2	600.00	3	5,500.00	-	-	6,100.00
	11.51%-12.50%	-	-	1	5,000.00	-	-	5,000.00
Total			**21,783.33**	**-**	**20,066.67**	**-**	**-**	**41,850.00**
Add : Interest accrued but not due								1,496.87
Less : Unamortized Finance Cost								(136.11)
Total Amortized Cost			**21,783.33**		**20,066.67**		**-**	**43,210.76**

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14 Borrowings (other than debt securities)

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
At amortised cost		
Term loans (Secured)		
from banks	74,327.96	43,940.41
from non banking financial companies	10,993.61	8,632.55
from financial institutions	9,426.44	3,825.83
From National Housing Bank (NHB)	3,088.86	2,195.84
Term loans (Un Secured)		
from other parties	-	176.00
Loans repayable on demand (Secured):		
Cash credit from Bank	33,430.48	26,566.40
Associated liabilities in respect of securitisation transactions	871.72	6,811.66
Total	**1,32,139.08**	**92,148.69**
Borrowings:		
Within India	1,32,139.08	92,148.69
Outside India		
Total	**1,32,139.08**	**92,148.69**

Nature of security

Term loans (secured)

Term Loans from bank, financial institutions and NBFCs are secured by an exclusive charge by way of hypothecation of specific loan receivable created out of the loan proceeds and cash collateral by way of fixed deposits and mortgage of personal properties of directors in addition to their personal guarantees.

Loans repayable on demand (Secured)

These loans are secured against the first pari passu charge on current assets, book debts and receivables including loans & advances of the Company as per the agreement. Further, the loan has been guaranteed by personal guarantee of director/promoter to the extent of ₹ 342.20 Cr (March 31, 2021: ₹ 312.20 Cr).

The Company has utilised the funds raised from banks and financial institutions for the specific purpose for which they were borrowed.

The Company has borrowed funds from banks and financial institutions on the basis of security of current assets. It has filed quarterly returns or statements of current assets with banks and financial institutions and the said returns/statements are in agreement with books of accounts.

Terms of repayment of Debt securities as on March 31, 2022

Original maturity loan	Interest rate	Due within 1 Year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Monthly repayment schedule								
1-7 Years	5.00%-6.00%	1	245.00	-	-	-	-	245.00
	6.01%-7.00%	4	5,335.00	-	-	-	-	5,335.00
	7.01%-8.00%	12	930.71	11	869.33	-	-	1,800.04
	8.01%-9.00%	195	9,083.68	422	19,554.25	-	-	28,637.92
	9.01%-10.50%	135	2,699.58	214	3,940.44	-	-	6,640.02
	10.51%-11.50%	23	1,098.13	28	1,166.67	-	-	2,264.80
	11.51%-12.50%	28	1,692.40	-	-	-	-	1,692.40

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Original maturity loan	Interest rate	Due within 1 Year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Quarterly repayment schedule								
1-5 Years	6.00%-7.00%	12	227.40	64	1,208.59	17	427.80	1,863.79
	7.01%-8.00%	6	216.00	25	770.95	-	-	986.95
	8.01%-9.00%	51	10,639.05	109	22,993.69	8	1,571.43	35,204.16
	9.01%-10.50%	19	3,916.72	44	7,314.36	11	366.35	11,597.43
	10.51%-11.50%	19	1,318.24	19	796.59	-	-	2,114.82
	11.51%-12.50%	-	-	-	-	-	-	-
Bullet repayment schedule								
1-14 Years	5.00%-6.00%							-
	9.51%-10.50%							-
	10.51%-11.50%							-
	11.51%-12.50%							-
	>13.50%							-
Repayable on Demand	9.01%-10.50%	-	-	-	-	-	-	-
Total			**37,401.90**		**58,614.86**		**2,365.58**	**98,382.34**
Add : Interest accrued but not due								166.92
Less : Unamortized Finance Cost								(712.39)
Total Amortized Cost			**37,401.90**	**-**	**58,614.86**	**-**	**2,365.58**	**97,836.87**

Terms of repayment of Debt securities as on March 31, 2021

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Monthly repayment schedule								
1-7 Years	6.00%-7.00%	1	860.00	-	-	-	-	860.00
	7.01%-8.00%	20	1,692.66	23	1,821.75	-	-	3,514.41
	8.01%-9.00%	58	1,540.33	132	3,104.31	8.00	4.99	4,649.63
	9.01%-10.50%	92	1,438.38	186	1,543.28	-	-	2,981.66
	10.51%-11.50%	36	1,790.55	17	770.24	-	-	2,560.79
	11.51%-12.50%	84	4,619.98	74	3,551.32	-	-	8,171.30
Quarterly repayment schedule								
1-5 Years	6.00%-7.00%	6	57.00	32	304.00	16.00	139.00	500.00
	7.01%-8.00%	7	269.00	28	933.00	5.00	79.00	1,281.00
	8.01%-9.00%	23	3,850.00	74	12,796.70	1.00	239.88	16,886.58
	9.01%-10.50%	27	4,743.67	34	9,215.89	-	-	13,959.56
	10.51%-11.50%	4	666.67	5	832.99	-	-	1,499.66
	11.51%-12.50%	35	385.26	89	1,241.84	-	-	1,627.10
Bullet repayment schedule								
1-14 Years	5.00%-6.00%	1	420.00	-	-	-	-	420.00
	9.51%-10.50%	-	-	-	-	-	-	-
	10.51%-11.50%	-	-	-	-	-	-	-
	11.51%-12.50%	-	-	-	-	-	-	-
	>13.50%	-	-	-	-	-	-	-
Repayable on Demand	9.01%-10.50%	1	175.00	-	-	-	-	175.00
Total			**22,508.50**		**36,115.32**		**462.87**	**59,086.69**
Add : Interest accrued but not due								67.83
Less : Unamortized Finance Cost								(383.89)
Total Amortized Cost			**22,508.50**	**-**	**36,115.32**	**-**	**462.87**	**58,770.63**

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15 Subordinated Liabilities

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured - At amortised cost		
Non convertible debentures (Tier-II)	4,505.22	4,500.44
Indian rupee loan from banks (Tier-II)	1,498.23	1,486.35
Total	**6,003.45**	**5,986.79**
Subordinated Liabilities:		
Within India	6,003.45	5,986.79
Outside India	-	-
Total	**6,003.45**	**5,986.79**

Terms of repayment of subordinated liabilities as on March 31, 2022

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Bullet repayment schedule								
1-7 Years	11.51%-12.50%	1.00	1,500.00	2	4,500.00			6,000.00
	>13.50%	-	-	-	-	-	-	-
Total					**4,500.00**	**-**	**-**	**6,000.00**
Add : Interest accrued but not due								37.37
Less : Unamortized Finance Cost								(33.92)
Total Amortized Cost					**4,500.00**	**-**	**-**	**6,003.45**

Terms of repayment of subordinated liabilities as on March 31, 2021

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Bullet repayment schedule								
1-7 Years	11.51%-12.50%	-	-	1	1,500.00	-	-	1,500.00
	>13.50%	-	-	1	2,000.00	1	2,500.00	4,500.00
Total					3,500.00	-	2,500.00	6,000.00
Add : Interest accrued but not due								37.71
Less : Unamortized Finance Cost								(50.92)
Total Amortized Cost					**3,500.00**	**-**	**2,500.00**	**5,986.79**

16 Other financial liabilities

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Lease Liabilities	20.09	48.89
Employee benefits payable	237.92	153.10
Expenses payable	4.45	7.66
Other Payables	832.20	675.59
Deposit from franchisees	341.41	501.93
Payable towards securitisation / assignment transactions	1,666.93	2,196.50
Total	**3,103.00**	**3,583.67**

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17 Provisions

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for gratuity	150.63	127.59
Provision for leave benefits	194.71	175.63
Total	**345.34**	**303.22**

18 Other non-financial liabilities

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory dues payable	157.27	148.76
Total	**157.27**	**148.76**

19. Equity share capital

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	Amount	Number	Amount
Authorised Capital				
Equity shares of ₹ 10 each	6,00,00,000	6,000.00	6,00,00,000	6,000.00
Preference shares of ₹ 100 each	25,00,000	2,500.00	25,00,000	2,500.00
	6,25,00,000	**8,500.00**	**6,25,00,000**	**8,500.00**
Issued, subscribed and fully paid-up shares				
Equity Shares of ₹ 10 each fully paid up	4,74,79,379	4,747.94	4,74,79,379	4,747.94
Coverted from Partly Paid to Fully Paid Equity Shares	51,79,688	517.97	-	-
	5,26,59,067	**5,265.91**	**4,74,79,379**	**4,747.94**
Issued, subscribed and fully paid-up shares				
Equity Shares of ₹ 10 each, Fully paid up ₹ 10 per share (Partly paid up ₹ 8.10 per share in March 2021)	51,79,688	517.97	51,79,688	419.55
Converted to Fully Paid Equity Shares	(51,79,688)	(517.97)		
	-	**-**	**51,79,688**	**419.55**
Total	**5,26,59,067**	**5,265.91**	**5,26,59,067**	**5,167.49**

A. Reconciliation of number of shares

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	Amount	Number	Amount
Fully paid equity share of ₹ 10 each				
At the beginning of the year	4,74,79,379	4,747.94	4,74,79,379	4,747.94
Shares issued during the year	-	-	-	-
Coverted from Partly Paid to Fully Paid Equity Shares	51,79,688	517.97		
Outstanding at the end of the year	**5,26,59,067**	**5,265.91**	**4,74,79,379**	**4,747.94**
Partly paid up equity share of ₹ 10 each, partly paid up ₹ 8.10 per share				
(Partly paid up ₹ 5.40 per share in March 2020)				
At the beginning of the year	51,79,688	419.55	51,79,688	279.70
Amount called/Issued during the year	-	98.41	-	139.85
Converted to Fully Paid Equity Shares	(51,79,688)	(517.97)		
Outstanding at the end of the year	**-**	**-**	**51,79,688**	**419.55**

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Notes:

B. Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share fully paid up. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend if and when proposed by the Board of Directors will be subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, if any, in proportion to the number of equity shares held by the shareholder.

C. Details of shareholder(s) holding more than 5% of equity shares in the Company:

(Currency : ₹ in lakhs)

Name of shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of shares held	% Holding	No. of shares held	% Holding
Equity shares of ₹ 10 each fully paid up				
Vupputuri Gopala Kishan Prasad	1,97,43,156	37.49%	1,58,75,616	33.44%
India Business Excellence Fund-IIA	1,30,51,546	24.78%	1,30,51,546	27.49%
Vistra ITCL (India) Limited (formerly known as IL and FS Trust Company Limited) (Trustee of Business Excellence Trust-II - India Business Excellence Fund II)	78,04,018	14.82%	78,04,018	16.44%
Koganti Vasumathi Devi	26,47,266	5.03%	21,31,286	4.49%
Equity Shares of ₹ 10 each, partly paid up ₹ 8.10 per share in March 2021				
Vupputuri Gopala Kishan Prasad	-	0.00%	35,05,821	67.68%
Koganti Vasumathi Devi	-	0.00%	5,15,980	9.96%
Devineni Vasantha Lakshmi	-	0.00%	4,85,677	9.38%
Vupputuri Raghu Ram	-	0.00%	3,50,970	6.78%
Vupputuri Indira Devi	-	0.00%	3,21,240	6.20%

As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

D. Shareholding of Promotors

(Currency : ₹ in lakhs)

Name of shareholder	As at March 31, 2022			As at March 31, 2021		
	No. of Shares	% of Total Shares	% Change during the year	No. of Shares	% of Total Shares	% Change during the year
a. Equity shares of ₹ 10 each fully paid up*						
Vupputuri Gopala Kishan Prasad	1,97,43,156	37.49%	24.36%	1,58,75,616	33.44%	0.05%
Vupputuri Indira Devi	16,48,142	3.13%	24.21%	13,26,902	2.79%	0.00%
Koganti Vasumathi Devi	26,47,266	5.03%	24.21%	21,31,286	4.49%	0.00%
Devineni Vasantha Lakshmi	24,91,794	4.73%	24.21%	20,06,117	4.23%	0.00%
Vupputuri Raghu Ram	18,00,670	3.42%	24.21%	14,49,700	3.05%	0.00%
Durga Rani Chunduri	14,94,100	2.84%	0.00%	14,94,100	3.15%	0.00%
Sinha Satyanand Chunduri	1,17,700	0.22%	0.00%	1,17,700	0.25%	0.00%

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(Currency : ₹ in lakhs)

Name of shareholder	As at March 31, 2022			As at March 31, 2021		
	No. of Shares	% of Total Shares	% Change during the year	No. of Shares	% of Total Shares	% Change during the year
b. Equity shares of ₹ 10 each partly paid up ₹ 8.10 per share in March 2021*						
Vupputuri Gopala Kishan Prasad	-	0.00%	-100%	35,05,821	67.68%	0%
Vupputuri Indira Devi	-	0.00%	-100%	3,21,240	6.20%	0%
Koganti Vasumathi Devi	-	0.00%	-100%	5,15,980	9.96%	0%
Devineni Vasantha Lakshmi	-	0.00%	-100%	4,85,677	9.38%	0%
Vupputuri Raghu Ram	-	0.00%	-100%	3,50,970	6.78%	0%

* Partly paid shares are full paid and converted to fully paid equity shares

E. Aggregate number of equity shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
Equity shares of ₹ 10 each, fully paid up, allotted on conversion of 19,53,125/- 0.01% Compulsorily convertible preference share of ₹ 100 each, Fully paid-up	-	-	-	195.31	-

20. Other equity

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Capital reserve	32.50	32.50
Securities premium reserve	10,576.37	9,960.39
Share Based Payment reserve	24.62	30.65
Statutory Reserve under section 45-IC of the Reserve Bank of India Act, 1934	4,993.50	4,187.41
Statutory Reserve U/s 29C of NHB Act	710.57	460.46
Provision U/s 36(viia) Income tax Act, 1961	37.98	37.98
General reserve	1,221.46	1,019.94
Retained earnings	18,183.90	14,440.00
Total	**35,780.90**	**30,169.33**

A. Nature and purpose of reserve

a. Capital reserve

This reserve was created to record the excess carrying value of optionally convertible debentures provided through securities premium. The excess value is recorded by reversing the capital reserve with corresponding debit to debentures.

b. Securities premium reserve

The securities premium reserve is used to record the premium received on issue of shares. The reserve cab be utilised only for limited purpose such as issuance of bonus shares in accordance with provision of the Companies Act, 2013.

c. Statutory reserve

Reserves created under Section 45IC of The Reserve Bank of India Act, 1934.

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d. Share based payment reserve

The share based payment reserve is used to recognise the grant date fair value of options issued to employees of the Company and its subsidiaries under stock option schemes of the Company.

e. Retained earnings

Retained earnings represents surplus / accumulated earnings of the Company and are available for distribution to shareholders.

B. Movement in Other equity

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
I. Capital Reserve		
Opening balance	32.50	32.50
Add : Share issued during the year	-	-
	32.50	**32.50**
II. Securities premium reserve		
Opening balance	9,960.39	9,085.06
Add : Premium received on issue of securities	615.97	875.33
	10,576.37	**9,960.39**
III. Share Based Payment reserve		
Opening balance	30.65	17.56
Add : During the year	(6.03)	13.09
	24.62	**30.65**
IV. Statutory Reserve under section 45-IC of the Reserve Bank of India Act, 1934		
Opening balance	4,187.41	3,549.31
Add : Transfer from retained earnings	806.09	638.10
	4,993.50	**4,187.41**
V. Statutory Reserve U/s 29C of NHB Act		
Opening balance	460.46	126.60
Add : Transfer from retained earnings	250.11	333.86
	710.57	**460.46**
VI. Provision U/s 36(viia) Income tax Act, 1961		
Opening balance	37.98	37.98
Add : Transfer from retained earnings	-	-
	37.98	**37.98**
VII. General Reserve		
Opening balance	1,019.94	860.41
Add : Transfer from retained earnings	201.52	159.53
	1,221.46	**1,019.94**
VIII. Retained earnings		
Opening balance	14,440.00	11,845.59
Add : Profit for the year	5,037.77	3,712.93
Add : Prior Period items	9.60	0.85
Add : Other comprehensive income	9.58	12.12
Appropriations:		
Transfer to Statutory Reserve u/s 45-IC of the Reserve Bank of India Act, 1934	(806.09)	(638.10)
Transfer to Statutory NHB Reserve	(250.11)	(333.86)
Transfer to Hedge Reserve	(55.33)	
Transfer to General reserve	(201.52)	(159.53)
Total	**18,183.90**	**14,439.99**

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21 Interest income

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
On financial assets measured at amortised cost		
Interest on loans	26,146.27	23,201.48
Interest on deposits with banks	155.33	221.02
Total	**26,301.60**	**23,422.50**

22 Fees and commission income

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Other fees and charges	660.15	329.07
Total	**660.15**	**329.07**

23 Other income

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest on income tax refund	-	7.68
Rental income	7.63	6.36
Miscellaneous Income	200.33	43.29
Total	**207.96**	**57.33**

24.1 Finance costs

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
On financial liabilities measured at amortised cost		
Interest on deposits	70.16	84.87
Interest on borrowings	8,919.18	8,127.92
Interest on commercial paper and bonds	-	-
Interest on debentures	2,788.96	2,237.52
Interest on subordinated liabilities	731.13	843.17
Interest on ICD	-	-
Interest on lease liabilities	3.79	4.77
Interest on securitisation	475.13	1,025.83
Interest on Income tax	-	8.73
Bank Charges	12.96	11.48
Other finance cost	616.61	521.53
Total	**13,617.92**	**12,865.82**

24.2 Net loss on fair value changes

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Net loss on fair value changes	3.35	-
Total	**3.35**	**-**

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25 Impairment on financial instruments

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
On financial instruments measured at amortised cost		
Loans	(222.93)	(295.10)
Trade receivables	(26.21)	3.08
Bad debts and write offs	762.15	1,073.59
Total	**513.01**	**781.57**

26 Employee benefits expenses

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and wages	4,233.65	3,083.94
Contribution to provident and other funds	231.42	169.04
Share based payment to employees	(6.03)	13.09
Staff welfare expenses	96.83	65.77
Gratuity	47.52	39.27
Leave encashment	47.07	66.99
Total	**4,650.46**	**3,438.10**

27 Depreciation, amortization and impairment

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation on property, plant and equipment	121.43	133.70
Depreciation on investment property	0.17	0.17
Amortization of intangible assets	68.63	59.31
Total	**190.23**	**193.18**

28 Other expenses

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Rent	241.29	183.12
Communication cost	70.79	55.57
Travelling and conveyance	142.23	82.69
Rates and taxes	274.65	228.20
Insurance	14.57	9.27
Commission and Brokerage	39.64	26.20
Repairs and maintenance	73.33	62.02
Printing and stationary	32.82	28.17
Payment to auditors (Refer Note 28.1)	35.57	43.50
Advertisement, publicity and sales promotion expenses	3.36	4.19
Operation Cost	69.18	56.29
Legal and professional fees	222.48	174.83
Corporate social responsibility (Refer Note 28.2)	111.78	252.52
Director sitting fees	1.00	-
Loss on sale of property, plant and equipment	-	-
Loss on sale of Investment Property	6.10	-
Miscellaneous expenses	17.51	12.57
Total	**1,356.30**	**1,219.14**

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28.1 Payment to the auditors:

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Auditor's remuneration		
- Audit fees	24.60	33.00
In other capacity	-	-
- Certification services	10.91	9.25
Other of pocket expenses	0.06	1.25
Total	**35.57**	**43.50**

28.2Corporate social responsibility:

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a) Amount required to be spent by the company during the year	104.07	86.40
b) Amount of expenditure incurred		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	111.78	252.52
c) Shortfall at the end of the year	-	-
d) Total of previous years shortfall	-	162.23
e) Net Shortfall	-	-
f) Reason for shortfall	NA	NA
g) Natuure of CSR activities	Disaster relief, Sanitation and Hygiene.	Disaster relief, Sanitation and Hygiene.
h) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard.	-	-
i) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	-	-

29 Income tax

(a) Income tax expense

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
	₹	₹
Current tax		
Current tax on profits for the year	1,740.28	1,044.15
Adjustment for current tax of the prior periods	10.06	65.46
Subtotal (A)	**1,750.34**	**1,109.60**
Deferred tax		
Decrease/(Increase) in deferred tax assets	65.58	25.09
(Decrease)/Increase in deferred tax liabilities	(93.72)	382.14
Subtotal (B)	**(28.16)**	**407.23**
Deferred tax asset/ (liability) relating to items recognised in other Comprehensive Income (C)	(3.22)	(4.09)
Income tax expense for the year (A+B+C)	**1,725.41**	**1,520.93**

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(b) Deferred tax

The major components of deferred tax (liabilities) arising on account of timing differences for the year ended March 31, 2022:

(Currency : ₹ in lakhs)

Particulars	Net balance March 31, 2021	Recognised in profit or loss	Recognised in OCI	Net balance March 31, 2022
Deferred tax assets				
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	75.63	13.83	(3.22)	86.24
Impact of provision for expected credit loss on loans	838.42	(62.70)	-	775.72
Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	2.02	8.70	-	10.72
Impact of leases under Ind AS 116	7.04	(4.22)	-	2.82
EIR impact of financial asssets and liabilities	60.29	(22.89)	-	37.40
Share based payment	7.72	(1.52)	-	6.20
Others				
(A)	**991.12**	**(68.80)**	**(3.22)**	**919.10**
Deferred tax liabilities				
Impact of amortisation of anciallary borrowing cost	119.00	1.56	-	120.56
EIR impact of financial asssets and liabilities	86.49	(46.51)	-	39.98
Impact of direct assignment and securitisaton transactions	821.63	(73.88)	-	747.75
Interest income recognised on stage 3 loans	74.43	28.64	-	103.07
Others	6.24	(3.53)	-	2.71
(B)	**1,107.79**	**(93.72)**	**-**	**1,014.07**
Deferred tax assets (net) (A-B)	**(116.67)**	**24.92**	**(3.22)**	**(94.97)**

The major components of deferred tax (liabilities) arising on account of timing differences for the year ended March 31, 2021:

(Currency : ₹ in lakhs)

Particulars	Net balance March 31, 2020	Recognised in profit or loss	Recognised in OCI	Net balance March 31, 2021
Deferred tax assets				
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	52.47	20.26	(3.38)	69.35
Impact of provision for expected credit loss on loans	781.32	(100.86)	-	680.46
Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	1.96	0.62	-	2.58
Impact of leases under Ind AS 116	1.60	5.11	-	6.71
Share based payment	4.42	3.30	-	7.72
Others	0.25	(0.25)	-	-
(A)	**842.02**	**(71.82)**	**(3.38)**	766.82
Deferred tax liabilities				
Impact of amortisation of anciallary borrowing cost	130.25	(11.25)	-	119.00
Remeasurement of defined benefit plan	0.57	(0.57)		-
EIR impact of financial asssets and liabilities	40.49	46.00	-	86.49
Impact of direct assignment and securitisaton transactions	498.77	322.86	-	821.63
Interest income recognised on stage 3 loans	49.52	24.91	-	74.43
Others	6.05	0.19	-	6.24
(B)	**725.65**	**382.14**	**-**	**1,107.79**
Deferred tax assets (net) (A-B)	**298.70**	**(411.30)**	**(4.07)**	**(116.67)**

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(c) Reconciliation of effective tax rate

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
	₹	₹
Profit before tax as per Statement of profit and loss (A)	6,838.43	5,311.09
Applicable income tax rate	25.17%	25.17%
Expected Income Tax Expense (B)	**1,721.10**	**1,336.70**
Tax effect of:		
Effect of income exempt from tax	(0.55)	(0.45)
Effect of expenses/provisions not deductible in determining taxable profit	39.56	64.15
Effect of differential tax rate	-	-
Adjustment related to tax of prior years	10.06	65.46
Others	(44.77)	55.07
Income tax expense	**1,725.42**	**1,520.93**

30 Employee Benefits

a. Defined contribution plan - provident funds

In accordance with Employees' Provident Fund and Miscellaneous Provisions Act, 1952, employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which, both the employee and the Company contribute monthly at a determined rate. These contributions are made to a recognized provident fund administered by Regional Provident Fund Commissioner. The employees contribute 12% of their basic salary and the Company contributes an equal amount.

The Company recognised ₹ 165.42 lakhs (PY: ₹ 130.81 lakhs) for year ended March 31, 2022, for provident fund and other contributions in the Statement of profit and loss.

b. Defined Benefit Plan - Gratuity

The Company has a defined benefit gratuity plan (unfunded). Every employee who has completed five years or more of service is eligible for gratuity on cessation of employment and it is computed at 15 days salary (last drawn salary) for each completed year of service subject to limit of ₹ 20 lakhs as per The Payment of Gratuity Act. 1972.

The following tables summarizes the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the Balance Sheet for the gratuity plan.

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of obligation (A)	152.37	127.59
Fair Value of plan assets (B)	-	-
Present value of obligation (A-B)	**152.37**	**127.59**

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Obligation expected to be settled in the next 12 months	10.64	7.95
Obligation expected to be settled beyond next 12 months	141.73	119.64

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(Currency : ₹ in lakhs)

Particulars	Defined Benefit Obligation		Fair Value of plan assets		Net defined benefit (asset) liability	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Opening balance	127.59	108.30	-	-	127.59	108.30
Current service cost	40.84	32.01	-	-	40.84	32.01
Past service cost	-	-	-	-	-	-
Interest cost (income)	8.42	7.26	-	-	8.42	7.26
Defined benefit cost included in P&L	**49.26**	**39.27**	**-**	**-**	**49.27**	**39.27**
Other comprehensive income						
Remeasurement loss (gain) due to:						
Demographic assumptions	-	-	-	-	-	-
Financial assumption	(3.69)	(0.70)	-	-	(3.69)	(0.70)
Experience adjustments	(9.11)	(15.50)	-	-	(9.11)	(15.50)
Total remeasurements in OCI	**(12.80)**	**(16.20)**	**-**	**-**	**(12.80)**	**(16.20)**
Others						
Benefits paid	(11.67)	(3.79)	-	-	(11.67)	(3.79)
Closing balance	**152.38**	**127.59**	**-**	**-**	**152.38**	**127.59**

Actuarial assumptions:

The following were the principal actuarial assumptions at the reporting date:

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
IKF FINANCE LIMITED		
Discount rate	7.33%	6.91%
Salary escalation rate	6.00%	6.00%
Withdrawal/attrition rate (based on categories)	9.00%	9.00%
Mortality rate (as % of IALM (2012-14) Ult. Mortality Table)	100.00%	100.00%
Disability rate	0.00%	0.00%
Expected weighted average remaining working lives of employees	24.90 years	23.08 years
IKF HOME FINANCE LIMITED		
Discount rate	7.47%	6.91%
Salary escalation rate	5.00%	5.00%
Withdrawal/attrition rate (based on categories)	5.95%	5.95%
Mortality rate (as % of IALM (2012-14) Ult. Mortality Table)	100.00%	100.00%
Disability rate	0.00%	0.00%
Expected weighted average remaining working lives of employees	25.08 years	24.64 years

Notes:

a) The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields / rates available on applicable bonds as on the current valuation date.

b) The salary growth rate indicated above is the Company's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

c) Attrition rate indicated above represents the Company's best estimate of employee turnover in future (other than on account of retirement, death or disablement) determined considering various factors such as nature of business, retention policy, industry factors, past experience, etc.

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Sensitivity analysis:

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2022		Year ended March 31, 2021	
	Increase	Decrease	Increase	Decrease
Salary escalation Rate (+/- 1%)	164.50	141.45	137.83	118.41
IKF Finance	7.20%	-6.50%	7.40%	-6.70%
IKF Home Finance	11.10%	-9.70%	12.00%	-10.40%
Discount Rate (+/- 1%)	141.61	164.64	118.65	137.76
IKF Finance	-6.60%	7.50%	-6.60%	7.40%
IKF Home Finance	-9.00%	10.40%	-9.80%	11.40%
Withdrawal Rate (+/- 1%)	152.67	151.93	127.30	127.81
IKF Finance	0.20%	-0.20%	-0.20%	0.20%
IKF Home Finance	0.20%	-0.50%	0.20%	-0.40%

The Sensitivity is performed on the defined benefit obligation at the respective valuation date by modifying one parameter whilst retaining other parameters constant. There are no changes from the previous year to the methods and assumptions underlying the sensitivity analyses.

Expected future contributions

The Best Estimate Contribution for the Company during the next year would be ₹ Nil

Expected cash flow for following years:

Maturity Profile of Defined Benefit Obligations

(Currency : ₹ in lakhs)

Year 1	10.64
Year 2	13.25
Year 3	12.98
Year 4	25.49
Year 5	15.54
Year 6	14.78
Year 7	14.07
Year 8	11.36
Year 9	11.37
Year 10	13.10

The weighted average duration of the defined benefit obligation for IKF Finance is 8.03 (for IKF Home Finance is 10.89)

c. Compensated absences :

The Company provides for accumulated compensated absences as at the balance sheet date using projected unit credit method based on actuarial valuation.

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of unfunded obligation	194.71	175.63
Expenses recognised in the Statement of Profit and Loss	47.07	66.99

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31 Earnings per share

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Profit for the year	**5,113.01**	**3,790.16**
Weighted average number of equity shares used in calculating basic earnings per share	516.78	502.80
Effect of potential dilutive Equity Shares on account of unexercised employee stock options	0.23	0.33
Weighted average number of equity shares and potential equity shares used in calculating diluted earnings per share	517.01	503.13
Basic earnings per share	**9.89**	**7.54**
Diluted earnings per share	**9.89**	**7.53**

32 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Promoters of the Company. The Company operates only in one Business Segment i.e. lending, since the nature of the loans are exposed to similar risks and return profiles, hence they are collectively operating under a single segment. Accordingly the Company does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

33 Transfer of financial assets

Transfer of financial assets that are not derecognised in their entirety

(i) Securitisations:

The Company uses securitisations as a source of finance. Such transactions generally result in the transfer of contractual cash flows from portfolios of financial assets to holders of issued debt securities. Securitisation has resulted in the continued recognition of the securitised assets.

The table below outlines the carrying amounts and fair values of all financial assets transferred that are not derecognised in their entirety and associated liabilities.

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Carrying amount of transferred assets measured at amortised cost	1,195.10	13,444.97
Carrying amount of associated liabilities	871.72	6,811.66

The carrying amount of above assets and liabilities is a reasonable approximation of their fair values.

Transfer of financial assets which qualify for derecognition in their entirety

(i) Assignment transaction

The Company has sold loans and advances measured at amortised cost under assignment deals, as a source of finance. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the buyer, the assets have been derecognised from the Company's balance sheet. The gain arising on said transactions are recorded upfront by discounting the future cash flows accruing in the form of differential interest on such assigned loan to their present values.

The table below summarises the carrying amount of the Excess Interest Spread (EIS) receivable on above transaction which are derecognised.

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Carrying amount of EIS receivable	2,719.59	1,508.93

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34 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulars	As at March 31, 2022			As at March 31, 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	9,664.31	-	9,664.31	14,474.42	-	14,474.42
Bank Balance other than cash and cash equivalents	1,274.79	1,258.86	2,533.65	2,813.43	1,351.39	4,164.82
Receivables	-	-	-	-	-	-
(I) Trade receivables	28.35	-	28.35	15.88	-	15.88
(II) Other receivables	-	-	-	-	-	-
Loans	66,607.85	1,22,602.27	1,89,210.12	60,587.70	98,196.97	1,58,784.68
Investments	-	-	-	-	-	-
Other Financial assets	1,026.82	2,166.56	3,193.40	740.37	1,277.16	2,017.53
Sub total	**78,602.13**	**1,26,027.69**	**2,04,629.83**	**78,631.80**	**1,00,825.51**	**1,79,457.33**
Non-financial assets						
Current Tax assets (Net)	183.04	17.91	200.95	217.94	-	217.94
Deferred Tax assets (Net)	-	70.34	70.34	-	-	-
Investment Property	-	114.31	114.31	-	6.47	6.47
Property, plant and equipment	-	343.00	343.00	-	319.43	319.43
Right to Use Assets	-	19.67	19.67	-	45.70	45.70
Other intangible assets	-	175.97	175.97	-	207.32	207.32
Other non-financial assets	10.55	1,069.67	1,080.22	43.62	364.01	407.63
Sub total	**193.59**	**1,810.86**	**2,004.46**	**261.56**	**942.94**	**1,204.50**
Total assets	**78,795.72**	**1,27,838.55**	**2,06,634.28**	**78,893.36**	**1,01,768.45**	**1,80,661.82**
LIABILITIES AND EQUITY						
LIABILITIES						
Financial liabilities						
Derivative Financial Instruments	58.68	-	58.68	-	-	-
Payables						
(I) Trade payables and Other payables						
(i) total outstanding dues of creditors of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	7.09	-	7.09	23.52	-	23.52
Debt Securities	4,532.76	19,275.16	23,807.92	21,857.60	21,353.16	43,210.76
Borrowings (Other than Debt Securities)	72,002.86	60,136.21	1,32,139.08	54,503.45	37,645.24	92,148.70
Subordinated Liabilities	1,537.37	4,466.08	6,003.45	37.70	5,949.09	5,986.79
Other Financial liabilities	2,873.04	229.96	3,103.00	3,290.91	292.76	3,583.67
Sub total	**81,011.80**	**84,107.42**	**1,65,119.22**	**79,713.18**	**65,240.25**	**1,44,953.43**

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Particulars	As at March 31, 2022			As at March 31, 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Non-Financial liabilities						
Current tax liabilities (Net)	-	-	-	71.90	-	71.90
Provisions	31.80	313.55	345.34	27.24	275.99	303.23
Deferred tax liabilities (Net)	-	165.35	165.35	-	116.69	116.69
Other non-financial liabilities	157.27	-	157.27	148.76	-	148.76
Sub total	**189.07**	**478.89**	**667.96**	**247.90**	**392.68**	**640.58**
Total liabilities	**81,200.87**	**84,586.31**	**1,65,787.18**	**79,961.08**	**65,632.93**	**1,45,594.01**

35 Changes in liabilities arising from financing activities

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2021	Cash Flows (net)	Others (net)*	As at March 31, 2022
Subordinated liabilities	5,986.81	-	16.65	6,003.46
Debt securities	43,210.76	(17,950.00)	(1,452.85)	23,807.91
Borrowing other than debt securities	92,148.70	50,018.55	(10,028.18)	1,32,139.07
	1,41,346.26	**32,068.55**	**(11,464.38)**	**1,61,950.44**

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2020	Cash Flows (net)	Others (net)*	As at March 31, 2021
Subordinated liabilities	6,450.76	(500.00)	36.04	5,986.81
Debt securities	6,109.77	36,200.00	900.98	43,210.76
Borrowing other than debt securities	1,02,752.13	(1,551.28)	(9,052.15)	92,148.70
	1,15,312.66	**34,148.72**	**(8,115.13)**	**1,41,346.26**

*Others column includes the effect of accrued but not paid interest on borrowing, amortisation of processing fees and cash flows from securitisation etc.

36 Employee Stock Option Plan (ESOP)

The Company had granted 5,62,860 Equity shares (face value of ₹ 10/- each) under Employee Stock Option Plan 2019 on June 11, 2019 to the employees of IKF Finance Limited. The shares will vest gradually and vesting of these shares is dependent on continued employment with the company.

A. Expenses arising from share-based payment transactions

Total expenses arising from equity - settled share-based payment transaction recognised in profit or loss as part of employee benefit expense for the year ended March 31, 2022 is ₹ (6.03) lakhs (March 31, 2021 - ₹ 13.09 lakhs).

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B. Movement during the year

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year:

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022 Number	As at March 31, 2022 WAEP	As at March 31, 2021 Number	As at March 31, 2021 WAEP
Outstanding at 1 April	3,56,930.00	120.00	4,75,550.00	120.00
Granted during the year	-	-	-	-
Forfeited during the year	1,50,930.00	120.00	1,18,620.00	120.00
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at 31 March	2,06,000.00	120.00	3,56,930.00	120.00
Exercisable at 31 March	92,700.00	120.00	71,386.00	120.00

No Share options granted during the year. No options were vested or exercised during the year.

The weighted average remaining contractual life for the share options outstanding as at March 31, 2022 is 0.58 years (March 31, 2021: 1.25 years).

The weighted average fair value of options granted during the year ending March 31, 2020 was 14.79.

C. Fair value of options granted

The weighted average fair value of options granted during the year ending March 31, 2020 was 14.79. The fair value of options was determined using the Black Scholes Model using the following inputs as follows:

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Weighted average fair values at the measurement date	14.79	14.79
Expected volatility (%)	0.36%	0.36%
Risk–free interest rate (%)	4.50%	4.50%
Expected life of share options/SARs (years)	1.30 years to 4.30 years	1.30 years to 4.30 years
Weighted average share price (₹)	120.00	120.00

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information..

37 Contingent liabilities and commitments

In the ordinary course of business, the Company faces claims and assertions by various parties. The Company assesses such claims and assertions and monitors the legal environment on an ongoing basis, with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

The Company believes that the outcome of these proceedings will not have a materially adverse effect on the Company's financial position and results of operations.

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37.1 Contingent Liability

There are no Contingent Liabilities as on March 31, 2022 (March 31, 2021: ₹ 0.)

37.2 Commitment

There are no commitment as on March 31, 2022 (March 31, 2021: ₹ 0.)

38 Leases

Company as a Lessee

The Company's lease asset classes primarily consist of leases for office spaces. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:(i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases). For these short-term leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Following are the changes in the carrying value of right of use assets:

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening	45.71	79.73
Additions	4.92	23.22
Deletion	(0.78)	(8.14)
Depreciation	(30.18)	(49.10)
Closing Balance	**19.67**	**45.71**

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The following is the movement in lease liabilities:

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning	48.89	86.30
Additions	4.80	22.54
Finance cost accrued during the period	3.79	6.35
Payment of lease liabilities	(36.39)	(66.30)
Balance at the end	**21.09**	**48.89**

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Less than 3 months	3.74	11.77
Over 3 months & upto 6 months	3.93	11.81
Over 6 months & upto 1 year	5.68	23.61
Over 1 year & upto 3 years	14.72	56.20
Over 3 years	6.41	20.40

The following are the amounts recognised in statement of profit or loss:

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Depreciation expense of right-of-use assets	30.19	49.10
Interest expense on lease liabilities	3.79	6.35
Expense relating to short-term leases	241.29	183.12
Total amount recognised in profit or loss	**275.27**	**238.57**

Future Commitments:

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022
Future undiscounted lease payments for which the leases have not yet commenced	-

Extension / Termination Options:

Some of the leases contain extension and termination options. Such options are taken into account in the determination of the lease term only if extension or non-termination can be assumed with reasonable certainty. On this basis, there were no such amounts included in the measurement of lease liabilities as at March 31, 2021.

39 Capital Management

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximise the shareholder value. The Group monitors capital in accordance with the capital adequacy ratio prescribed by the Reserve Bank of India ("RBI")/ National Housing Bank ("NHB") as applicable.

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40 Fair Value Measurement:

A. Valuation Principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques:

Level 1 - Valuation technique using quoted market price: financial instruments with quoted prices for identical instruments in active markets that Company can access at the measurement date.

Level 2 - Valuation technique using observable inputs: Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life.

Level 3 - Valuation technique with significant unobservable inputs: Those that include one or more unobservable input that is significant to the measurement as whole.

B. Fair value of financial instrument not measured at fair value:

The table below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non-financial assets and non-financial liabilities.

(Currency : ₹ in lakhs)

Particulars	Level	Carrying value		Fair value	
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Financial Assets					
Cash and cash equivalents	1	9,664.31	14,474.42	9,664.31	14,474.42
Bank Balance other than cash and cash equivalents	1	2,533.65	4,164.82	2,533.65	4,164.82
Trade receivables	3	28.35	15.87	28.35	15.87
Loans	3	1,89,210.12	1,58,784.68	1,93,909.76	1,63,371.04
Rent and utility deposits	3	299.17	175.11	299.17	175.11
EIS receivable	3	2,719.59	1,508.93	2,719.59	1,508.93
Other financial assets	3	174.64	333.50	174.64	333.50
		2,04,629.83	**1,79,457.33**	**2,09,329.47**	**1,84,043.69**
Financial Liabilities					
Derivative financial instruments	3	58.68	-	58.68	-
Trade Payables	3	7.09	23.52	7.09	23.52
Debt securities	3	23,807.91	43,210.76	24,127.77	44,241.40
Borrowings (other than debt securities)	3	1,32,139.07	92,148.69	1,32,136.20	92,214.74
Subordinated Liabilities	3	6,003.45	5,986.79	6,099.99	6,045.49
Other financial liabilities	3	3,103.00	3,583.67	3,103.00	3,583.67
Total Financial liabilities		**1,65,119.19**	**1,44,953.43**	**1,65,532.73**	**1,46,108.81**

Valuation Methodologies of Financial Instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables and, as such, may differ from the techniques and assumptions explained in notes.

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Short Term Financial Assets and Liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, bank balance other than cash and cash equivalents, trade receivables, rent and utility deposits and other financial liabilities.

Loans and advances to customers

The fair values of loans are estimated by discounted cash flow models based on contractual cash flows using actual or estimated yields.

Borrowings other than debt securities, Debt securities and Subordinated liabilities

The fair value of issued debt is estimated by a discounted cash flow model incorporating the Company's own credit risk.

EIS receivable

EIS receivable is calculated by discounting the contractual future cash flows. The carrying value closely approximates its fair value.

c. The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy

(Currency : ₹ in lakhs)

Particulars	Level	As at March 31, 2022	As at March 31, 2021
Assets measured at fair value on recurring basis			
Assets measured at fair value through profit or loss		-	-
Investments			
Debt securities		-	-
Certificate of deposits		-	-
Total assets measured at fair value on a recurring basis (a)		-	-
Assets measured at fair value on a non recurring basis			
Assets held for sale		-	-
Total assets measured at fair value on a non recurring basis (b)		-	-
Total assets measured at fair value (a)+(b)		-	-
Liabilities measured at fair value through profit or loss			
Derivative financial instruments			
Forward contracts and currency swaps	3	3.35	-
Interest rate swaps		-	-
Total liabilities measured at fair value through profit or loss		3.35	-

41 Risk management

Risk is an integral part of the Company's business and sound risk management is critical to the success. As a financial intermediary, the Company is exposed to risks that are particular to its lending and the environment within which it operates and primarily includes credit, liquidity and market risks. The Board of Directors of the Company are responsible for the overall risk management approach and for approving the risk management strategies and principles. The Company has a risk management policy which covers all the risk associated with its assets and liabilities.

41.1 Introduction and Risk Profile

Risk management and mitigation

The Company's risks are measured using a method that reflects both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the ultimate actual loss. The models make use of probabilities derived from historical experience, adjusted to reflect the economic environment, as necessary.

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The Company's policy is to measure and monitor the overall risk-bearing capacity in relation to the aggregate risk exposure across all risk types and activities.

It is the Company's policy to ensure that a robust risk awareness is embedded in its organisational risk culture. Employees are expected to take ownership and be accountable for the risks the Company is exposed to that they decide to take on. The Company's continuous training and development emphasises that employees are made aware of the Company's risk appetite and they are supported in their roles and responsibilities to monitor and keep their exposure to risk within the Company's risk appetite limits.

The Company is generally exposed to credit risk, liquidity risk, market risk, prepayment risk and operational risk.

41.2 Credit Risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical concentrations, and by monitoring exposures in relation to such limits.

Credit risk is monitored by the credit department of the Company. It is their responsibility to review and manage credit risk. Credit risk consists of line credit managers who are responsible for their business lines and manage specific portfolios and experts who support both the line credit manager, as well as the business with tools like credit risk systems, policies, models and reporting.

The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

Impairment assessment

The references below show where the Company's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the summary of significant accounting policies.

Definition of default and cure

The Company considers a financial instrument as defaulted and therefore Stage 3 (credit-impaired) for Expected Credit Loss (ECL) calculations in all cases when the borrower becomes more than 3 months past due on its contractual payments.

The staging criteria used by the Company is as below:

Loans months past due	Stage
Upto 1 month	Stage 1
Between 1 month to 3 months	Stage 2
More than 3 months	Stage 3

The Company considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes past due for more than 3 months on its contractual payments.

It is the Company's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage 3 when the due amount have been paid. The decision whether to classify an asset as Stage 2 or Stage 1 once cured depends on the updated credit grade, at the time of the cure, and whether this indicates there has been a significant increase in credit risk compared to initial recognition.

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Exposure at default (EAD)

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the ability to increase its exposure while approaching default and potential early repayments too.

To calculate the EAD for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12 months ECL.

For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments.

Probability of default (PD)

The Probability of Default is an estimate of the likelihood of default over a given time horizon. To calculate the ECL for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12month ECL. For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments. The Company uses historical information wherever available to determine PD.

Loss given Default (LGD)

LGD is the estimated loss that the Company might bear if the borrower defaults. The Company determines its recovery (net present value) by analysing the recovery trends, borrower rating, collateral value and expected proceeds from sale of asset.

LGD Rates have been computed internally based on the discounted recoveries in defaulted accounts that are closed/ written off/ repossessed and upgraded during the year.

When estimating ECLs on a collective basis for a group of similar assets, the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

Significant increase in credit risk

The Company continuously monitors all assets subject to ECLs in order to determine whether an instrument or a portfolio of instruments is subject to 12 month ECL or lifetime ECL. The Company assesses whether there has been an event which could cause a significantly increase in the credit risk of the underlying asset or the customers ability to pay and accordingly change the 12 month ECL to a lifetime ECL.

If contractual payments are more than 30 days past due, the credit risk is deemed to have increased significantly since initial recognition..

Concentration of Credit Risk

Company's loan portfolio is predominantly to finance commercial vehicle loans. The Company manages concentration of risk primarily by geographical region. The following tables show the region-wise concentrations of net terms loans.

(Currency : ₹ in lakhs)

Geography	As at March 31, 2022	As at March 31, 2021
West	45,578.55	42,322.24
Central	5,531.19	6,492.54
South	1,41,712.59	1,13,790.40
	1,92,822.33	**1,62,605.18**

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Quantitative Information of Collateral

Net value of total term loans to value of collateral is as follows:

As at March 31, 2022	Loan to value			
	Upto 50%	51%-70%	More than 70%	Total
Cars & Muvs	1,224.12	19,288.11	10,382.32	30,894.55
Commercial Vehicles	2,350.49	28,154.20	14,292.21	44,796.91
Construction Equipment	3,477.80	14,367.04	12,146.46	29,991.30
Three Wheeler	48.26	9,201.86	1,808.16	11,058.28
Tractor	203.45	2,018.47	381.49	2,603.41
Two Wheeler	1,139.12	1,041.94	772.97	2,954.04
SME	6,491.94	4,304.85	26,213.51	37,010.29
Home Loans	13,260.55	7,638.59	5,661.21	26,560.34
Loans Against Property	5,066.76	1,886.45	-	6,953.21
Total	**33,262.49**	**87,901.51**	**71,658.33**	**1,92,822.33**

As at March 31, 2021	Loan to value			
	Upto 50%	51%-70%	More than 70%	Total
Cars & Muvs	1,475.04	17,088.34	10,415.64	28,979.02
Commercial Vehicles	2,846.46	26,384.55	17,298.21	46,529.22
Construction Equipment	2,629.76	12,684.50	9,532.23	24,846.49
Three Wheeler	198.06	3,845.42	3,522.54	7,566.02
Tractor	249.65	1,830.33	452.67	2,532.65
Two Wheeler	2,546.55	1,141.39	5,484.31	9,172.25
SME	5,558.32	4,831.23	13,338.84	23,728.39
Home Loans	7,423.24	5,308.61	1,648.45	14,380.31
Loans Against Property	3,423.64	1,447.19	-	4,870.83
Total	**26,350.71**	**74,561.58**	**61,692.88**	**1,62,605.18**

41.3 Liquidity Risk

In assessing the Company's liquidity position, consideration shall be given to: (1) present and anticipated asset quality (2) present and future earnings capacity (3) historical funding requirements (4) current liquidity position (5) anticipated future funding needs, and (6) sources of funds. The Company maintains a portfolio of marketable assets that are assumed to be easily liquidated and undrawn cash credit limits which can be used in the event of an unforeseen interruption in cash flow. The Company also enters into securitization deals (direct assignment as well as pass through certificates) of their loan portfolio, the funding from which can be accessed to meet liquidity needs. Net liquid assets consist of cash and short–term bank deposits. Borrowings from banks and financial institutions and issue of Non convertible debentures are considered as important sources of funds to finance lending to customers.

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Analysis of financial assets and liabilities by remaining contractual maturities:

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at March 31, 2022.

(Currency : ₹ in lakhs)

Particulars	Less than 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years	Total
Financial assets						
Cash and cash equivalents	9,664.31	-	-	-	-	9,664.31
Bank Balance other than included in (a) above	267.49	906.32	122.85	999.25	325.00	2,620.91
Trade receivables	28.35	-	-	-	-	28.35
Loans	33,001.98	19,577.19	34,008.99	99,087.66	45,377.40	2,31,053.21
Investments	-	-	-	-	6,252.92	6,252.92
Other financial assets	548.52	304.80	465.72	507.25	1,690.74	3,517.03
Total undiscounted financial assets	**43,510.65**	**20,788.31**	**34,597.56**	**1,00,594.16**	**53,646.06**	**2,53,136.73**
Financial liabilities						
Derivative Financial Instruments	58.68	-	-	-	-	58.68
Trade payables	8.84	-	-	-	-	8.84
Other payables	-	-	-	-	-	-
Subordinated Liabilities	198.70	1,696.45	304.02	1,221.46	5,084.17	8,504.80
Debt securities	1,949.37	1,210.81	2,640.40	20,085.06	-	25,885.64
Borrowings (other than debt securities)	14,925.73	11,994.62	52,883.78	54,335.51	10,540.54	1,44,680.17
Deposits	-	-	-	-	-	-
Other financial liabilities	2,787.82	18.60	77.09	275.92	8.48	3,167.90
Total undiscounted financial liabilities	**19,929.14**	**14,920.48**	**55,905.29**	**75,917.95**	**15,633.19**	**1,82,306.03**
Net undiscounted financial assets / (liabilities)	**23,581.51**	**5,867.83**	**(21,307.73)**	**24,676.21**	**38,012.87**	**70,830.70**

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at March 31, 2021.

(Currency : ₹ in lakhs)

Particulars	Less than 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years	Total
Financial assets						
Cash and cash equivalents	11,793.28	-	-	-	-	11,793.28
Bank Balance other than included in (a) above	271.56	1,935.22	743.51	1,192.56	-	4,142.85
Trade receivables	49.39	-	-	-	-	49.39
Loans	29,462.88	18,308.32	33,152.96	83,990.23	19,975.91	1,84,890.30
Investments	-	-	-	-	4,525.10	4,525.10
Other financial assets	449.50	100.40	149.38	164.06	147.92	1,011.26
Total undiscounted financial assets	**42,026.61**	**20,343.94**	**34,045.85**	**85,346.85**	**24,648.93**	**2,06,412.18**

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(Currency : ₹ in lakhs)

Particulars	Less than 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years	Total
Financial liabilities						
Trade payables	-	-	-	-	-	-
Other payables	-	-	-	-	-	-
Subordinated Liabilities	201.19	203.52	395.54	2,820.05	5,693.40	9,313.70
Debt securities	1,625.02	1,827.57	21,283.72	13,376.58	-	38,112.89
Borrowings (other than debt securities)	12,291.50	9,611.61	36,989.50	29,768.40	8,285.65	96,946.66
Deposits	-	-	-	-	-	-
Other financial liabilities	2,254.43	38.07	109.12	361.53	-	2,763.15
Total undiscounted financial liabilities	**16,372.14**	**11,680.77**	**58,777.88**	**46,326.56**	**13,979.05**	**1,47,136.40**
Net undiscounted financial assets / (liabilities)	**25,654.47**	**8,663.17**	**(24,732.03)**	**39,020.29**	**10,669.88**	**59,275.78**

The table below shows the contractual expiry by maturity of the Company's contingent liabilities and commitments. Each undrawn loan commitment is included in the time band containing the earliest date it can be drawn down.

Particulars	On demand	Less than 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years
As at March 31, 2022						
Guarantees and counter guarantees	-	-	-	-	-	-
Estimated amount of contracts remaining to be executed on capital account, net of advances	-	-	-	-	-	-
Total commitments	**-**	**-**	**-**	**-**	**-**	**-**
As at March 31, 2021						
Guarantees and counter guarantees	-	-	-	-	-	-
Estimated amount of contracts remaining to be executed on capital account, net of advances	-	-	-	-	-	-
Total commitments	**-**	**-**	**-**	**-**	**-**	**-**

41.4 Market Risk

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity, and other market changes. The objective of market risk management is to avoid excessive exposure of our earnings and equity to loss and reduce our exposure to the volatility inherent in financial instruments. There are broadly two types of market risks: (1) Interest rate risk, and (2) Price risk. The Company has not made investments in quoted equity instruments or other quoted investments and hence is not exposed to Equity price risk. Interest rate risk is discussed below:

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is subject to interest rate risk, primarily since it lends to customers at fixed rates and for maturity periods shorter than the funding sources.

Notes

on Consolidated Financial Statements for the year ended March 31, 2022

The Company has taken borrowings at floating rates gives rise to interest rate risk. Interest rates are highly sensitive to many factors beyond control, including the monetary policies of the Reserve Bank of India, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. In order to manage interest rate risk, the Company seek to optimize borrowing profile between short-term and long-term loans. The Company adopts funding strategies to ensure diversified resource-raising options to minimize cost and maximize stability of funds. Assets and liabilities are categorized into various time buckets based on their maturities. The Interest Rate Risk is mitigated by availing funds at very competitive rates through diversified borrowings and for different tenors.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the portion of borrowings affected. With all other variables held constant, the profit before taxes affected through the impact on floating rate borrowings are as follows:

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
On Floating Rate Borrowings:		
1% increase in interest rates	(550.43)	(377.29)
1% decrease in interest rates	550.22	377.26

41.5 Prepayment risk

Prepayment risk is the risk that the Company will incur a financial loss because its customers and counterparties repay or request repayment earlier or later than expected, such as fixed rate loans like ours when interest rates fall.

41.6 Operational and business risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

41.7 Currency Risk

The Company is exposed to currency risk on account of its borrowings in foreign currency. The fluctuation currency of the Company is Indian Rupee. The Company uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date.

The Company does not use derivative financial instruments for trading or speculative purposes.

Following are the forward contracts to hedge the foreign exchange rate as March 31, 2022 and March 31, 2021.

Particulars	purpose	Currency	Cross Currency	As at March 31, 2022	As at March 31, 2021
Forward Conracts	Term Loan	USD	₹	3	NA

Notes

on Consolidated Financial Statements for the year ended March 31, 2022

42 Related Party Disclosure

a. Name of related party and nature of relationship:

Enterprises having a significant influence	India Business Excellence Fund - IIA Vistra ITCL (india) Limied (formerly known as IL and FS trust Company Limited) (Trustee of Business Excellence Trust - II - India Business Excellence Fund - II)
Subsidiary	IKF Home Finance Limited (formerly known as IKF Housing Finance Private Limited)
Enterprises in which directors are interested	SVR Finance & Leasing Private Limited
Enterprises significantly influenced by Key Management Personnel and their relatives	IKF Infratech Private Limited
Relative of Key Management Personnel	Mrs. D. Vasantha Lakshmi - Managing Director (IKF Home Finance Limited) Mr. V. Raghu Ram Mr. Sinha Satyanand Chunduri Mrs. Durga Rani Chunduri
Key Management Personnel (KMP)	Mr V.G.K.Prasad – Chairman Mrs. V. Indira Devi – Whole time Director Mrs. K Vasumathi Devi – Managing Director Mr.Sreepal Gulabchand Jain – Chief Financial Officer Mr. Ch.Sreenivasa Rao – Company Secretary Mr. Vishal Kumar Joshi – Company Secretary (IKF Home Finance Limited)

Notes

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b. Transaction with related parties:

Name of related party	Nature of transaction	For the FY 2021					For the FY 2022			
		As at March 31, 2020	Transaction value for the year ended March 31, 2021	Received During the year	Paid During the year	As at March 31, 2021	Transaction value for the year ended March 31, 2022	Received During the year	Paid During the Year	As at March 31, 2022
Key management personnel										
Mr. V G K Prasad	Rent paid	-	20.33	-	-	-	21.60	-	-	-
	Director's remuneration	-	70.00	-	-	-	75.83	-	-	-
	Director Commission Payable	35.66	41.55	-	35.66	41.55	51.02	-	41.55	51.02
	Rent deposit given	50.00	-	-	-	50.00	-	-	-	50.00
	Advance Received	-	-	(344.85)	344.85	-	-	-	-	-
	Interest paid on advance	-	0.64	-	-	-	-	-	-	-
	Share Capital (₹ 10/- Paid up)	1586.79 *	-	-	-	1587.56*	-	-	-	1974.32*
	Partly paid up shares (₹ 10 Paid Up) **	189.31	-	94.66	-	283.97	-	66.61	-	-
	Premium on partly paid up shares **	1,184.92	-	592.46	-	1,777.38	-	416.92	-	-
	Partly paid up shares (₹ 5.00 Paid Up) in IKF Home Finance	236.89	-	-	-	236.89	-	-	-	236.89
	Unsecured Loan in IKF Home Finance	-	0.74	118.45	-	119.19	-	-	119.19	-
Mrs. V Indira Devi	Rent paid	-	43.56	-	-	-	48.00	-	-	-
	Director's remuneration	-	30.00	-	-	-	32.50	-	-	-
	Director Commission Payable	15.18	17.68	-	15.18	17.68	21.71	-	17.68	21.71
	Rent deposit given	38.50	-	-	-	38.50	-	-	-	38.50
	Share Capital (₹ 10/- Paid up)	132.69	-	-	-	132.69	-	-	-	164.81
	Partly paid up shares (₹ 10 Paid Up) **	17.35	-	8.67	-	26.02	-	6.10	-	-
	Premium Received on Allotment of Partly Paid up Shares **	108.57	-	54.29	-	162.86	-	38.20	-	-
	Partly paid up shares (₹ 5.00 Paid Up) in IKF Home Finance	21.71	-	-	-	21.71	-	-	-	21.71
	Unsecured Loan in IKF Home Finance	-	0.07	10.85	-	10.92	-	-	10.92	-
Mrs.K.Vasumathi Devi	Director's remuneration	-	50.00	-	-	-	54.17	-	-	-
	Director Commission Payable	25.04	29.17	-	25.04	29.17	35.82	-	-	64.99
	Share Capital (₹ 10/- Paid up)	213.13	-	-	-	213.13	-	-	-	264.73
	Partly paid up shares (₹ 10 Paid Up) **	27.86	-	13.93	-	41.79	-	9.80	-	-
	Premium Received on Allotment of Partly Paid up Shares **	174.39	-	87.20	-	261.59	-	61.36	-	-
	Partly paid up shares (₹ 5.00 Paid Up) in IKF Home Finance	34.87	-	-	-	34.87	-	-	-	34.87
	Unsecured Loan in IKF Home Finance	-	0.11	17.43	-	17.55	-	-	17.55	-
Mr.Sreepal Gulabchand Jain	Salary Paid	-	47.71	-	-	-	51.05	-	-	-

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Name of related party	Nature of transaction	For the FY 2021					For the FY 2022			
		As at March 31, 2020	Transaction value for the year ended March 31, 2021	Received During the year	Paid During the year	As at March 31, 2021	Transaction value for the year ended March 31, 2022	Received During the year	Paid During the Year	As at March 31, 2022
Mr.Ch.Sreenivasa Rao	Salary Paid	-	21.00	-	-	-	23.10	-	-	-
	Staff Loan	-	-	-	-	-	-	(10.00)	10.00	-
	Interest Received						0.04			
	ESOP Compensation	-	0.56	-	-	-		-	-	-
	ESOP Compensation	-	0.56	-	-	-		-	-	-
Relatives of key management personnel										
Mrs. D Vasantha Lakshmi	Share Capital (₹ 10/- Paid up)	200.61	-	-	-	200.61	-	-	-	249.18
	Partly paid up shares (₹ 10 Paid Up) **	26.23	-	13.11	-	39.34	-	9.23	-	-
	Premium Received on Allotment of Partly Paid up Shares **	164.15	-	82.08	-	246.23	-	57.76	-	-
	Partly paid up shares (₹ 5.00 Paid Up) in IKF Home Finance	32.82	-	-	-	32.82	-	-	-	32.82
	Director's remuneration in IKF Home Finance	-	70.07	-	-	-	78.93	-	-	-
	Unsecured Loan in IKF Home Finance	-	0.09	16.41	-	16.41		-	16.41	-
Mr. V Raghu Ram	Share Capital (₹ 10/- Paid up)	144.97	-		-	144.97	-		-	180.07
	Partly paid up shares (₹ 10 Paid Up) **	18.95	-	9.48	-	28.43	-	6.67	-	-
	Premium Received on Allotment of Partly Paid up Shares **	118.62	-	59.31	-	177.93	-	41.74	-	-
	Partly paid up shares (₹ 5.00 Paid Up) in IKF Home Finance	23.72	-	-	-	23.72	-	-	-	23.72
	Unsecured Loan in IKF Home Finance	-	0.07	11.86	-	11.93	-	-	11.93	-
Mr. Sinha Satyanand Chunduri	Share Capital (₹ 10/- Paid up)	11.77	-	-	-	11.77	-	-	-	11.77
Mrs. Durga Rani Chunduri	Share Capital (₹ 10/- Paid up)	149.41	-	-	-	149.41	-	-	-	149.41
Enterprises significantly influenced by key management personnel or their relatives										
IKF Infratech Private Limited	Non Convertible Debentures	63.20*	-	-	-	58.20*		-	58.20	-
	Interest Paid	-	6.80	-	5.42	1.38	0.76	-	2.14	-
Enterprises in which Directors are interested										
SVR Finance & Leasing Private Limited	Trade Advance	50.00	-	(50.00)	-	-	-	-	-	-
	Interest Paid	-	-		-	-	-	-	-	-
Enterprises having a significant influence										
India Business Excellence Fund-IIA	Share Capital (₹ 10/- Paid up)	1,305.16	-	-	-	1,305.16	-	-	-	1,305.16
	Share Premium	-	-	-	-	-	-	-	-	-
	Compulsorily Convertible Preference Shares of ₹ 100/- Each (Converted into equity shares during the FY 2018-19)			-						
	Share premium on preference shares		-	-	-	-				

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Name of related party	Nature of transaction	For the FY 2021					For the FY 2022			
		As at March 31, 2020	Transaction value for the year ended March 31, 2021	Received During the year	Paid During the year	As at March 31, 2021	Transaction value for the year ended March 31, 2022	Received During the year	Paid During the Year	As at March 31, 2022
Vistra ITCL (India) Limited (formerly known as IL and FS Trust Company Limited) (Trustee of Business Excellence Trust-II - India Business Excellence Fund II)	Share Capital (₹ 10/- Paid up)	780.40	-	-	-	780.40	-	-	-	780.40
	Share premium on preference shares	-	-	-	-	-	-	-	-	-
		-	-		-	-				

Particulars	As at March 31, 2022	As at March 31, 2021
Short-term employee benefits	432.37	408.10
Post-employment benefits#	-	-
Long-term employee benefits	-	-
Termination benefits	-	-
Employee-share based payment	-	1.27
Total compensation	**432.37**	**409.37**

#As the provision for gratuity is made for the Company as a whole, the amount pertaining to the Key Management Personnel is not specifically identified and hence is not included above.

* The Increased/Decreased value is relating to purchase of shares/debentures from the public.

** Partly paid shares are full paid and converted to fully paid equity shares.

*** Inter Corporate Deposits taken from IKF Home Finance Ltd are at Interest of 8% to 10.00%.

Notes:

(i) Transaction values are excluding taxes and duties.

(ii) Name of the related parties and nature of their relationships where control exists have been disclosed irrespective of whether or not there have been transactions with the Company. In other cases, disclosures have been made only when there have been transactions with those parties.

(iii) Related parties as defined under clause 9 of the Ind AS 24 'Related party disclosures' have been identified based on representations made by key managerial personnel and information available with the Company. All above transactions are in the ordinary course of business.

(iv) The Company has not granted loans or advances to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, that is repayable on demand or without specifying any terms or period of repayment for the financial years ended March 31, 2022 and March 31, 2021.

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43 Value of Imports calculated on CIF basis

The Company has not imported any goods therefore value of import on CIF basis is Nil.

44 Expenditure in Foreign Currency

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Legal and professional fees	0.90	-
Total	**0.90**	**-**

45 Earnings in Foreign Currency

The Company does has not have any earnings in foreign currency

46 Penalty

No penalties were imposed by RBI and other regulators during the current year

47 Draw down from Reserves:

There has been no draw down from reserves during the year ended March 31, 2021 (previous year: Nil)

48 Postponement of Revenue Recognition

Refer note 2.5 Revenue from operations for the circumstances in which revenue recognition has been postponed pending uncertainty of realisation.

49 Dues to micro, small and medium enterprises

There are no amounts that need to be disclosed in accordance with the Micro Small and Medium Enterprise Development Act, 2006 (the 'MSMED') pertaining to micro or small enterprises.

For the year ended March 31, 2022, no vendor / supplier has intimated the Company about its status as micro or small enterprises or its registration with the appropriate authority under MSMED

50 Disclosure on Resolution Framework – 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses in terms of RBI circular RBI / 2021-22 / 31 DOR. STR. REC.11 /21.04.048 / 2021-22 dated May 5, 2021:

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year **
Personal Loans #	804.23	53.18	-	135.16	615.88
Corporate Persons*	-	-	-	-	-
of which MSMEs	-	-	-	-	-
Others	83.21	-	-	-	84.71
Total	**887.44**	**53.18**	**-**	**135.16**	**700.59**

* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

**In case of loan in "others" category, Customer has paid scheduled installment and interest amount of ₹ 1.5 lakhs was added to outstanding amount

pertains to Home loans and Loan Against Property of IKF Home Finance Limited

Disclosures for Reserve Bank of India circular on Resolution Framework for Covid-19 related stress dated August 6, 2020 are not applicable to the Company as none of the borrowers opted for the resolution plan.

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51 Registration of charges or satisfaction with Registrar of Companies (ROC)

All charges or satisfaction are registered with ROC within the statutory period for the financial years ended March 31, 2022. No charges or satisfactions are yet to be registered with ROC beyond the statutory period.

52 Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended March 31, 2022 and March 31, 2021.

53 Compliance with approved Scheme(s) of Arrangements

The Board of Directors of the Company did not approve any scheme of Arrangements during the financial year ended March 31, 2022 and March 31, 2021.

54 Utilisation of Borrowed funds and share premium

The Company, as part of its normal business, grants loans and advances, makes investment. These transactions are part of Company's normal non-banking finance business, which is conducted ensuring adherence to all regulatory requirements. Other than the transactions described above, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has also not received any fund from any parties (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries."

55 Undisclosed income

There are no transactions not recorded in the books of accounts.

56 Title deeds of Immovable Properties not held in name of the Company

The Company does not possess any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the Company during the financial year ended March 31, 2022 and March 31, 2021.

57 Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual currency during the financial years ended March 31, 2022 and March 31, 2021.

58 Details of Benami Property Held

No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder in the financial years ended March 31, 2022 and March 31, 2021.

59 Wilful Defaulter

The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender in the financial years ended March 31, 2022 and March 31, 2021.

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on Consolidated Financial Statements for the year ended March 31, 2022

60 Relationship with Struck off Companies

The company does not have any transactions with companies whose names have been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 in the financial years ended March 31, 2022 and March 31, 2021.

61 Investment in Associates and Structured Entities

The Company does not have any Associates and Structured Entities

62 Impact due to COVID-19

Consequent to the outbreak of the Covid-19 pandemic, the Indian government announced a lockdown in March 2020. Subsequently, the national lockdown was lifted by the government for certain activities in a phased manner outside specified containment zones, but regional lockdowns/restrictions continued to be implemented in areas with a significant number of Covid-19 cases.

The impact of Covid-19, including changes in customer behaviour and pandemic fears, as well as restrictions on business and individual activities, has led to significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. The slowdown during the year led to a decrease in loan originations, and collection efficiency. The extent to which the Covid-19 pandemic, including the current "second wave" that has significantly increased the number of cases in India, will continue to impact the Company's operations and estimates related to Impairment of assets including loans to customers, will depend on future developments, including, among other things, any new information concerning the severity of the Covid-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by the Company.

In accordance with Reserve Bank of India guidelines relating to Covid-19 Regulatory package dated March 27, 2020 April 17, 2020 and May 23, 2020, the Company had offered moratorium on the payment of all instalments and/or interest, as applicable, falling due between March 1, 2020 to August 31, 2020 to all eligible borrowers. Further. the Company offered resolution plan to its customers pursuant to RBI's guideline 'Resolution framework for Covid-19 related stress' dated 6 August 2020.

Estimates and associated assumptions applied in preparing these financial statements, especially for determining the impairment allowance for the Company's financial assets (Loans), are based on historical experience and other emerging/forward looking factors on account of the pandemic. The Company believes that the factors considered are reasonable under the current circumstances. The Company has used estimation of potential stress on probability of default and exposure at default due to Covid-19 situation along with the second wave of Covid-19 in developing the estimates and assumptions to assess the impairment loss allowance on Loans. Given the dynamic nature of the pandemic situation, these estimates are subject to uncertainty and maybe affected by severity and duration of the pandemic. In the event the impacts are more severe or prolonged than anticipated, this will have a corresponding impact on the carrying value of financial assets, the financial position and performance of the Company. The Company holds adequate impairment allowances as at March 31,2022 including the potential impact of Covid-19 based on the information available at this point in time.

63 In accordance with the instructions in RBI circular number RBI/2021-22/17 dated April 7, 2021, all lending institutions shall refund / adjust interest on interest' to all borrowers including those who have availed working capital facilities during the moratorium period, irrespective of whether moratorium had been fully or partially availed or not availed. Pursuant to these instructions, the Indian Banks' Association (IBA) in consultation with other industry participants / bodies published the methodology for calculation of the amount of such 'interest on interest/compound interest/penal interest'. Accordingly, the Company has estimated ₹ 160.55 lakhs and made provision for refund/ adjustment as at March 31, 2021.

Notes

on Consolidated Financial Statements for the year ended March 31, 2022

64 Note on Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which subsumes the Provident Fund and the Gratuity Act and rules thereunder. The Ministry of Labour and Employment has also released draft rules thereunder on November 13, 2020 and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will evaluate the rules, assess the impact, if any and account for the same once the rules are notified and become effective

65 Previous year's information have been regrouped/reclassified wherever necessary to correspond with current year's classification/disclosure.

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

per Suresh Murarka
Partner
Membership No.044739

Place: Mumbai
Date: May 30, 2022

V.G.K Prasad
Chairman
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Sreepal Jain
Chief Financial Officer

Ch.Sreenivasa Rao
Company Secretary
M.No. ACS14723

Place: Vijayawada
Date: May 30, 2022

Notes

on Consolidated Financial Statements for the year ended March 31, 2022

Additional information as required by paragraph 2 of the general instructions for preparation of Consolidated Financial statements to schedule III to the Companies Act, 2013.

Name of the entity in the Group	Net Asset, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated net assets	Amount (₹ in lakhs)	As % of Consolidated profit or loss	Amount (₹ in lakhs)	As % of consolidated other comprehensive income	Amount (₹ in lakhs)	As % of total comprehensive income	Amount (₹ in lakhs)
1	2	3	4	5	6	7	8	9
Parent								
IKF Finance Limited	93.07%	38,736.78	78.83%	4,030.43	86.46%	8.28	78.84%	4,038.71
Subsidiaries								
Indian								
IKF Home Finance Limited	5.55%	2,310.03	18.09%	925.18	13.54%	1.30	18.09%	926.48
Foreign	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Minority Interest in all subsidiaries	1.38%	574.79	1.47%	75.24	-	-	1.47%	75.24
Inter-company eliminations and consolidation adjustments	-	-	1.61%	82.14	-	-	1.60%	82.14
Associates (Investment as per the equity method)								
Indian	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Foreign	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Joint Ventures (as per proportionate consolidation / investment as per the equity method)								
Indian	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Foreign	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Total	**100.00%**	**41,621.59**	**100.00%**	**5,112.99**	**100.00%**	**9.58**	**100.00%**	**5,122.56**

IKF FINANCE

"LEGACY THAT INSPIRES, TECHNOLOGY THAT DELIVERS"

Registered Office

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Fax: 91+866+2485755

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APIIC Hyderabad Knowledge City,
Raidurg (Panmaqtha) Village, Serilingampally Mandal,
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IKF FINANCE

"LEGACY THAT INSPIRES, TECHNOLOGY THAT DELIVERS"

EXPANDING HORIZONS THROUGH INNOVATION EXCELLENCE

32ND ANNUALREPORT **2022-23**

IKF FINANCE
"LEGACY THAT INSPIRES. TECHNOLOGY THAT DELIVERS"

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To view this report online, please visit:
www.ikffinance.com

IKF Finance remains steadfast in its commitment to serve the financial needs of the underserved population and striving for financial inclusion through innovative financial offerings.

With a solid foundation of a legacy of over 30 years, we have positioned ourselves as a prominent player in the asset financing industry with a loyal customer base. Since inception, we have been consistently profitable by delivering tailor made products which has helped us drive growth and expand our horizons.

Adapting to the changing financial needs of customers across diverse segments, we continue to innovate and offer a diverse product portfolio beyond asset financing.

We maintain a strategy of capital infusion while continually leveraging modern technology such as process automation, data analytics, and artificial intelligence to launch tailored new products. We continue to strengthen our risk and credit assessment capabilities to fortify our business.

We remain committed to innovation, excellence, sustainable growth and driving digital transformation to build an agile business.

About IKF Finance

Fostering Innovation, Accelerating Growth

IKF Finance, established in 1991, is among India's leading Non-Banking Finance Companies (NBFCs). We started out by catering to the financial requirements of small road transport operators. With over 30 years of rich experience in the asset financing segment, we have diversified our product portfolio to serve the evolving financial needs of customers across categories including home loans.

Since inception, we have experienced stable growth backed by our strong commitment to customer service, transparency, sound financial policies, team competency and a loyal consumer base. We actively use digital capabilities for improving overall efficiency and asset quality while providing seamless customer service for driving sustainable growth.

We have a strong presence in Southern and Western India and are gaining foothold in Central India. Our widespread distribution network encompasses 134 locations across 9 states.

Led by our experienced and dynamic management team, we remain committed to setting new benchmarks of excellence creating long lasting value for our stakeholders.

Vision

To be one among the premier league of asset financing NBFCs by focusing on customer service and maintaining long-standing and fruitful relationships with all our stakeholders, be it lenders, shareholders, debenture holders, customers or business associates

Mission

To build strong, profitable relationships with a broad spectrum of stakeholders

Core Values

- Ethical business practices
- Business prudence
- Dedication
- Transparency
- Excellence in customer service

Assorted Product Basket

- Commercial Vehicle Loans
- Cars & Multi Utility Loans
- Vehicle (MUV) Loans
- Construction Equipment Loans
- Tractor Loans
- Three Wheeler Loans
- MSME Loans
- Home Loans

Business Synopsis

32
Years of Operations

₹ 2,452 Cr.
Assets under Management

62,922
Active Customers

4,799
Active Women Customers

1,184
No. of Employees

Rated A (Stable)
Rating

Customer Centric Focus

- Our customers are the fulcrum on which our business pivots
- We offer our customers top notch and reasonably priced asset finance solutions via appropriate products and procedures
- We adopt technology to enrich customer journeys and drive growth

Forging Long-term Relationships with Marquee Lenders

Our Key Relationship Enablers

Transparent Operations	Secure Financial Policies
Robust Risk Management	Consistent Track Record

Key Lender Statistics

40+
Relationship with Lenders

> 10 years
Around 40% of lender relationships

Our Lenders

Key Public Sector Banks

State Bank of India
Central Bank of India
punjab national bank
Union Bank of India
Indian Overseas Bank
Bank of Baroda
Bank of India
Indian Bank
Bank of Maharashtra
UCO BANK
Canara Bank

Key Private Sector Banks

HDFC BANK
SOUTH INDIAN Bank
WOORI BANK
FEDERAL BANK
AU SMALL FINANCE BANK
Utkarsh Small Finance Bank
YES BANK
ujjivan SMALL FINANCE BANK
IDFC FIRST Bank
DCB BANK
kotak Kotak Mahindra Bank
IDBI BANK
Bandhan Bank
DBS
DhanlaxmiBank
Karnataka Bank Ltd.
Jana Small Finance Bank
KVB Karur Vysya Bank
CSB Bank

Key NBFCs

SUNDARAM FINANCE
SUNDARAM HOME
NABKISAN FINANCE LIMITED
BAJAJ FINSERV
NORTHERN ARC
Mahindra FINANCE

Financial Institutions

NATIONAL HOUSING BANK
sidbi
mudra
Piramal Alternatives
UNIFI Capital

Expanding Our Presence

9
Number of States where present

134
Number of branches (including new branches opened in FY 2022-23)

The above map is not to scale and is for illustrative purposes only.

Key Milestones in Our Strategic Journey

1991
- Incorporated as a Private Company
- Commenced operations with MCV & HCV financing

1994
- Converted into a public limited company

1995
- Public issue of ₹ 2.1 Cr.

1998
- Rights Issue of ₹ 2.3 Cr.
- Started Construction Equipment (CE) financing in 1998

2003
- Preferential Issue of ₹ 2.3 Cr.

2004
- Commenced channel business arrangement with HDFC Bank

2007
- Preferential Issue of ₹ 8 Cr.

2010
- Started shifting focus on growing AUM book

2012
- On-book AUM crossed ₹ 100 Cr.
- Entry into Gujarat

2015
- Maiden PE investments from MOPE Investment Advisors Pvt. Ltd.
- AUM crossed ₹ 500 Cr.
- Started SME financing
- Expanded operations to Maharashtra and Madhya Pradesh

2016-17
- Received Housing Finance Licence
- Started IKF Home Finance as an independent entity
- Expanded operations in Rajasthan
- Credit Rating upgraded to "A-" in 2016

2018-2020
- Second round of equity infusion
- Consolidated AUM crossed ₹ 1,500 Cr.
- Diversified portfolio into financing for Cars and Multi-Utility Vehicles (MUVs), Small Commercial Vehicles (SCVs) and Light Commercial Vehicles (LCVs), Housing and LAP
- Credit Rating upgraded to "A"

2021
- Consolidated AUM as on March 2021 was ₹ 1,743 Cr.

2022
- Consolidated AUM crossed ₹ 2,143 Cr.
- Equity infusion by Promoters of ₹ 7.14 Cr.
- Started Co-lending with Bank of India

2023
- Consolidated AUM crossed ₹ 3,147 Cr.
- Equity infusion led by Accion of ₹ 255 Cr.
- Started low ticket MSME product

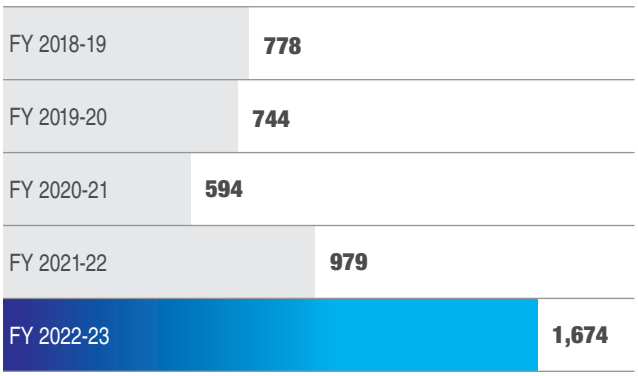
Performance Snapshot

Setting New Benchmarks

With our strategic focus on harnessing innovation and technology for powering growth and expansion, we have delivered robust numbers during the year, including a notable rise in disbursements by 71%.

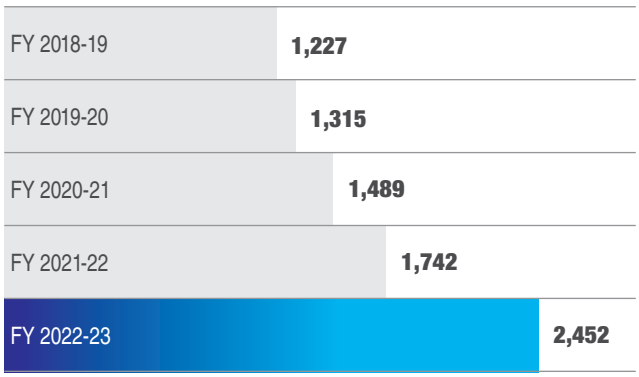
DISBURSEMENT

(₹ in Cr.)



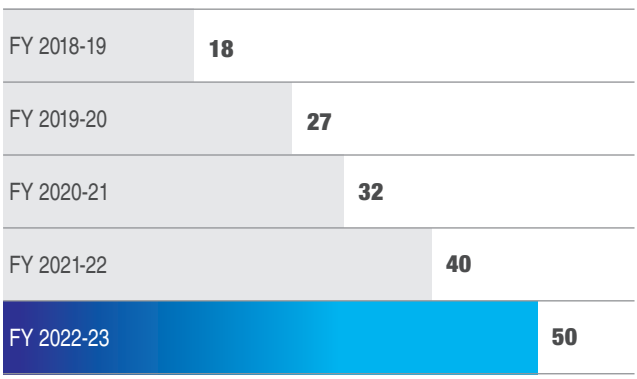
AUM

(₹ in Cr.)



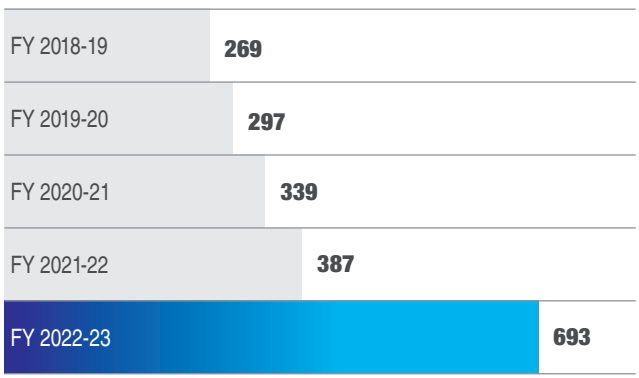
PAT

(₹ in Cr.)



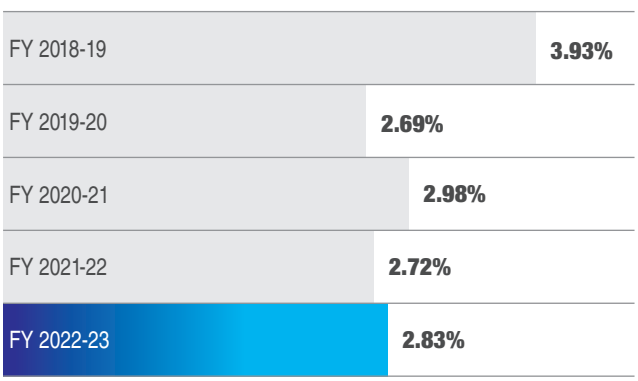
NET WORTH

(₹ in Cr.)



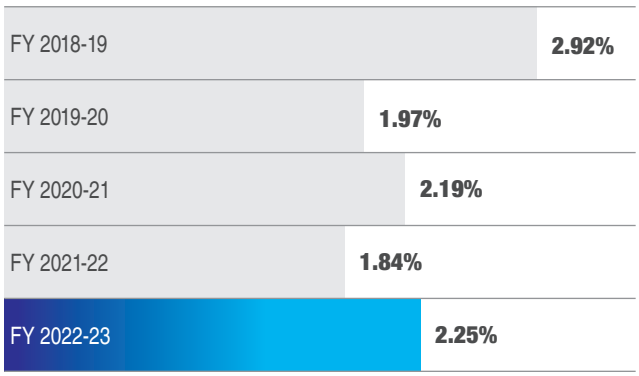
GROSS NPA

(%)



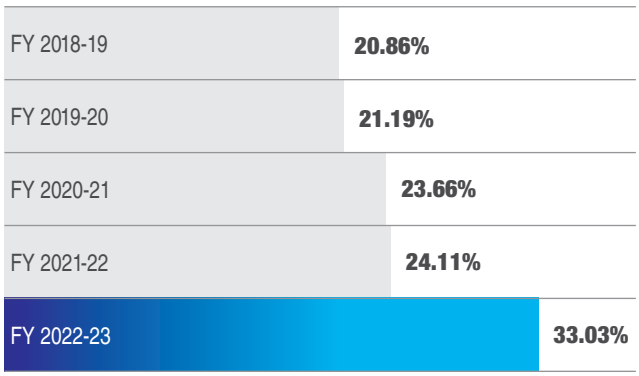
NET NPA

(%)



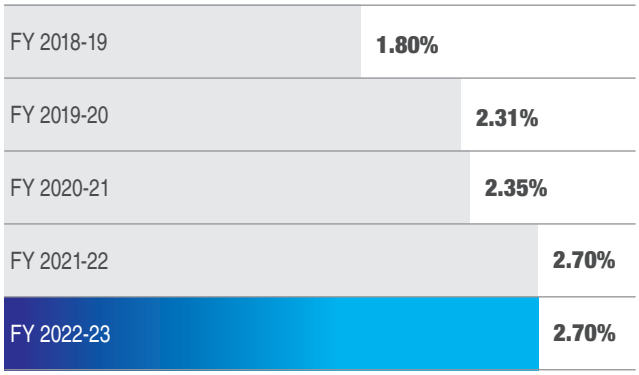
CRAR

(%)



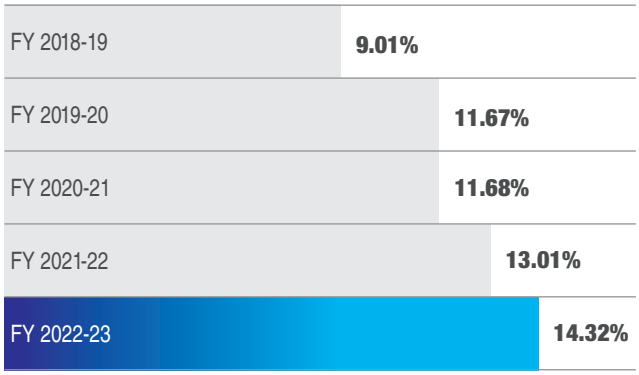
ROA*

(%)



ROE*

(%)



Note: Figures as per IND AS

** Based on Monthly Avg AUM*

*** Core ROE (Excluding investment in the subsidiary & Year-end Investment)*

Message from the Managing Director

Our disbursements grew to ₹ 1674 Cr. in FY 2022-23 compared to ₹ 979 Cr. in the previous year, a robust increase of 71%. This resulted in a total AUM increase of 41% to ₹ 2,452 Cr. from 1,742 Cr. reported in FY 2021-22.

Dear Shareholders,

I am pleased to present to you the 32nd Annual Report for the fiscal 2022-23. Despite facing external headwinds, your Company performed well during the year driven by robust disbursements, improved asset quality, an expanded distribution network and enhanced digitization measures.

The start of FY 2022-23 was marked by challenges such as the ongoing Russia-Ukraine crisis, escalating inflation, rising interest rates and rise in fuel prices among others, collectively contributing to a global economic slowdown which especially affected developed markets. However, with the pandemic receding, and supply chains normalized, the situation began to gradually improve over the latter part of FY 2022-23.

Amidst these challenges, the Indian economy demonstrated remarkable resilience, maintaining stability and achieving 7.2% GDP growth in FY 2022-23. Robust domestic demand, heightened industrial activities, and favourable government initiatives propelled India's growth momentum.

NBFCs play a decisive role in accelerating economic growth with a superior reach and understanding on the Unbanked and Underserved SRTOs and MSMEs. Over a period of time, RBI has tightened the NBFC regulatory framework and brought them more in line with bank regulations. Revision of IRACP norms is one such act. The cost of funds and the tax laws have not been at par with banks. Banks have a strong liability franchise with a huge CASA base which brings down their cost of funds, whereas the challenge for NBFCs is raising cheaper cost of funds, adherence to compliance obligations in several areas. This invariably increases the overall cost of operations.

We continued to maintain our primary focus on the Vehicle segment, which witnessed 15% Y-o-Y growth during FY 2022-23. Commercial Vehicles

(CVs) grew by 32% while passenger vehicle, 3-Wheeler and 2-Wheeler segments displayed 16%, 71% and 13% growth respectively. Speed and ease of logistics resulted in improved turnaround time which fuelled growth and earnings. However, the rising interest rates, coupled with elevated borrowing and ownership costs, remained a worrisome factor that could potentially undermine consumer sentiment for CVs in the future.

We also focused on the MSME segment, which has evolved into a dynamic and vibrant segment of our economy. Serving as ancillary units to larger industries, MSMEs have rapidly expanded their presence across various sectors to cater to the growing demand in both domestic and global markets.

Despite a few challenges, the buoyancy across the Indian industrial sectors amplified the demand for asset financing solutions during FY 2022-23. It has augured well with the Company's strategic focus resulting in our strong performance during the year.

A notable highlight of the year was the equity infusion of ₹ 255 Cr. led by Accion's Digital Transformation Fund. We plan to utilize this funding to expand our distribution network, upgrade technology and further scale up our business.

Our strategic focus encompassing resilient collection strategies, tech enabled processes and the appointment of key strategic personnel, has helped diversify and strengthen our product portfolio, maintain superior asset quality, streamline processes and expand customer segments while driving growth. Our disbursements grew to ₹ 1674 Cr. in FY 2022-23 compared to ₹ 979 Cr. in the previous year, a robust increase of 71%. This resulted in a total AUM increase of 41% to ₹ 2,452 Cr. from 1,742 Cr. reported in FY 2021-22. Our NPAs (GNPA at 2.83% and NNPA at 2.25%) are at par with other market leaders. A robust credit and risk evaluation mechanism with close monitoring and data-driven approach to loan collection and recovery have sustained our NPAs within limits.

At the same time, we have expanded our distribution network to cater to a larger customer base. We continue to drive financial inclusion of the underserved customer segment. As of March 31, 2023, we have expanded our branches to 134. We have increased our manpower to strengthen our core competencies including better customer services to increase outreach and generate higher revenues and profitability.

We continued to innovate by leveraging the latest technology for sound customer credit evaluation, developing new products, improving cost efficiencies, enhancing customer satisfaction and being future ready. During the year, we developed a digital roadmap that included projects that focused on applying technology to automate co-lending and digitizing DSA origination on the portal of our partners to streamline processes and simplify customer journeys.

As we move ahead, we are confident of expanding financial inclusion and offering tailored solutions for achieving a sustainable financial ecosystem.

We will continue to deepen our connect across CV and MSME segments. The growth traction in the commercial vehicles (CVs) segment continues to be strong, mainly driven by pent-up replacement demand, the government's push for infrastructure development, the rise in construction and mining activities, and enhanced freight availability. Additionally, the 'China plus One' policy has seen a lot of manufacturing activities happening in India. These are expected to increase demand for transportation leading to a huge demand for CVs.

We will focus on expanding our distribution network in stronghold markets and across new underserved territories like Northern India.

In conclusion, I would like to thank our customers, financing partners, employees, government authorities and other stakeholders for their continued support and trust in our competency to drive growth and deliver value to all our stakeholders.

Warm Regards,

K Vasumathi Devi
Managing Director

IKF Home Finance

Fulfilling Homeownership Dreams

We have continually strived to develop financial solutions by maintaining a customer centric focus. Our wide range of loan products includes loans for commercial vehicles, construction equipment, MSME loans etc. As customers' needs evolved, there was a rising demand for home loans. To help fulfil the homeownership dreams of our customers, we diversified our product portfolio to offer home loans via our subsidiary IKF Home Finance.

During FY 2015-16, IKF Home Finance was established as an independent company to provide home loans for lower and middle income customers. We subsequently acquired IKF Home Finance in FY 2018-19. As of March 31, 2023, our home finance business consists of 64 branches covering 6 states and 5,470+ customers.

Product Offerings

- Home Purchase Loans
- Home Construction Loans
- Home Improvement Loans
- Loan Against Property

Key Milestones

2023
- Crossed AUM of ₹ 690 Cr.
- Capital infusion of ₹ 46 Cr. by Parent Company and promoters

2022
- Crossed AUM of ₹ 429 Cr.
- Capital infusion of ₹ 17.28 Cr. by Parent Company

2021
- Operations commenced in Gujarat
- Access to SARFAESI Act
- AUM as on March 31, 2021, is ₹ 288 Cr.

2020
- Received National Housing Bank (NHB) funding
- Crossed AUM of ₹ 200 Cr.

2019
- Loan disbursements crossed ₹ 100 Cr.
- Became a subsidiary of IKF Finance

2018
- On-books AUM of ₹ 59.97 Cr.
- Commenced operations in Tamil Nadu

2017
- On-books AUM of ₹ 1.57 Cr.
- Commenced operations at Hyderabad, Telangana
- Commenced operations in Maharashtra and Karnataka

2016
- Commenced operations at Vijayawada, Andhra Pradesh

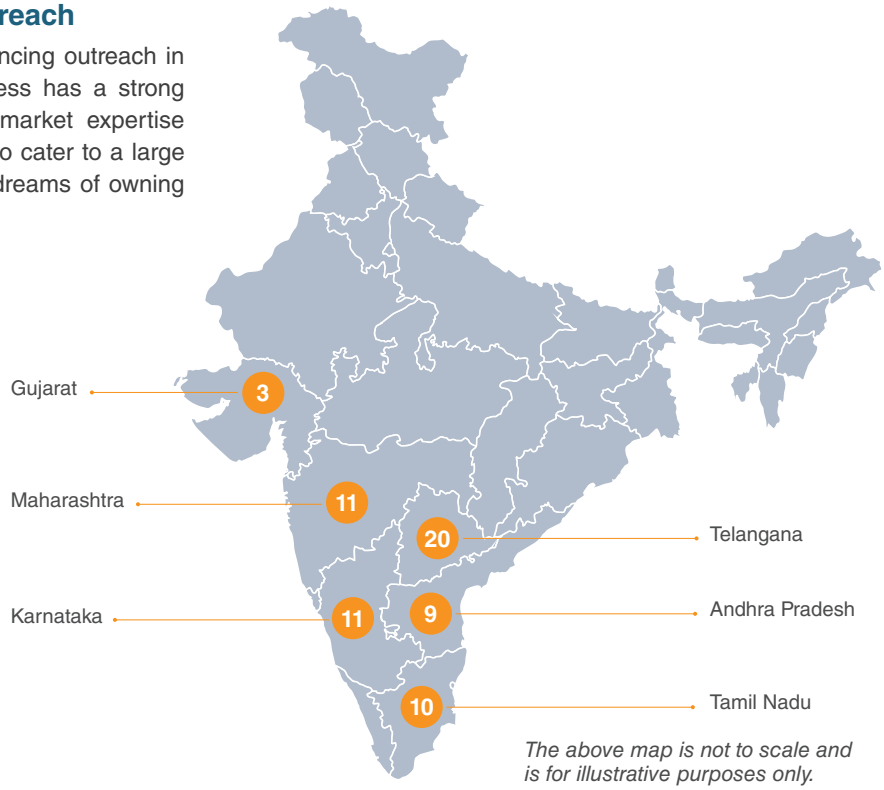
2007
- Preferential Issue of ₹ 8 Cr.

Expanding Home Financing Outreach

We endeavour to increase our home financing outreach in cities wherein our asset financing business has a strong presence. Backed by our considerable market expertise and high customer trust, we will be able to cater to a large borrower base and help in fulfilling their dreams of owning a home.

52
Our Presence across Cities

64
No. of Branches

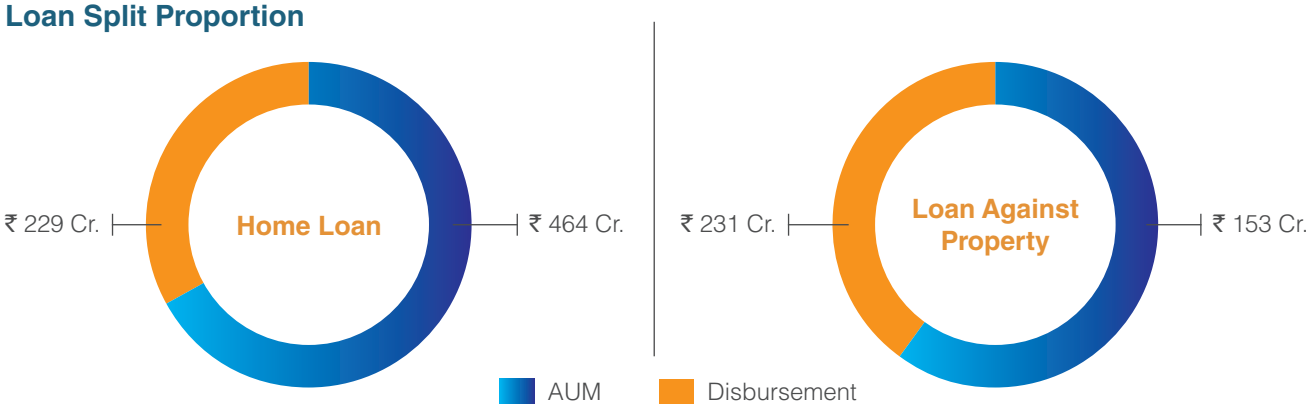


The above map is not to scale and is for illustrative purposes only.

Key Performance Highlights

	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Disbursement (₹ in Cr.)	115.43	114.01	95.22	208.04	382.10
AUM (₹ in Cr.)	151.00	228.32	288.20	429.40	696.10
Net Worth (₹ in Cr.)	39.79	49.76	58.83	85.58	143.21
PAT (₹ in Cr.)	0.46	7.95	9.05	10.02	10.72
AUM (Net Worth)	1.33x	2.37x	4.49x	3.8x	4.86
ROA (on avg. AUM) (%)	0.11%	4.19%	3.50%	2.87%	1.90%
ROE (on avg. Net Worth) (%)	1.34%	17.76%	16.67%	15.71%	9.37%

Loan Split Proportion



Leveraging Technology

Building Our Digital Capabilities

We operate in a highly evolved and complex business environment and constantly strive to adopt and leverage the latest technologies to achieve operational excellence, cost efficiencies and streamline processes.

Technology has transformed the way we operate. It has enabled us to innovate and offer increasingly efficient financial solutions to our customers. It has led to less turnaround time, robust risk management practices, reduction in overall cost of operations and better customer satisfaction.

Digitization Roadmap

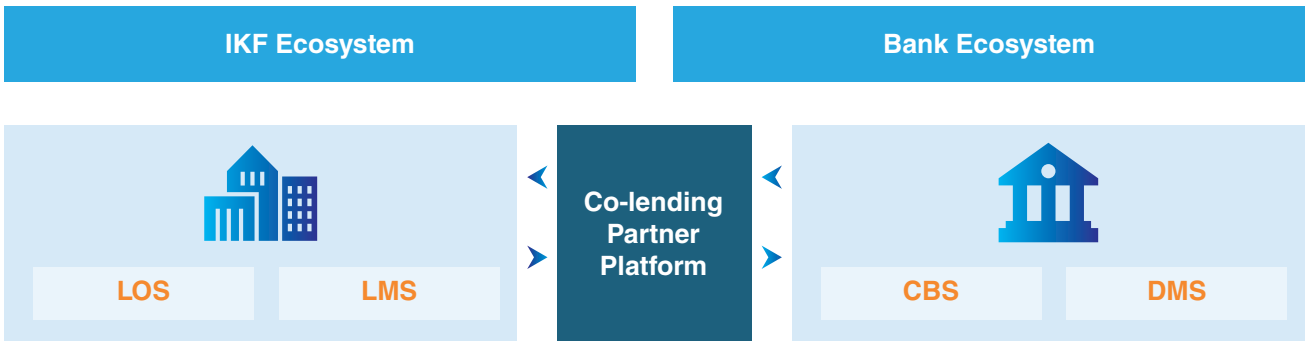
Projects in Pipeline (Till 2024)

1. Co-lending Automation
2. Application Digitization
3. Digitize DSA Originations on the Partner Portal

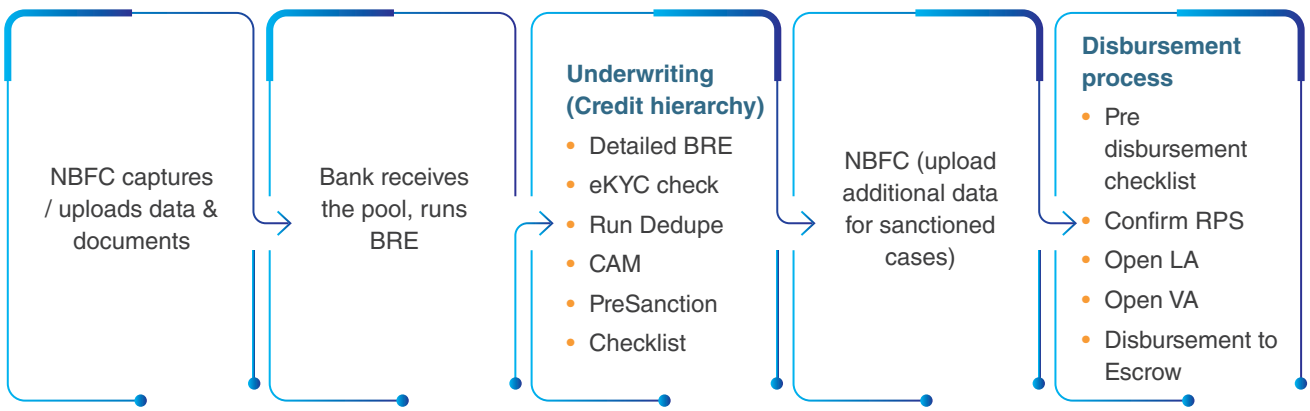
Co-lending Automation

Co-lending represents a mutually beneficial arrangement for both IKF Finance and borrowers. The lending framework entails a partnership between IKF and bank(s), working jointly to provide loans to borrowers. During the year, we evaluated various co-lending platforms and chose to collaborate with Knight Fintech and their Utopia Platform. This platform offers automated processes and streamlines the accounting process enabling smooth reconciliation between IKF systems and that of the bank(s) partnered for effectively serving the borrower.

Co-lending Process



Work Flow



Advantages of Automated Co-lending

- **Improved efficiency** with co-lending process automation, right from the initial application to the final disbursement of funds, saving time and money for both IKF Finance and borrowers.
- **Increased transparency** as all documents and data are centralized, simplifying access and sharing of information for both IKF and the partnering bank. It contributes to better decision-making while reducing the risk of fraudulent activities.
- **Enhanced security** by protecting sensitive data via encryption and other security measures, thereby protecting the privacy of both IKF Finance and borrowers.
- **Expanded reach** via the digitization of the co-lending process making it easier for IKF Finance to connect with borrowers and extend financial inclusion, especially in rural areas.
- **Cost efficiency** with digitization eliminating the need for paper documents and manual processing, making co-lending more affordable for both IKF Finance and borrowers.

Automated Co-lending to Go Live in Q4 FY 2023-24

Digitizing Applications

At IKF Finance, as a lender, our typical loan journey involves the signing of various documents, carried out either by the Company, borrower or both, in accordance with Regulatory, Legal and Compliance guidelines. Presently, our loan origination system (LOS) captures information related to application processing. We intend to enhance our LOS to enable a more streamlined and convenient application processing experience.

Key Benefits of Application Digitization Project

IKF Finance	Borrower
Streamlined process	Streamlined documentation process
Cost savings	Cost Savings and convenience
Data analytics	Transparency and personalization
Quick decision-making	Easy access to information
Scalability	Financial inclusion
Regulatory compliance	

Partner Portal – Digitize DSA Origination

Digitizing Direct Selling Associations (DSAs) empowers us with the tools needed to serve our members and customers effectively while adapting to the evolving market dynamics to drive overall growth and success. In today's digital age, digitization enables us to stay efficient, competitive and relevant.

Key Benefits of Digitization of DSA Origination

IKF Finance	Partners
Increased efficiency and speed	Simplified application
Reduced errors	Transparency
Enhanced partner collaborations	Easy documentation upload and quicker approvals
Centralized data	DSA assistance
Efficient performance tracking	Secure access
	User empowerment

Human Resources

Creating A Motivated and Engaged Workforce

At IKF Finance, we believe an empowered workforce holds the key to success. To build a harmonious workplace, we have developed various employee-oriented initiatives for their continuous learning and development while also ensuring their holistic well-being.

At our Annual Business Meeting (2022-23) held in Bangkok, we felicitated employees with awards in recognition for their outstanding performance, hard work and loyalty towards the Company.

Corporate Social Responsibility

Nurturing Community Well Being

Empowered by our mission to build strong and profitable relationships with our stakeholders, we also strive to create a positive impact on society. Through our CSR activities, we work for the holistic development of the marginalized and underprivileged sections of society.

During FY 2022-23, our CSR Initiatives were centered around a range of activities aimed at addressing issues related to eradicating poverty and hunger. We extended help by assisting needy people by providing groceries, provisions and other needs, including clothes and umbrellas among others.

₹ 91 Lakhs
CSR spent in FY 2022-23

Governance

Board of Directors

Mr. VGK Prasad

Founder & Chairman

Mr. VGK Prasad, a veteran in Vehicle Finance business, established IKF Finance in the year 1991. In the past, he has collaborated with industry bigwigs such as TELCO, HDFC Bank and Vysya Bank among others. He was the President of Federation of Indian Hire Purchase Associations (FIHPA), the apex body of Asset Financing Companies. He has also promoted IKF Home Finance, the subsidiary of IKF Finance and IKF Infratech (P) Limited.

Ms. Indira Devi

Whole Time Director

Ms. Indira Devi, a core promoter of IKF Finance has been instrumental in its growth. She has over three and a half decades of experience in the vehicle finance space Previously, she promoted IKF Home Finance Limited which got CoR from NHB in April 2016, and IKF Infratech (P) Limited. She has resigned from the position of whole time director w.e.f 14-07-2023.

Ms. K Vasumathi Devi

Managing Director

Ms. K Vasumathi, associated with IKF Finance for the past 15 years, leads the overall business with special focus on Credit & Risk, Systems and Technology. She was instrumental in expanding IKF Finance to Western and Central India while also undertaking upgradation of IT infrastructure and automation of various processes. She comes with prior experience of over 11 years in IT and Telecommunications in the USA.

Ms. Vasantha Lakshmi

Director & Managing Director of IKF Home Finance

Ms. Vasantha Lakshmi has been with IKF Finance since the past 13 years and is the Managing Director of IKF Home Finance. Previously, she oversaw the Company's operations in select states. Her vast experience encompasses coordination and administration roles at a US pharmacy chain.

Mr. Sinha S Chunduri

Director

Mr. Sinha S Chunduri is a specialist in the diagnostic space. He has been engaged in the medical profession in the USA for over four decades. Apart from the medical profession, he is also associated with several medical institutions in USA as a consultant and director.

Mr. K Satyanarayana Prasad

Independent Director

Mr. K Satyanarayana Prasad, a qualified BE (Civil), MIGS has more than three decades of experience in Civil Engineering. Having served the Government of Andhra Pradesh for over two and half decades in various capacities, he has been instrumental in planning, designing, and executing various prestigious projects in Andhra Pradesh.

Mr. Nageswara Rao Y

Independent Director

Mr. Nageswara Rao Y holds a Bachelor's Degree in Commerce and is a Certified Associate Institute of Bankers (CAIIB). He has 36 years of experience in banking and financial services with specialization in Information Technology, Credit, Treasury, and Forex Management. Previously, he was employed as Executive Director of Vijaya Bank, Executive Director of Syndicate Bank, Executive Director of Bank of Maharashtra and Director of Vishweshwariah Grameena Bank, among others.

Mr. Sunil Rewachand Chandiramani

Independent Director

Mr. Sunil Chandiramani is an accountant by profession, a qualified Technologist and IT Security specialist as well. He spent 25 years with Ernst & Young LLP, India's leading professional services firm and was responsible for leading India's Largest Advisory Practice (3,000 professionals) and the development of the Global Innovation Strategy for EY Global. He was also the Global Relationship Partner for the TATA Group. Across Financial Services Sector, his experience encompasses 3 years of experience in leading the Financial Services Practice. It includes personally led projects related to Internal Audits, Risk Management, Implementation of Credit, Operational and Market Risk processes, Operational Improvement, Building Risk Based Models based on analytics, Program Managing Core Banking Implementations, Digitization of processes, creation of shared service centers and IT Security.

He is an Independent Director on the Board of several Listed and PE funded organizations such as Ganesh Grains Limited, Updater Service Pvt Ltd, Sapphire Foods Limited. He has been on the Board of Jammu & Kashmir Bank, Poonawalla Fincorp Limited, and MORE Retail Limited.

Mr. Gopalakrishna Gurrappa

Independent Director

Mr. Gopalakrishna Gurrappa was a Career Central Banker for 37 years, including three years as Director, CAFRAL(Promoted by RBI) across various positions in RBI. He was appointed as Director, CAFRAL in April 2014. As Executive Director, RBI he has overseen various departments viz. regulation and supervision of Banking and Non-Banking Sector, Payment System, Informational Technology, Foreign Exchange Department and Financial Stability Unit. He has also worked as Head of DICGC. From 2007-2014, he was the Chairman/Member of Several Committees set up by RBI/MoF.

Currently, he is an Independent Director on the Boards of a few entities including SIBDI, ICICI Home Finance, ICICI Prudential Pension Fund Axis Mutual Fund Trustee Board, Invent ARC, Yaari Digital Integrated services and Krazybee Financial Services. He is also the Director of Risk and Compliance Professionals Association (RCPA) - a Section 8 not-for-profit company.

Mr. Sethuraman Ganesh

Independent Director

Mr. Sethuraman Ganesh is a former Principal Chief General Manager of the Reserve Bank of India. He holds three decades of pan-India experience, which includes 10 years at the senior management level at RBI. Currently, he is an Independent Director on the Boards of two systemically important NBFCs - Sonata Finance Pvt Ltd. and Indel Money Ltd. He has also served as a Non-Executive Director on the board of BSS Microfinance Pvt. Ltd. Additionally, he is a Member of the Advisory Board of the Infimind Institute of Skill Development LLP.

His vast work experience spans NBFC MFI board directorship, RBI nominee directorship on the Boards of two public sector banks (UCO Bank and Oriental Bank of Commerce), bank supervision, banking ombudsmanship, RBI regional directorship and Management and Delivery of Training as Principal of the Reserve Bank Staff College at Chennai and Faculty Member at the Bankers Training College at Mumbai. He holds a Master's Degree in English from Bangalore University and is a Certificated Associate of the Indian Institute of Bankers (CAIIB). He is also a certified trainer in Neuro Linguistic Programming (NLP) with deep interest in Training, Learning and Development.

Mr. Vinit Mukesh Mehta

Nominee Director

Mr. Vinit Mukesh Mehta, a Chartered Accountant also holds a bachelor's degree in Commerce from Mumbai University. He possesses more than 15 years of experience in investment banking (Kotak, KPMG), private equity and Corporate Banking (HDFC Bank). Before joining MOPE, he was associated with Kotak Investment Bank where he led and executed over 40 transactions while successfully helping raise over USD 25 billion across M&A, Private Equity and Capital Markets.

Mr. Abhishek Agrawal

Nominee Director

Mr. Abhishek Agrawal is the Managing Partner for the Accion Digital Transformation Fund (ADTx) based in Mumbai, India. Previously, he was Chief Regional Officer (CRO) for Accion - Asia region. He has also served on numerous boards. Currently, he serves on the board of Annapurna MFI & IKF Finance. His extensive experience covers the areas of investment, governance, strategy & business planning, and microfinance operations. He has undertaken several investments and exits in financial inclusion for Accion while working with entrepreneurs for scaling of companies.

He has also worked with FINCA International as CFO. Additionally, he has been an advisor to the Institute of Chartered Accountants (ICAI). He advocates social change and is an Aspire Fellow. He holds a Ph.D. in Municipal financial reforms and a Chartered Accountant (FCA) degree from ICAI. He is very passionate about digital financial & MSME inclusion. He joined the Board as Nominee director of Accion w.e.f. 30-05-2023.

Senior Management Team - IKF Finance

Mr. Rama Raju

Chief Executive Officer (MBA Post Graduate)

Mr. Rama Raju, the ex CEO of AML Finance (wholly-owned subsidiary of Automotive Manufactures Ltd) holds overall 3 decades of Industry experience in the Retail Asset Financing business specializing in Auto loans, Commercial vehicles, Construction equipment, and SME financing business. He specializes in designing and implementing business plans & strategy, driving profitability & top line, and mentoring the teams to achieve overall organizational goals. He has also handled larger teams and portfolios of Retail Asset Financing businesses and worked with large private sector banks and NBFCs.

Mr. Chapalamadugu Sreenivasa Rao

Company Secretary & Chief Financial Officer (CS, CMA)

Mr. Chapalamadugu Sreenivasa Rao is a qualified Cost Accountant & Company Secretary and has 18+ years of experience in Cost Accounting & Company Secretarial Matters. Previously, he has worked with BBM Bommidalla Group, Bubhaneshwar Power Limited, NATCO Pharma Limited, Coastal Local Area Bank Limited.

Mr. Raghuram K

National Sales Manager (Masters)

Mr. Raghuram K holds an MBA degree in business administration (finance specialization) and comes with over 26 years of experience in asset financing business. His expertise includes formulating and implementing sales enhancement strategies, accomplishing the given targets in budgeted parameters, sales, administration, and recovery. Previously, he has worked with ICICI Bank, GE Capital, HDFC Bank etc. He is highly proficient in tapping new markets and clients and generating business to enhance the profitability of the Company.

Mr. Chakrapani Gollamudi

National Credit Head (B.Sc)

Mr. Chakrapani Gollamudi holds a Bachelor of Science Degree and Risk Management Executive program from IIM Bangalore. With over 28 years of experience in Credit, Sales, and Recovery, he has been previously associated with Kotak Mahindra Bank, HDFC Bank, Citicorp Finance India Limited, and Ashok Leyland Finance. His last assignment was with Kotak Mahindra Bank for 14 years where he handled the Zonal Position for West and South regions for all Commercial vehicle-related products and the National Credit Head position for Used Vehicle loans. He also holds vast experience in handling Siebel CRM and was instrumental in building various customized functionalities like Marketing, Sales, and Service modules and its successful implementation Pan-India. He was instrumental in building up a Credit Score Card-based approval system for retail CV loans. He has also actively been involved in identifying untapped markets and products with good potential, thereby contributing to the overall growth and profitability.

Mr. H Srinivas

National Collections Head (Post Graduate)

Mr. H Srinivas with over 30 years of experience in Collections, Credit Appraisal, and Team Management in the Banking / Financial Services industry is an expert in handling the collection operations to minimize delinquency and accomplish the assigned targets. His deep knowledge in designing plans for augmenting collections; and maintaining relations with third-party collection agencies has led him to lead and manage the operations and achieve a higher rate of organic growth. Previously, he has worked with Apple Credit Corporation Limited, CITI Group, REI Finance, and Midwest Leasing & Finance Ltd.

Senior Management Team - IKF Home Finance

Mr. S. Aryendra Kumar

Executive Director & CEO

Mr. S. Aryendra Kumar has a Master's Degree in Business Administration, Bachelor's Degree in Civil Engineering and is a Fellow of Institute of Valuers (FIV) and comes with over two decades of multinational experience in retail asset business with Banks, Housing Finance Institutions, Micro Finance Institutions, NBFC, and IT Service Providers of repute. He has served as the MD & CEO – NCML Finance Pvt Ltd, a Fairfax company. He was also associated as Head – MSE & Housing Finance at Ujjivan Small Finance Bank. As a founding member, he was instrumental in the overall setup of the Company towards articulating the Vision & Mission of IKF Home Finance Limited.

Mr. Sridhar Mallu

Business Head

Mr. Sridhar Mallu has 20 years of experience in mortgages, Sridhar brings a wealth of knowledge in sales, business development, credit, collections, and strategy. He has worked with companies such as GE Money, Tata Capital Housing, Ujjivan Small Finance Bank, Navi, and others in the past. At Navi, Sridhar led the development of a paperless, frictionless, and automated platform for decisioning loans originated in digital mode, with a focus on customer convenience. At Ujjivan Small Finance Bank, he built the credit vertical for affordable housing finance and MSME, demonstrating his expertise in building affordable housing businesses and scaling them successfully.

Mr. Ch. Lakshmi Kanth

Head - Risk, Credit Compliance, Credit & Strategy

Mr. Ch. Lakshmi Kanth, an MBA in Finance from Nagarjuna University and CFA from ICFAI University is a multi-faceted professional with an outstanding performance record in a quantitative environment. Additionally, he has strong and proven business experience of over 15 years in credit underwriting & risk management of Home Loans, Mortgage Loans, Gold Loans, Commercial Vehicle Loans & Health Care Equipment Loans. He has worked with several banks and financial services companies, including Ujjivan Small Finance Bank, Karvy, Deutsche Postbank Home Finance Ltd & Reliance Capital.

Giridhar Vellore

National Collections Manager

Mr. Giridhar Vellore, the National Collections Manager of IKF Home Finance is responsible for managing the Company's collections vertical. He has over 20 years of experience in Risk Management and Collections. An MBA and Finance Graduate from Madras University, he comes with a vast experience within the finance industry and specialises in leveraging technology, usage of innovative collection model and scorecards to suit organization goals. Previously, he was associated with reputed companies like Fullerton India, American Express and SBI Cards.

Corporate Information

Board of Directors

1.	Shri. Vupputuri Gopala Kishan Prasad	:	Chairman & Executive Director
2.	Smt. Indira Devi Vupputuri	:	Whole Time Director (upto 14.07.2023)
3.	Smt. Vasumathi Devi Koganti	:	Managing Director
4.	Dr. Satyanand Sinha Chunduri	:	Director
5.	Shri. S Veerabhadra Rao	:	Independent Director (upto 10.02.2023)
6.	Shri. K Satyanarayana Prasad	:	Independent Director
7.	Shri. Vinit Mukesh Mehta	:	Nominee Director
8.	Smt. D. Vasantha Lakshmi	:	Alternate Director to Dr. Satyanand Sinha Chunduri
9.	Shri. Y. Nageswara Rao	:	Independent Director
10.	Shri. Sunil Chandiramani	:	Independent Director (w.e.f. 30.09.2022)
11.	Shri. Gopalakrishna Gurrappa	:	Independent Director (w.e.f. 30.09.2022)
12.	Shri. Abhishek Agrawal	:	Nominee Director (w.e.f. 30.05.2023)
13.	Shri. Sethuraman Ganesh	:	Aditional Director (Independent Director) (w.e.f 14.07.2023)

Key Management Personnel

1.	Shri Sreepal Gulabchand Jain	:	Chief Financial Officer (upto 10.02.2023)
2.	Shri. Ch. Sreenivasa Rao	:	Company Secretary
3.	Shri. Ch. Sreenivasa Rao	:	Chief Financial Officer (w.e.f. 10.02.2023)

Board Committees

Audit Committee:

1. Shri. S Veerabhadra Rao (upto 10.02.2023)
2. Shri. Y. Nageswara Rao (w.e.f. 10.02.2023)
3. Shri. Vinit Mukesh Mehta
4. Shri. K Satyanarayana Prasad
5. Shri. Abhishek Agrawal (w.e.f. 30.05.2023)
6. Shri. Gopalakrishna Gurrappa (w.e.f. 30.05.2023)

Corporate Social Responsibility Committee:

1. Shri. S Veerabhadra Rao (upto 10.02.2023)
2. Shri. Vupputuri Gopala Kishan Prasad
3. Shri. Vinit Mukesh Mehta
4. Shri. Abhishek Agrawal (w.e.f. 30.05.2023)
5. Shri. K. Satyanarayana Prasad (w.e.f. 10.02.2023)

Nomination & Remuneration Committee:

1. Shri K Satyanarayana Prasad
2. Shri. S Veerabhadra Rao (upto 10.02.2023)
3. Shri. Vinit Mukesh Mehta
4. Shri. Y. Nageswara Rao (w.e.f. 10.02.2023)
5. Shri. Abhishek Agrawal (w.e.f. 30.05.2023)

Independent Directors Committee:

1. Shri. K Satyanarayana Prasad
2. Shri. S Veerabhadra Rao (upto 10.02.2023)
3. Shri. Y. Nageswara Rao (w.e.f. 30.09.2022)
4. Shri. Gopalakrishna Gurrappa (w.e.f.13.02.2023)

Stakeholders Relationship Committee:

1. Shri. Abhishek Agrawal (w.e.f. 30.05.2023)
2. Shri. S Veerabhadra Rao (upto 10.02.2023)
3. Shri. K Satyanarayana Prasad
4. Shri. Y. Nageswara Rao (w.e.f. 10.02.2023)

Management Committee:

Shri. Vupputuri Gopala Kishan Prasad
Shri S Veerabhadra Rao (upto 10.02.2023)
Shri. K Vasumathi Devi
Shri. K. Satyanarayana Prasad (w.e.f. 30.05.2023)

Risk Management Committee:

1. Shri. Vupputuri Gopala Kishan Prasad
2. Shri. S Veerabhadra Rao (upto 10.02.2023)
3. Smt. Vasumathi Devi Koganti
4. Shri. Vinit Mukesh Mehta
5. Shri. Abhishek Agrawal (w.e.f. 30.05.2023)

Asset Liability Management Committee:

1. Shri. Vupputuri Gopala Kishan Prasad
2. Shri. S Veerabhadra Rao (upto 10.02.2023)
3. Smt. Vasumathi Devi Koganti
4. Shri. Vinit Mukesh Mehta
5. Shri. Abhishek Agrawal (w.e.f. 30.05.2023)

IT & Digital Transformation Strategy Committee (W.e.f., 30.05.2023)

1. Shri. Y Nageswara Rao
2. Smt. Vasumathi Devi Koganti
3. Shri. Abhishek Agrawal (w.e.f. 30.05.2023)
4. Shri. Ravi Jayanti (CTO)

Auditors

Statutory Auditors:
M/s. S G C O & Co. LLP
Chartered Accountants
4A, Kaledonia, 2nd Floor, Sahar Road
Near Andheri Station, Andheri (East)
Mumbai- 400 069, Maharashtra, India

Internal Auditors:
M/s Brahmayya & Co
Chartered Accountants
No 33-25-33/3, Govinda Rajulu Naidu Street,
Surya Rao Pet, Vijayawada – 520 010
Andhra Pradesh, India

Secretarial Auditors:
B S S & Associates
Company Secretaries
Office: Parameswara Apartments, # 6-3-626, 5th Floor, 5 – A,
Anand Nagar, Khairtabad, Hyderabad-500 004, Telangana, India.

Registrar & Share Transfer Agents

M/s. Bigshare Services Private Limited
306, 3rd Floor, Right Wing, Amrutha Ville, Opp. Yashoda Hospital,
Rajbhavan Road, Somajiguda, Hyderabad- 500 082, Telangana, India

Debenture Trustee

1. **Catalyst Trusteeship Limited**
   GDA House, Plot No. 85, Bhusari Colony (Right), Paud Road, Pune - 411 038, Maharashtra, India
2. **IDBI Capital Trusteeship Services Limited**
   Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai – 400 001, Maharashtra, India
3. **Vardhman Trusteeship Private Limited**
   3rd Floor, Room No - 15 6, Lyons Range, Turner Morrison House Kolkata B 700 001, West Bengal, India

Registered Office

40-1-144, 3rd Floor, Corporate Centre, M.G. Road,
Vijayawada – 520 010, Andhra Pradesh, India

Corporate Office

Upto 30.05.2022
6-3-902/A, 4th Floor, Central Plaza, Near Yashoda Hospital,
Raj Bhavan Road, Somajiguda,
Hyderabad- 500 082, Telangana, India

From: 31.05.2022
Plot Nos: 30/A, Survey No: 83/1, 11th Floor
Myhome Twitza, APIIC Hyderabad Knowledge City
Raidurg (Panmaqtha) Villege, Serilingampally Mandal,
Rangareddy District, Hyderabad- 500 081
Telangana, India

Bankers / Financial Institutions

Central Bank of India (Lead Bank)
Union Bank of India (Erstwhile Andhra Bank)
Indian Overseas Bank
IDBI Bank Limited
The Federal Bank Limited
Bank of India
Punjab National Bank
State Bank of India
HDFC Bank Limited
DCB Bank Ltd
AU Small Finance Bank
Bank of Baroda
Small Industries Development Bank of India
Bank of Maharashtra
Woori Bank Limited
DBS Bank Limited
Yes Bank Limited
Ujjivan Small Finance Bank
Utkarsh Small Finance Bank
ICICI Bank
State Bank of Mauritius
Suryoday Small Finance Bank
CSB Bank Limited
Jana Bank
IDFC First Bank Limited
Dhanalakshmi Bank Limited
Karnataka Bank
Kotak Mahindra Bank
Karur Vysya Bank Limited
Indian Bank
Bandhan Bank Limited
UCO Bank Limited

Notice

NOTICE is hereby given that the 32nd Annual General Meeting ("**AGM**") of **IKF Finance Limited** will be held on Friday, the 29th day of September, 2023, at the Registered Office of the Company situated at #40-1-144, 3rd Floor, Corporate Center, M.G. Road, Vijayawada – 520010, Andhra Pradesh at 11.00 A.M., to transact the following business:

Ordinary Business:

1. To receive, consider, approve and adopt:

   (a) the Audited Standalone Financial Statements for the financial year ended 31st March, 2023, together with the Reports of the Directors' and Auditors' thereon and

   (b) the Audited Consolidated Financial Statements for the financial year ended 31st March, 2023, together with the Report of Auditors' thereon.

   In this regard, to pass the following resolution as an Ordinary Resolution:

   "RESOLVED THAT the Audited Standalone Financial Statements of the Company for the year ended 31st March, 2023 together with the Reports of the Directors' and Auditors' thereon and the Audited Consolidated Financial Statements of the Company for the year ended 31st March, 2023 together with the Report of Auditors' thereon be and are hereby received, considered, approved and adopted."

2. To appoint a Director in place of Shri. Vupputuri Gopala Kishan Prasad (DIN:01817992), who retires by rotation and, being eligible, offer himself for re-appointment and in this regard to pass the following resolution as an Ordinary Resolution:

   "RESOLVED THAT Shri. Vupputuri Gopala Kishan Prasad (DIN:01817992), who retires by rotation in accordance with Section 152 of the Companies, Act, 2013 be and is hereby re-appointed as a director liable to retire by rotation."

Special business:

3. Authorization to issue of Non-Convertible Debentures (NCD)/Tier II Debt(s)/Commercial Papers/Bonds on Private Placement Basis:

To consider, and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 42, 71 and other applicable provisions of the Companies Act, 2013, read with Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable provisions of the Companies Act, 2013, as amended and in force, in accordance with the memorandum and Articles of Association, the Board of Directors of the Company be and is hereby authorized to issue, offer or invitation and allot secured/ unsecured, redeemable, non-convertible, listed / unlisted, senior/subordinated bonds/debentures/ Commercial Paper/ Tier II Debt/ Other debt securities ("Bonds") of value aggregating upto ₹2,000 Cr (Rupees Two Thousand Crores Only) through private placement offer letter(s) in one or more tranches in conformity and in compliance with the all applicable rules, regulation, directions made in this regard, as amended from time to time to such person or persons, including one or more companies, bodies corporate(s), statutory corporations, commercial banks, lending agencies, financial institutions, insurance companies, mutual funds, alternative investment funds, pension/provident funds and individuals, as the case may be or such other person/persons as the board of directors may decide so.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things as may be deemed necessary in respect of issue of Bonds/ Debenture including but not limited to number of issues/ tranches, face value, issue price, issue size, timing, amount, security, coupon/interest rate(s), yield, listing, allotment and other terms and conditions of issue Bonds as they may, in their absolute discretion, deemed necessary to take all necessary steps."

4. To revise the remuneration of Shri. Vupputuri Gopala Kishan Prasad (DIN: 01817992), Chairman and Executive Director of the Company:

To consider, and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196 and 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and such other consents and permission as may be required, the remuneration of Shri. Vupputuri Gopala Kishan Prasad (DIN: 01817992), Chairman and Executive Director revised as under:

Salary	₹10,00,000/- per month (From 15.07.2023 Upto 31.10.2023) ₹ 12,00,000/- per month (From 01.11.2023 to 30.09.2025) Further the Board of Directors may increase the remuneration from time to time subject to ceiling of limits specified in the Companies Act, 2013.
Commission	1.34% of the Profit Before Tax - In case Profit Before Tax of the Financial Year, is more than corresponding previous Financial Year Profit Before Tax. 0.67% of the Profit Before Tax - In case Profit Before Tax of the Financial Year is equal or less than corresponding Profit Before Tax of previous year.
Perquisites subject to a maximum of 100% of Annual Salary	• Reimbursement of medical, surgical and hospitalization expenses for the Executive Director and family as per the rules of the Company. • Personal Accident Insurance as per the rules of the Company. • Leave Travel Assistance for self and family once in a year in accordance with the rules of the Company. • Contribution to Provident Fund / Superannuation Fund / Pension Fund / Gratuity Fund and encashment of leave (at the end of the tenure) as per the rules of the Company. These shall not be considered or included in the computation of remuneration. • Provision for Telephone(s) at residence. • Provision for Chauffeur driven Company's car(s). • The Board may revise the existing or allow any other facilities, from time to time, within the overall ceiling. • Such other allowances, perquisites, benefits and amenities as may be provided by the company to other senior executives from time to time. • Employee Stock Option – as may be decided by the Nomination & Remuneration Committee / Board of Directors from time to time according Employees Stock Options Scheme of the Company. • The Executive Director shall be liable to retire by rotation.
Minimum Remuneration	Where in any financial year, during the currency of tenure of the Executive Director, the company has no profits or its profits are inadequate, it may pay his remuneration by way of salary, allowances, commission and perquisites not exceeding the limits specified Schedule V of the Companies Act, 2013 or such other limits as may be prescribed by the Government from time to time as minimum remuneration.

RESOLVED FURTHER THAT the Board be and is hereby authorized to increase the remuneration from time to time subject to ceiling of limits specified in the Companies Act, 2013 from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take such steps as may be necessary or expedient to give effect to this resolution and is further authorized to settle any doubt, question and difficulty, if any, that may arise with respect to this resolution."

5. Appointment of Shri Sethuraman Ganesh (DIN: 07152185), Additional Director as an Independent Director of the Company:

To consider, and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Shri Sethuraman Ganesh (DIN: 07152185), who was appointed as an Additional Director (Category – Independent) of the Company on 14th July, 2023, and submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, for five consecutive years with effect from July 14, 2023 and whose office shall not be liable to determination by retirement of directors by rotation.

RESOLVED FURTHER THAT pursuant to the provisions of Section 149 and 197 of the Companies Act, 2013 read with Schedule IV of thereof (including any statutory modification(s) or re-enactment thereof, for the time being in force), Shri Sethuraman Ganesh (DIN: 07152185), Independent Director of the Company be paid, sitting fees, within the limits prescribed under the Act and Rules thereunder and as approved by the Board of Directors of the Company, for attending the meeting(s) of the Board or any Committee thereof and reimbursement of any expenses for participation in the board and other meetings.

RESOLVED FURTHER THAT any of the Directors of the Company and Key Managerial Personnel of the Company, be and are hereby severally authorized to do all such acts, deeds and things, including signing and issuing letter of appointment and to complete all other formalities as may be required in this regard."

6. Amendment in the Articles of Association of the Company:

To consider, and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with applicable rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), and the Articles of Association of the Company (the "AOA"), as agreed by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee and sub-committee which the Board may have constituted or shall hereinafter constitute to exercise its powers including the powers conferred by this resolution) and in order to align with SEBI Circular SEBI/HO/DDHS/POD1/P/CIR/2023/112 dated July 04, 2023 read with Regulation 23 (1) (6) of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the approval of the members of the Company be and is hereby accorded to amend the Articles of Association by duly inserting the following Article 102A after the existing Article 102.

> 102A. Debenture Trustee(s) Nominee Director- Any debenture trustee/ trustee appointed under the trust documents or any other document relating to or covering the issue of debentures or bonds of the Company may pursuant to and in accordance with SEBI (Debenture Trustee) Regulations, 1993 or debenture trust deed or any other circular/ guidelines/ notification issued by SEBI or any other governmental authority in this regard, in the event of two consecutive defaults in payment of interest to the debenture holders; or default in creation of security for debentures or default in redemption of debentures, nominate and require for the appointment of a Director (in these presents referred to as ("the Debenture Nominee Director") for and on behalf of the holders of the debentures or bonds for such period as notified by such debenture trustee/ trustee but in any case not exceeding the period for which the Debentures/Bonds or any of them

shall remain outstanding and for the removal from office of such Debenture Nominee Director and on a vacancy being caused whether by resignation, death, removal or otherwise for appointment of a Debenture Nominee Director in the vacant place. The Debenture Nominee Director shall not be liable to retire by rotation or be removed from office except as provided as aforesaid. Any such appointment or removal shall be made in writing and shall be served at the office of the Company. The Debenture Nominee Director shall neither be required to hold any qualification share nor be liable to retire by rotation and shall continue in office for so long as the debt subsists. The Debenture Nominee Director shall be entitled to all the rights and privileges of other nonexecutive directors and the sitting fees, expenses as payable to other directors on the Board and any other fees, commission, monies or remuneration in any form payable to the non-executive directors, if any, which shall be to the account of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to file necessary forms with the Registrar of Companies and other statutory authorities and to do all other acts, deeds, things and matters as may be deemed expedient to give effect to the aforesaid resolution."

For and on Behalf of the Board
IKF Finance Limited

Ch Sreenivasa Rao
Company Secretary
Membership No.: ACS14723

Place: Vijayawada
Date: 11.08.2023

NOTES

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, ('the Act') relating to the Special Business to be transacted at the Annual General Meeting ('AGM') is annexed hereto. The Board of Directors have considered and decided to include the Item No. 3 to 5 given above as Special Businesses in the forthcoming AGM, as it is unavoidable in nature.

2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and MCA Circulars dated January 13, 2021, April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The Company is providing remote e-Voting facility to its members in respect of the business to be transacted at the AGM and facility for those Members participating in the AGM to cast vote through e-Voting system during the AGM.

3. Pursuant to the provisions of the Act, normally, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf who may or may not be a Member of the Company.

4. In accordance with, the General Circular No. 20/2020 dated 5th May, 2020 issued by MCA, owing to the difficulties involved in dispatching of physical copy of Notice of AGM is being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).

5. The Company has fixed 21st September, 2023 as the cut-off date for identifying the Members who shall be eligible to vote through remote e-voting facility or for participation and voting in the AGM. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date shall be entitled to vote on the resolutions through the facility of Remote e-Voting or participate and vote in the AGM.

6. The Register of Members and Transfer Book of the Company will be closed from 22nd September 2023, to 29th September, 2023 (both days inclusive).

7. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.ikffinance.com. The Notice can also be accessed from the websites of the Stock Exchange i.e., BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e., www.evotingindia.com.

8. The relevant details required to be given under Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of directors seeking appointment/ re-appointment at this AGM are given in the Annexure.

9. In terms of Section 152 of the Act, Shri. Vupputuri Gopala Kishan Prasad is liable to retire by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

10. Pursuant to the provisions of Section 72 of the Companies Act, 2013, the member(s) holding shares in physical form may nominate, in the prescribed manner, a person to whom all the rights in the shares shall vest in the event of death of the sole holder or all the joint holders. Member(s) holding shares in demat form may contact their respective Depository Participant for availing this facility.

11. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available for inspection by the members at the registered office during the AGM. All documents referred to in the Notice will also be available for inspection at the registered office during the AGM. Members seeking to inspect such documents can send an email to sreenivas@ikffinance.com.

12. Members whose shareholding is in electronic mode are requested to update the change of address, with a view to using natural resources responsibly, we request the shareholders to update respective email addresses with your Depository Participants, if not already done, to enable the Company to send communications electronically.

13. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

14. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

(i) The voting period begins on Tuesday, 26th September, 2023 at 9.00 a.m. IST and ends on Thursday, 28th day of September, 2023 at 5.00 p.m. IST. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Thursday, the 21st September, 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) The shareholders should log on to the e-voting website www.evotingindia.com.

Pursuant to SEBI Circular **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020**, Login method for e-Voting and joining virtual meetings for **Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL Depository**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL Depository**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants (DP)**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(iv) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

1) The shareholders should log on to the e-voting website www.evotingindia.com.

2) Click on "Shareholders" module.

3) Now enter your User ID

   a. For CDSL: 16 digits beneficiary ID,

   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

   c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

(v) After entering these details appropriately, click on "SUBMIT" tab.

(vi) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(vii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(viii) Click on the EVSN 230829008 for the relevant IKF FINANCE LIMITED on which you choose to vote.

(ix) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(x) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xi) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xiv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xv) There is also an optional provision to upload BR/ POA if any uploaded, which will be made available to scrutinizer for verification.

(xvi) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e., other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; sreenivas@ikffinance.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to bsshyd@bigshareonline.com,.

2. For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-

attested scanned copy of Aadhar Card) to bsshyd@bigshareonline.com

3. The RTA shall co-ordinate with CDSL and provide the login credentials to the above-mentioned shareholders.

   If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

   All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call at toll free no. 1800 22 55 33

GENERAL INSTRUCTIONS AND INFORMATION FOR SHAREHOLDERS

1 Details of Scrutinizer: B S S & Associates, Practicing Company Secretaries (Unique Code of Partnership Firm: P2012AP02600) has been appointed as the Scrutinizers to scrutinize the e-voting process in a fair and transparent manner.

2 The Scrutinizer's decision on the validity of the vote shall be final.

3 The Scrutinizer after scrutinizing the votes cast by remote e-voting and e-voting during the AGM will make a consolidated Scrutinizer's Report and submit the same forthwith within two working days conclusion of the AGM to the Chairman of the Company/meeting or a person authorised by him in writing, who shall countersign the same.

4 The Results declared along with the consolidated Scrutinizer's Report shall be hosted on the website of the Company i.e., www.ikffinance.com and on the website of BSE Limited at www.bseindia.com immediately after the declaration of results by the Chairman or a person authorized by him. The result shall also be displayed on the Notice Board at the Registered Office of the Company.

5 The Resolutions shall be deemed to be passed at the registered office of the Company on the date of the AGM, subject to receipt of the requisite number of votes in favour of the Resolutions.

For and on Behalf of the Board
IKF Finance Limited

Ch Sreenivasa Rao
Company Secretary
Membership No.: ACS14723

Place: Vijayawada
Date: 11.08.2023

STATEMENT SETTING OUT THE MATERIAL FACTS CONCERNING AND RELATING TO THE SPECIAL BUSINESS TO BE TRANSACTED AT THE MEETING PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("THE ACT")

Special Business

Item No. 3

As mentioned in Item No.3, and the rules of the Companies (Prospectus and Allotment of Securities) Rules, 2014 prescribed under Section 42 and other applicable provisions, if any, of the Companies Act, 2013 of the Act deals with private placement of securities by a company. Sub-rule (1) of the said Rule 14 states that in case of an offer or invitation to subscribe for non-convertible debentures, on private placement, the company shall obtain previous approval of its members by means of a special resolution only once in a year for all the offers or invitations for such debentures during the year. Rule 18 of the Companies (Share Capital and Debentures) Rules, 2014 deals with issue of secured debentures. In order to augment long term resources for financing, inter alia, for the strategic business expansion in future and for general corporate purposes, the Board, which term shall include any Committee constituted by the Board, may at an appropriate time, offer or invite subscriptions for NCDs, Bonds, Tier II Debt, Commercial Paper or any other debt securities on a private placement basis, in one or more tranches, upto an amount not exceeding ₹2,000 Crore, within the overall borrowing limits of the Company, as approved by the Members from time to time, with authority to the Board to determine the terms and conditions, including the issue price, of the NCDs, Tier II Debt, Commercial Paper or any other Debt Instruments.

Accordingly, approval of the members is sought for passing the Special Resolution as set out at Item No. 3 of the Notice. This resolution is an enabling resolution and authorizes the Board of Directors of the Company to offer or invite subscription for non-convertible debentures, Tier II Debt, Commercial Paper or any other Debt Instruments as may be required by the Company, from time to time for a year from the date of passing this resolution.

The proposed borrowings, along with the existing borrowings of the Company, would not exceed the aggregate outstanding borrowings of the Company approved by the Members, from time to time.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

The Board commends the Special Resolution set out at Item No. 3 of the Notice for approval by the members.

Item No. 4

As per the recommendations of the Nomination and Remuneration Committee, the Board of Directors at their Meeting held on 14.07.2023 approved to revise the remuneration of Shri. Vupputuri Gopala Kishan Prasad, Chairman & Executive Director of the Company up to 30th September 2025 subject to members' approval.

Shri. Vupputuri Gopala Kishan Prasad, who was re-appointed by the shareholders at the AGM held on 30.09.2022 as Chairman and Executive Director to hold office unto September 30, 2027 and approved his remuneration for a period of 3 years upto 30.09.2025. Any revision of his employment terms as Chairman & Executive Director requires the approval of members by way of a special resolution. Keeping in view that Shri. Vupputuri Gopala Kishan Prasad has rich and varied experience in the Industry and has been involved in the operations of the Company since incorporation of the Company, it would be in the interest of the Company to revise the remuneration of Shri. Vupputuri Gopala Kishan Prasad as Chairman and Executive Director.

Shri. Vupputuri Gopala Kishan Prasad is a science graduate with rich experience in the finance business, and has been at the helm of IKF Finance Limited since incorporation. Hence the Company seeks approval of the members by way of special resolution for revision of remuneration under the provisions of Section 197 read with Schedule V of the Companies Act, 2013.

Statement as required under Schedule V of the Companies Act, 2013

I.	**General Information**	
1	Nature of industry	Non-Banking Financial Services
2	Date or expected date of commencement of commercial production	Not Applicable
3	In case of new companies, expected date of commencement activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
4	Financial performance based on given indicators	(Amount in Crores, unless otherwise stated)

Particulars	2022-2023	2021-2022
Total Revenue	286.60	221.23
Total Expenditure	219.29	166.96
Profit/(loss) before Tax	67.31	54.27
Net current tax expense	17.30	13.97
Net Profit/(loss)	50.01	40.30

5	Export Performance and net foreign exchange	Nil
6	Foreign investments or collaborators, if any	Nil
II.	**Information on about the appointee**	
1	Background details	Shri. Vupputuri Gopala Kishan Prasad, has contributed a lot in institutionalizing the Automobile finance business operated by individuals in Andhra Pradesh. Mr. Prasad has presided over the Krishna District Auto Financiers Association, considered to be one of the strongest and most organized Financiers Association in India, for quite a considerable period. He has occupied various positions in the Federation of Indian Hire Purchase Associations (FIHPA), the Apex body of Asset Financing Companies, and has acted as the Secretary General till 2010 and as President till 2012. He has always been a strong advocate for Retail lending since times, which caught the fancy of the Banks and favored retail automobile loans later on, which kept IKF Finance it ahead of its contemporaries.
2	Past Remuneration	₹ 7,00,000/- Per Month
3	Recognition or awards	Nil
4	Job profile and his suitability	Chairman and Executive Director Rich and varied experience in the Industry and has been involved in the operations of the Company since incorporation of the Company
5	Remuneration proposed	₹10,00,000/- per month (From 15.07.2023 Upto 31.10.2023) ₹ 12,00,000/- per month (From 01.11.2023 to 30.09.2025)
6	Comparative remuneration Profile with respect to Industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t the country of his origin)	The remuneration proposed is reasonable as compared with the industry standards for a Managing/Executive/ Whole Time Director of similar profile.

7	Pecuniary relationship directly or indirectly with company or relationship with the managerial personnel, if any	Promoter and Shareholder of the Company. Husband of Smt. Indira Devi Vupputuri, Whole-time Director, Father of Smt. Vasumathi Devi Koganti, Managing Director, and Smt. V. Vasantha Lakshmi, Alternate Director. Brother-in-law of Shri Satyanand Sinha Chunduri, Director
III.	**Other Information**	
1	Reasons of loss or inadequate profits	Not Applicable
2	Steps taken of proposed to be taken for improvement	Not Applicable
3	Expected increase in productivity and profits in measurable terms	Not Applicable

The Board therefore recommends the special resolution for your approval.

Except Shri. Vupputuri Gopala Kishan Prasad (the appointee), Executive Director, Smt. Indira Devi Vupputuri, Whole-Time Director, Smt. Vasumathi Devi Koganti, Managing Director, Shri Satyanand Sinha Chunduri, Director and Smt. V. Vasantha Lakshmi, Alternate Director (being relatives of the appointee) none of the other Directors or key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise in Resolution No. 4.

Item No. 5

As per the recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company had appointed Shri. Sethuraman Ganesh (DIN: 07152185) as an Additional Director with effect from July 14, 2023 pursuant to provisions of Section 161 of the Companies Act, 2013, who shall hold the office of Director up to the date of the ensuing Annual General Meeting.

The Company has received from Shri. Sethuraman Ganesh (DIN: 07152185), a consent in writing to act as Director in form DIR-2 pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014 and intimation in Form DIR-8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014 to the effect that he is not disqualified under sub-section 2 of Section 164 of the Companies Act, 2013.

Further, the provisions of the Companies Act, 2013 with respect to appointment and tenure of the Independent Directors have come into force with effect from April 1, 2014 which requires every Public Company fulfilling the prescribed criteria as laid down in Rule 4 of Companies (Appointment and Qualification of Directors) Rules, 2014 to appoint an Independent Director on its Board and the Independent Director shall not be included in the total number of directors for retirement by rotation. Accordingly, in terms of provisions of Sections 149, 150, 152, Schedule IV of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, the Board of Directors of the Company had appointed as an Additional Director (subject to his appointment after obtaining approval of the members at the ensuing Annual General Meeting), Shri Sethuraman Ganesh (DIN 07152185) as an Independent Director of the Company within the meaning of Section 2(47) read with Section 149(6) of the Companies Act, 2013 for a term of 5 consecutive years commencing from July 14, 2023 i.e., w.e.f July 14, 2023 to July 13, 2028.

The Company has received a notice in writing from the director himself pursuant to Section 160 of the Act, proposing his candidature for the office of Independent Director, as such under the provisions of Section 149 of the Act.

Shri. Sethuraman Ganesh is a Post Graduate M.A(English), and also CAIIB and Diplomas in Business Management. Shri Sethuraman Ganesh is having valuable experience at senior management level at both RBI as Principal CGM and NBFCs as Independent Director, with details as follows. Experience of more than 8 years as an Independent Director on the Boards of NBFCs in India. Presently associated as an Independent Director at two systemically important NBFCS / MFI. 3 decades' pan India prior work experience at RBI as an officer in different capacities, including 10 years at Senior Management level as Principal CGM. He also served as RBI Nominee director on the boards of 2 public sector banks, RBI Regional Director, Principal Chief General Manager, Banking Ombudsman and Principal (CGM) of the RBI Staff College.

Further, as stipulated under Secretarial Standard-2, brief profile of Shri. Sethuraman Ganesh is provided in Table A below:

Table A - Brief Profile

Name	Shri. Sethuraman Ganesh
Age	66 Years
Qualifications	M.A(English), and also CAIIB and Diplomas in Business Management
Experience	Valuable experience at senior management level at both RBI as Principal CGM and NBFCs as Independent Director, with details as follows. Experience of more than 8 years as an Independent Director on the Boards of NBFCs in India. Presently associated as an Independent Director at two systemically important NBFCS / MFI. 3 decades' pan India prior work experience at RBI as an officer in different capacities, including 10 years at Senior Management level as Principal CGM. He has also served as: RBI Nominee director on the boards of 2 public sector banks, RBI Regional Director, Principal Chief General Manager, Banking Ombudsman and Principal (CGM) of the RBI Staff College
Terms and Conditions of appointment	As detailed in the resolution No. 5 and explanatory statement.
Details of remuneration	No remuneration except the sitting fee as permitted under the Companies Act, 2013
Details of remuneration last drawn	Not applicable
Date of first appointment	14.07.2023
Shareholding in the Company	Nil
Relationship with other director/Manager and other KMP	Nil
Number of meetings attended from the date of appointment till the date of Notice of this AGM	Nil
Directorships of other Board	i) Sonata Finance Private Limited ii) Indel Money Limited
Membership/Chairmanship of Committees of other Board	Membership – 6 Chairmanship - 4

Except Shri. Sethuraman Ganesh, the appointee, none of the Directors, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the proposed resolution. The resolutions as set out in Item No. 5 of this Notice is accordingly recommended for your approval.

Item No. 6

The Securities and Exchange Board of India has vide notification dated 2nd February, 2023, amended the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular SEBI/HO/DDHS/POD1/P/CIR/2023/112 dated July 04, 2023, requiring a company who is an issuer of debt securities, to ensure that its Articles of Association shall enable its Board of Directors to appoint the person nominated by the Debenture Trustee(s) in terms of Regulation 15(1)(e) of SEBI (Debenture Trustees) Regulations, 1993, as a director on the Board.

As per Regulation 15(1)(e) of the SEBI (Debenture Trustees) Regulations, 1993, provides that the duties of the debenture trustee shall include appointment of a nominee director on the Board of the company, which is an issuer of debt securities, in the event of:

(i) two consecutive defaults in payment of interest to the debenture holders; or

(ii) default in creation of security for debentures; or

(iii) default in redemption of debentures.

For this purpose, it is therefore proposed to amend the Articles of Association of the Company by inserting Article 102A after the existing Article 102 with the approval of the members. Accordingly, the Board recommends this Special Resolution for your approval.

Copies of Articles of Association as amended are kept for inspection at the Registered Office of the Company during the business hours of the Company.

None of the Directors, managers of the Company, other key managerial personnel and relatives of Directors, Managers or key managerial personnel are in any way concerned or interested in the said Resolution except to the extent of their shareholding and directorship in the Company

For and on Behalf of the Board
IKF Finance Limited

Ch Sreenivasa Rao
Company Secretary
Membership No.: ACS14723

Place: Vijayawada
Date: 14.07.2023

Annexure to the Notice

Additional information on directors recommended for appointment / re-appointment / variation of terms of remuneration as required under Secretarial Standard-2 notified under Section 118 (10) of the Companies Act, 2013

Name of the Director	**Shri. Vupputuri Gopala Kishan Prasad**
DIN	01817992
Date of Birth	02.09.1947
Date of first Appointment on the Board	30.05.1991
Age	76 Years
Qualification	B. Sc
Experience	Shri. Vupputuri Gopala Kishan Prasad has contributed a lot in institutionalizing the Automobile finance business operated by individuals in Andhra Pradesh. Shri. Vupputuri Gopala Kishan Prasad, has presided over the Krishna District Auto Financiers Association, considered to be one of the strongest and most organized Financiers Association in India, for quite a considerable period. Shri. Vupputuri Gopala Kishan Prasad has occupied various positions in the Federation of Indian Hire Purchase Associations (FIHPA), the Apex body of Asset Financing Companies, and has acted as the Secretary General till 2010 and as President till 2012. He has always been a strong advocate for Retail lending since times, which caught the fancy of the Banks and favored retail automobile loans later on, which kept IKF Finance ahead of its contemporaries.
Terms and conditions of appointment	As detailed in the resolution No. 4 and explanatory statement thereof.
Remuneration sought to be paid	₹10,00,000/- per month (From 15.07.2023 Upto 31.10.2023) ₹ 12,00,000/- per month (From 01.11.2023 to 30.09.2025), subject to the approval of the members, as detailed in item no. 4 of the notice.
Remuneration last drawn	₹ 7,00,000 Per Month
Relationship with other director/Manager and other KMP	(i) Husband of Smt. Indira Devi Vupputuri, Whole Time Director (ii) Father of Smt. Vasumathi Devi Koganti, Executive Director (iii) Father of Smt. V. Vasantha Lakshmi, Alternate Director (iv) Brother-in-law of Shri Satyanand Sinha Chunduri, Director
No of Meetings of the Board Attended during the FY- 2022-2023	8
No of Shares held in the Company	1,98,53,581 Fully Paid up (₹ 10/-Paid up) Shares of the Company equivalent to 30.74% of the paid up capital of the Company
Directorships of other Board	• Director of IKF Home Finance Limited • Director of IKF Infratech Private Limited
Membership/Chairmanship of Committees of other Board	2

Directors' Report

To,
The members,
IKF FINANCE LIMITED

Your Directors' have pleasure in presenting the 32nd Annual Report together with the Audited Accounts for the financial period ended 31st March, 2023.

Financial Results:

The summarized financial results of the Company are as given hereunder:

(Amounts in lakhs, unless otherwise stated)

Particulars	Standalone		Consolidated	
	2022-23	2021-22	2022-23	2021-22
Revenue from Operations	28,641.88	22,059.57	37444.09	26,961.75
Other Income	17.80	30.25	400.63	207.95
Profit (loss) before depreciation, interest and tax	22937.44	17855.68	28435.78	21159.57
Depreciation/amortization	264.23	128.96	341.66	190.23
Finance cost	15,402.63	11,787.65	19217.55	13,617.93
Impairment expense on loans	-44.98	-224.16	43.38	-222.93
Portfolio Loans & other balances written off	584.83	735.94	584.83	735.94
Profit (loss)before tax	6,730.73	5,427.29	8248.36	6,838.43
Provision for tax/deferred tax	1,730.22	1,396.85	2096.37	1725.42
Profit (loss) after tax before exception item	5,010.37	4,038.72	6219.97	5,122.56
Less: Other comprehensive income / (loss)	9.86	8.28	67.98	9.58
Net profit (loss) after exceptional items	5,000.51	4,030.44	6151.99	5,122.98
Balance brought forward from previous year	16,622.42	13,591.31	18183.90	14,440.00
Dividend on Equity Shares	0.00	0.00	0.00	0.00
Tax on dividend	0.00	0.00	0.00	0.00
Transfer to Statutory Reserve as required by Section 45-IC of Reserve Bank of India Act, 1934	1,000.10	806.09	1268.00	1056.19
Transfer to General reserve	250.03	201.S2	250.03	201.52
Transferred to Share Based payment reserve	-3.99	6.03	-4.00	6.03
Surplus carried to Balance sheet	3,760.24	3031.11	4335.02	3743.90

Review of Operations:

Standalone:

The performance for the year ended March 31, 2023 has improved and the Revenue from operations has grown by 30% to ₹286.42 Cr from ₹ 220.59 Cr for the corresponding previous year and Net Profit increased to ₹ 50.00 Cr as against ₹ 40.30 Cr registering a growth of 24% for the corresponding previous year. During the year, the Loan Book has grown by 34% from ₹ 1593 Cr to 2137 Cr (before Impairment loss allowance). The total assets managed by the Company, including receivables assigned / securitized stood at around ₹2452 Cr as at March 31, 2023 as against ₹ 1742 Cr in the previous year thereby registering a growth of 41%.

Consolidated:

The Company's performance, along with its subsidiary's performance for the year ended March 31, 2023 on a consolidated basis is satisfactory. The Revenue from operations has increased to ₹374.44 Cr from ₹ 269.62 Cr and Net Profit increased to ₹ 61.52 Cr from ₹ 51.13 Cr registering a growth of 20 % for the corresponding previous year.

Future Outlook:

The Automobile Industry, amid high interest rates and inflationary concerns, is continue to perform better in line with the other segments.

The Commercial Vehicle industry is likely to record moderate volume growth of around 8-10% in FY24 as the demand levels are expected to be lower on the backdrop of inflationary concerns. The recent price hikes post the implementation of phase-II of the Bharat Stage-VI (BS-VI) emission norms will also impact CV demand. However, the sustenance in demand is aided by healthy replacement demand, increasing freight movement amid increasing government infrastructure spending and rising economic activities.

Segment wise, MHCV Goods Carriers are expected to grow by 10-12% in FY24 driven by healthy replacement demand, increasing freight movement amid a strong infrastructure push by the Government and increasing housing, construction and mining activities, while the LCV Goods Carriers are expected to grow by 6-8% aided by increasing e-commerce activities. Passenger Carrier for both MHCV and LCV is expected to grow by 14-16% driven by mandatory scrapping of government vehicles boosting healthy replacement demand.

The Passenger Vehicle industry is likely to record moderate volume growth of around 7-9% in FY24 as the demand levels are expected to be lower on the backdrop of hike in vehicle prices, high-interest rate environment and inflationary concerns. Strong order book, improvement in supply chain and semiconductor supplies, robust demand for new model launches and increasing demand in the sports utility vehicle (SUV) segment are expected to keep the sales momentum rolling. The demand for premium variants is expected to remain healthy led by increasing demand for the luxury and premium models, while the demand for entry-level variants is expected to continue to remain under pressure due to high-interest rates and an inflationary environment.

Your Company continues to focus on Retail segment with focus on providing superior service to customers by continuously striving to lower the cost of borrowings, maintaining the asset quality with enhanced operating efficiencies to sustain the growth and profitability. Your Company is confident of sustaining the growth and profitability as it has built strong relationship with the customers over the last three decades.

Risk Management & Credit Monitoring:

Various risks like credit risk. Liquidity risk, interest rate risk, operational risk, market risk etc. are inevitable fallout of the lending business. As such, your company has put in place appropriate mechanism to review and monitor these risks at periodic intervals through the Audit Committee, Risk management Committee and the Asset Liability Management Committee. Liquidity risk and interest rate risk arising out of maturity mismatch of assets and liabilities are managed through regular monitoring of the maturity profiles. The Company monitors ALM periodically to mitigate the liquidity risk. The Company also measures the interest rate risk by the duration gap method. Operational risks arising from inadequate or failed internal processes, people and systems or from external events are adequately addressed by the internal control systems and are continuously reviewed and monitored at regular intervals. Your Company is proactive in assessing the risk associated with its various loan products and has evolved a variety of Risk management and monitoring tools while dealing with a wide spectrum of retail customers. The Risk Management Policy of the Company encompasses various risk tools such as Credit, Operational, Market, Liquidity and Interest Rate Risk and has put in place appropriate mechanism to effectively mitigate the risk factors.

Corporate Governance:

Your Company's Non-convertible debt securities got listed with Bombay Stock Exchange Limited ("BSE"). A report on the Corporate Governance along with a declaration by the Managing Director with regard to code of conduct is attached as part of this report.

Management's Discussion and Analysis:

Economic Environment:

During FY 2022-23, the fundamentals of the country's economy remained resilient despite the global headwinds, high inflation, and steep increase in the interest rates by the regulators across the world.

Automotive Sector:

The automotive sector has performed well in line with the other major sectors on account of pent-up demand as the economy recovered from the Covid-19 pandemic, by and large.

During FY23, the CV industry reported strong year-on-year volume growth of 28.7%. The demand remains strong across all the segments. Segment-wise, medium and heavy commercial vehicles (MHCV) segment reported strong year-on-year volume growth of 39.7%, while the LCV segment reported growth of around 23.1%.

During FY23, the Passenger Vehicle industry demonstrated substantial year-on-year volume growth of 24.8%. This growth can be attributed to pent-up demand following the recovery from the Covid-19 pandemic, as well as the introduction of new products in the market, increased desire for personal mobility in the wake of the pandemic. The growing demand for utility vehicles significantly contributed to the overall volume growth, with utility vehicle volumes increasing by 33.2%.

Resource Mobilization:

Deposits:

The Company has not accepted any deposits during the year under review and it continues to be a Non-deposit taking Non Banking Financial Company in conformity with the guidelines of the Reserve Bank of India and Companies (Acceptance of Deposits) Rules, 2014.

Working Capital Limits:

During the year your company has reduced its dependence, in terms of utilization, on Cash Credit Limits by raising term resources to effectively manage the ALM. However, your company intends to increase the same proportionately in line with increase in the term resources going forward.

Term Loans:

During the year your Company has mobilized Term Loan(s) of Rs. 558 Cr from existing lenders and Rs. 530 Cr from 13 new lenders.

Commercial Paper:

During the year under review, your Company has not issued any Commercial Paper.

Non-Convertible Debentures:

During the year under review, your Company has mobilized ₹140 Cr from Piramal Capital and ₹70 Cr from Northern Arc Capital.

Particulars		Piramal Capital	Northern Arc Capital
(a)	date of issue and allotment of the securities;	28.10.2022	27.03.2023
(b)	number of securities	140	7000
(c)	whether the issue of the securities was by way of preferential allotment, private placement or public issue;	Private Placement	Private Placement
(d)	brief details of the debt restructuring pursuant to which the securities are issued;	Nil	Nil
(e)	issue price	₹ 1,00,00,000	₹ 1,00,000
(f)	coupon rate	SBI MCLR Linked	10.60%
(g)	maturity date;	28.04.2028	Quarterly 27.03.2025
(h)	amount raised	₹ 140 Cr	₹ 70 Cr

Credit Rating of Securities:

Name of the Credit Rating Agency	Borrowing Instrument	Amount Rated (in crores)	Date of Rating	Rating Assigned	Rating Valid Till	Whether New/ Renewal/ Reassigned/ Withdrawn
CARE	Long Term Bank Facilities	2250	03-07-2023	CARE A	02-07-2024	renewal
CARE	Subordinate Debt	165	03-07-2023	CARE A	02-07-2024	renewal
CARE	NCDs	120	03-07-2023	CARE A	02-07-2024	renewal
CARE	PP MLDs	15	03-07-2023	CARE A	02-07-2024	renewal
Brickwork Ratings	Term Loans	713.68	15-09-2022	BWR A	14-09-2023	renewal
Brickwork Ratings	Subordinate Debt	20	15-09-2022	BWR A	14-09-2023	renewal
Brickwork Ratings	NCDs	2.50	15-09-2022	BWR A	14-09-2023	renewal

Securitization / Assignment of Loan Receivables:

During the year, your Company has Assigned Vehicle Loan Receivables to the tune of ₹ 225.76 Cr.

Borrowing Profile:

Total borrowings of the Company for the year under review (at amortized cost) stood at ₹2037 Cr, of which borrowings from Banks constituted 67.40%, borrowings from NBFCs & FIs 15.32%, Non-Convertible Debentures 11.62% and Tier II Capital / Sub-Debt 8.02%. Your Company is continuously exploring all options to access low cost funds, mostly by way of Term Loans and Cash Credit in the current financial year, to further expand the operations.

Capital Adequacy:

The Capital to Risk Assets Ratio of your company is 33.02% as on 31.03.2023, well above the minimum of 15% prescribed by the Reserve Bank of India, of which Tier I Capital constituted 26.25% and Tier II constituted 6.77%.

Dividend:

Your Directors' have not recommended payment of dividend for the financial year ended 31st March 2023 since it is proposed to retain the same in the business.

Transfer of unclaimed dividend to Investor Education and Protection Fund:

During the period under review, no such case was raised to credit / to pay any amount to the Investor Education and Protection Fund.

Share Capital:

a. Authorized Share Capital:

During the year the Authorised Share Capital of the Company was increased from ₹85,00,00,000/- (Rupees Eighty Five Crores only) divided into 6,00,00,000 (Six Crore only) Equity Shares of ₹10/- (Rupees Ten only) each and 25,00,000 (Twenty Five Lac only) Preference Shares of ₹100/- (Rupees One Hundred only) each was increased to ₹ 105,00,00,000/- (Rupees One Hundred and Five Crores only) divided into 8,00,00,000 (Eight Crore only) Equity Shares of ₹10/- (Rupees Ten only) each and 25,00,000 (Twenty Five Lac only) Preference Shares of ₹100/- (Rupees One Hundred only) each in the Extraordinary General Meeting held on 20th March, 2023.

b. Paid up Share Capital:

The total Paid up Share Capital of the Company was increased to ₹ 64,57,50,500 as on 31.03.2023 consisting of ₹ 6,45,75,050 fully paid equity shares of ₹ 10/- each as against ₹52,65,90,670 consisting 5,26,59,067 fully paid shares of ₹10/- each as on 31.03.2022. During the year the Company has raised capital of ₹ 255,06,82,727 (including premium) by allotting new 1,19,15,983 fully paid equity shares of ₹ 10/- each.

Compulsorily Convertible Preference Shares.

There are no Compulsorily Convertible Preference Shares outstanding as on 31.03.2023

c. Issue of Shares with differential voting rights

The Company has not issued any Shares with differential voting rights during the period under review.

d. Buy Back of Securities

The Company has not bought back any of its securities during the year under review.

e. Sweat Equity

The Company has not issued any Sweat Equity Shares during the year under review.

f. Bonus Shares

The Company has not issued any bonus shares during the year under review.

g. Employees Stock Option

The Board of Directors has granted total 5,62,860 stock options to the eligible employees at a price of ₹120/- (Rupees One Hundred and Twenty only) per share.

Disclosure as required under Rule 12(9) of Companies (Share Capital and Debentures) Rules, 2014 during the financial year are as below:

(a)	options granted	5,62,860
(b)	options vested	1,08,465
(c)	options exercised	Nil
(d)	the total number of shares arising as a result of exercise of option	Nil
(e)	options lapsed	4,07,910
(f)	the exercise price	₹ 120/-
(g)	variation of terms of options	NA
(h)	money realized by exercise of options	NIL
(i)	total number of options in force	1,08,465
(j)	employee wise details of options granted to:	
	(i) key managerial personnel	Ch Sreenivasa Rao, CFO & Company Secretary- 15,180 Options
	(ii) any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year	1. D Nagaraj Goud, National Business Head, 80,140 Options-14.24% (Lapsed) 2. G Chakrapani, National Credit Manager-51,500 Options-9.07% 3. M Girish Kumar, National Head-Collections-51,500 Options-9.07% (Lapsed) 4. Hardik Harish Joshi-Zonal Manager-34,000 Options-6.04% (Lapsed)
	(iii) identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	Nil

Transfer to Reserves

The Company has transferred 250.47 Lacs to General Reserves out of the current year profits for the Financial Year 2022-23 as against ₹201.53 Lacs during the Financial Year 2021-22. Further your Directors has transferred ₹ 1001.89 Lacs to Statutory Reserve @ 20% profit after tax as required under Section 45-IC of Reserve Bank of India Act, 1934 during the Financial Year 2022-23 as against ₹ 1000.10 Lacs during the Financial Year 2021-22. Further ₹ (4.00) Lacs was transferred during the Financial Year 2022-23 to Share Based payment reserve as against ₹ 3.99 Lacs during the Financial Year 2021-22. Further the Company has transferred ₹ 24315.23 Lacs to share premium account during the year 2022-23.

Details of Subsidiary, Associate and Joint Venture Companies

The Company is not having any Associate and Joint Venture Companies as on date by virtue of Section 2 (6) of the Companies Act, 2013. As on 31.03.2023, IKF Home Finance Limited is the Subsidiary Company in which the Company holds 89.13%. Policy for determining 'material' subsidiaries

is available on the company's website and can be accessed through the web-link https://www.ikffinance.com/assets/pdf/policies/Policy%20on%20Material%20Subsidiaries.pdf.

No Company has become or ceased to be the Company's Subsidiaries, joint ventures or associate companies during the year.

Salient features of the financials of the above-mentioned subsidiary have been given in Form AOC-1 as Annexure-I to this report

Auditors:

Statutory Auditors:

In due compliance of the Reserve Bank of India(RBI) vide Notification Ref. No. DOS.CO.ARG/SEC.01/08.91.001/2021-22 dated 27th April, 2021 guidelines for appointment statutory auditors of NBFCs your Company has appointed M/s SGCO & Co., LLP., Chartered Accountants (Firm Regn No 112081W/W100184) as Statutory Auditors for a further period 3 (three) years at the 30th Annual General Meeting to hold the office of Statutory Auditors from the conclusion of 30th Annual General Meeting to till the conclusion of 33rd Annual General Meeting of the Company.

Qualification by the Statutory Auditor:

The Audit Report does not contain any qualification, reservation or adverse remarks.

Secretarial Auditor:

Pursuant to provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company has appointed M/s. B S S & Associates, Company Secretaries as Secretarial Auditors of the Company. Secretarial Audit Report is enclosed as Annexure-II to this Report.

Qualification by Secretarial Auditor:

The Secretarial Audit Report does not contain any qualification, reservation or adverse remarks.

Maintenance of Cost Records:

Cost Records are not required to be maintained by the Company under Section 148 of the Companies Act, 2013. Accordingly, such accounts and records are not maintained.

Cost Audit:

In terms of the provisions of Section 148 of the Companies Act, 2013 read with Rule 3 & 4 of the Companies (Cost Record and Audit) Rules, 2014 and all other applicable provisions of the Companies Act, 2013, the Cost Audit is not applicable to the Company.

Internal Audit and Auditor:

As part of the effort to evaluate the effectiveness of the internal control systems, and to maintain its objectivity and independence and on recommendations of the Audit Committee your directors have re-appointed M/s. Brahmayya & Co, Chartered Accountant as an internal auditor of the Company for the year ended 31st March, 2023 who shall report to the Audit Committee / Board. Based on the report of internal auditor, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon were presented to the Audit Committee / Board.

Internal Financial Controls:

The Company has a well-established internal financial control and risk management framework, with appropriate policies and procedures, to ensure the highest standards of integrity and transparency in its operations and a strong corporate governance structure, while maintaining excellence in services to all its stakeholders. Appropriate controls are in place to ensure: (a) the orderly and efficient conduct of business, including adherence to policies, (b) safeguarding of assets, (c) prevention and detection of frauds / errors, (d) accuracy and completeness of the accounting records and (e) timely preparation of reliable financial information.

Vigil Mechanism / Whistle Blower Policy:

Pursuant to Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Board has adopted Whistle Blower Policy. This policy aims for conducting the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior.

A mechanism has been established for employees to report concerns about unethical behavior, actual or suspected fraud or violation of Code of Conduct and Ethics. The policy also provided adequate safeguards against the victimization of employees who avail of the mechanism and allows direct access to the Chairman of the Audit Committee in exceptional cases.

Your Company hereby affirms that during the year no Director / employee have been denied access to the Chairman of the Audit Committee and that no complaints were received.

Corporate Social Responsibility Committee:

During the year under review the Company has spent an amount of ₹ 91,28,600/- under the CSR activity. The report on CSR activities for FY 2022-23 is enclosed as Annexure-III. This Corporate Social Responsibility policy is available on

the website of the company and can be accessed through the web-link https://www.ikffinance.com/assets/pdf/policies/CSR%20Policy.pdf.

Annual Return:

As required under Section 92(3) of the Companies Act, 2013, Annual return in Form MGT-7 is available on the company's website and can be accessed through the web-link https://www.ikffinance.com/investors.php#headingOne.

Material Changes and Commitments, if any:

There are no material Changes and Commitments affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

Details of significant and material orders passed by the regulators/ courts/ tribunals impacting the going concern status and the Company's operations in future:

There are no material Changes and Commitments affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

Directors & Key Managerial Personnel:

Directors:

Shri Satyanand Sinha Chunduri (DIN: 03644504), and Smt. Vasumathi Devi Koganti (DIN: 03161150) retired and re-elected at the last Annual General Meeting of the Company held on 30.09.2022. In terms of Section 152 of the Companies Act, 2013.

During the year there were changes in the composition of Board of Directors, on 30.09.2022 Shri Nageswara Rao Yalamanchili who appointed as an additional director (Non-Executive & Independent), w.e.f., 01.12.2021 was appointed as Independent Director by the shareholders at the Annual General Meeting held on 30.09.2022. Shri Sunil Chandiramani and Shri Gopala Krishna Gurrappa were appointed as additional director(s) (Non-Executive & Independent) at the Board Meeting held on 30.09.2022 and was appointed as Independent Directors by the Shareholders at the Extra Ordinary General Meeting held on 13.02.2023. Shri. S. Veerabhadra Rao, Independent Director resigned from the Board w.e.f., 10.02.2023.

Further Shri. Abhishek Agarwal (DIN: 06760344) was appointed as Nominee Director of Accion Digital Transformation Fund LP (New Investor) by the Board of Directors with effect from 30.05.2023. Shri. Sethuraman Ganesh (DIN 07152185) was appointed as Additional Director (Independent and Non-Executive) by the Board of Directors with effect from 14.07.2023. Smt. Indira Devi Vupputuri, Whole Time Director resigned with effect from 14.07.2023.

Based on the confirmations received from Directors, none of the Directors are disqualified from appointment under Section 164 of the Companies Act 2013.

Key Managerial personnel:

During the financial year, there was a change in the appointment of Key Managerial Personnel. Shri. Sreepal Gulabchand Jain, Chief Financial Officer was resigned w.e.f., 10.02.2023 and Shri. Ch. Sreenivasa Rao, the Company Secretary was appointed as Chief Financial Officer of the Company w.e.f., 10.02.2023.

Declaration by Independent Directors:

The Independent Directors of the Company have submitted their declarations as required under Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as per sub-section (6) of Section 149 of the Act.

Familiarization programme for Independent Directors:

The Company proactively keeps its Directors' informed of the activities of the Company, its management and operations and provides an overall industry perspective as well as issues being faced by the industry.

Independent Directors' Meeting:

The Independent Directors met on 24.08.2022 without the attendance of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole; the performance of the Chairman of the Company, taking into account the views of Executive Director and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Opinion of the Board with regard to integrity, expertise and experience (including the proficiency) of the independent directors appointed during the year:

During the year, the Company has appointed three Independent directors Shri. Y. Nageswara Rao, Shri Sunil Chandiramani and Shri. Gopala Krishna Gurrappa. In the opinion of the Board all the Independent Directors of your Company possess integrity, experience, expertise and

requisite proficiency required under all applicable laws and policies of your Company.

Board Evaluation:

The Board adopted a formal mechanism for evaluating its performance as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Board functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

Change in the nature of business:

There was no change in the nature of business of the Company during the financial year 2022-2023.

Number of meetings of the Board of Directors:

During the financial year 2022-23 the Board of Directors has met Eight times viz 30/05/2022, 11/08/2022, 30/09/2022, 10/11/2022, 13/01/2023, 10/02/2023, 21/02/2023 and 27/03/2023. The details of which are given in the Corporate Governance Report. The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013 and Secretarial Standard-1.

Audit Committee:

The Composition of the Audit Committee is provided in the Corporate Governance Report forming part of this report. All the recommendations made by the Audit Committee were accepted by the Board.

Nomination and Remuneration Policy:

The Nomination and Remuneration Policy containing guiding principles for payment of remuneration to Directors, Senior Management, Key Managerial Personnel and other employees including Non-executive Directors along with Board Evaluation criteria are provided in the Corporate Governance Report. The terms of reference are placed on Company's website and can be accessed through the web-link https://www.ikffinance.com/assets/pdf/policies/Nomination%20and%20Remuneration%20Policy.pdf.

Criteria of making payments to non-executive directors is provided in the Corporate Governance Report.

Particulars of loans, guarantees or investments under Section 186:

The Company, being a non-banking finance company registered with the Reserve Bank of India and engaged in the business of giving loans, is exempt from complying with the provisions of Section 186 of the Companies Act, 2013. Accordingly, the disclosures of the loans given as required under the aforesaid section have not been given in this Report.

Remuneration ratio of the Directors / Key Managerial Personnel (KMP):

The provisions of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company.

During the financial year 2022-2023, there were no employees in the Company whose details are to be given pursuant to Rule 5(2) The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Particulars of contracts or arrangements with related parties:

All transactions entered by the Company with Related Parties were in the Ordinary course of Business and are at Arm's Length pricing basis. The Audit Committee granted approvals for the transactions and the same were reviewed by the Committee and the Board of Directors.

There were no materially significant transactions with Related Parties during the financial year 2022-23 which were in conflict with the interest of the Company. The details of contracts and arrangements with related parties as referred to in Section 188(1) of the Companies Act, 2013 were given as Annexure-IV to the Board's Report in form No: AOC-2 pursuant to Section 134 (3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules 2014.

Related Party Disclosure – As per Point no A of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

The detailed disclosures were covered in the Financial Statements, which forms part of this Report.

Directors' Responsibility Statement:

Pursuant to Section 134(5) of the Companies Act, 2013, Directors of your Company hereby state and confirm that:

(a) in the preparation of the annual accounts for the period ended 31st March, 2023, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the directors had selected such accounting policies and applied them consistently and made judgments

and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis;

(e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

(f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Company's Policy on Prohibition, Prevention and Redressal of Sexual Harassment of Women at Workplace:

The Company prohibits any form of sexual harassment and any such incidence is immediately investigated and appropriate action taken in the matter against the offending employee(s) based on the nature and the seriousness of the offence. The Company has a policy on Prohibition, Prevention and Redressal of Sexual Harassment of Women at Workplace (the Policy) and matters connected therewith or incidental thereto covering all the aspects as contained under the "The Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013" notified by the Government of India vide Gazette Notification dated 23rd April, 2013.

The Company has complied with provisions relating to the constitution of Internal Complaints Committee. There was no case of sexual harassment reported during the year under review.

Details in respect of frauds reported by auditors under Section 143 (12) other than those which are reportable to the central government:

There were no frauds as reported by the Statutory Auditors under Sub-section 12 of Section 143 of the Companies Act, 2013 along with Rules made there-under other than those which are reportable to the Central Government.

Disclosure under Regulation 53(e) of SEBI LODR:

Name of the debenture trustees with full contact details

1. Catalyst Trusteeship Limited,
GDA House, Plot No. 85,
Bhusari Colony (Right), Paud Road
Pune - 411 038, Maharashtra, India
Contact No: +91 20 66807200
E-mail Id: dt@ctltrustee.com

2 IDBI Capital Trusteeship Services Limited
Asian Building, Ground Floor, 17, R. Kamani Marg,
Ballard Estate, Mumbai – 400 001,
Maharashtra, India
Contact No: 022-40807000
E-mail Id: itsl@idbitrustee.com

3 Vardhman Trusteeship Private Limited,
3rd Floor, Room No - 15 6, Lyons Range,
Turner Morrison House
Kolkata – 700 001, West Bengal, India
Contact No: 022 42648335
E-mail Id: Corporate@vardhamantrustee.com

Details of revision of financial statement- Nil

Details of utilization of funds raised through preferential allotment or qualified institutions placement:

During the year under review, the Company had raised ₹210,00,00,000 (Rupees Two Hundred and Ten Crores) through preferential issue/private placement Non-Convertible Debentures ('NCDs'). The funds were utilised by the Company for its general corporate purposes. There has been no deviation in the utilisation of issue proceeds of Private Placement of Non-Convertible Debentures ('NCDs'), Commercial papers and Tier II Debt, from the Objects stated in the Private Placement Offer Letter.

Secretarial Standards:

The Company complies with all applicable Secretarial Standards.

Other Disclosures:

Reasons for delay, if any, in holding the annual general meeting- Nil

Disclosures by NBFC Systemically Important Non-Deposit Taking Company and Deposit taking Company

The Company made relevant disclosures in the notes to accounts of financial statements

Pecuniary relationship/transaction with non-executive directors:

During the year under review, there were no pecuniary relationship/transactions of any non–executive directors with the Company, apart from sitting fees for attending meetings as directors.

Customer Complaints:

(Currency : INR in lakhs)

Particulars		As at March 31, 2023	As at March 31, 2022
(a)	No. of complaints pending at the beginning of the year	0	2
(b)	No. of complaints received during the year	48	13
(c)	No. of complaints redressed during the year	48	15
(d)	No. of complaints pending at the end of the year	-	-

Perpetual Debt Instruments (PDI):

During the financial year, the Company has not issued any Perpetual Debt Instruments (PDI).

Registrar and Share Transfer Agency:

The Company has appointed M/s. Bigshare Services Private Limited situated at Plot No-306, 3rd Floor, Right Wing, Amrutha Ville Opp. Yashoda Hospital, Rajbhavan Road Somajiguda, Hyderabad-500 082, as its Registrar and Share transfer agency for handling both physical and electronic transfers.

Details of significant changes in key financial ratios, along with detailed explanations thereof: the key financial ratios were disclosed in the Financial Statements, which forms part of this Report.

Human Resources:

Your Company treats its "human resources" as one of its most important assets. Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

Awards and recognition:

The Company has not received any award during the Financial Year.

Cautionary Statement:

Statements in these reports describing company's projections statements, expectations and hopes are forward looking. Though, these expectations are based on reasonable assumption, the actual results might differ.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

The Company, being a non–banking finance company (NBFC), does not have any manufacturing activity. The directors, therefore, have nothing to report on conservation of energy and technology absorption.

Foreign Exchange Earnings and Outgo

Total foreign exchange earned	Nil
Total foreign exchange used	Nil

Code of conduct:

The Company has adopted Code of Conduct for the Board and for the senior level employees of the Company and they are complying with the said code.

Industrial Relations:

Industrial relations continued to be cordial throughout the year under review.

The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year:

During the year under review, Company has not made any application under The Insolvency and Bankruptcy Code, 2016 (31 of 2016).

The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the banks or financial institutions along with the reasons thereof

The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof is not applicable.

Acknowledgments:

Your Company will always keep interest of its customers, employees and the stakeholders as a priority and shall reciprocate their confidence reposed in the Company. It has been a mutually beneficial relationship and looks forward to their continued support.

For and on behalf of the Board
IKF FINANCE LIMITED

Vupputuri Gopala Kishan Prasad
Chairman & Executive Director
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Place: Vijayawada
Date: 14.07.2023

Report on Corporate Governance

Your Company has voluntarily adopted Corporate Governance Report as per Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. This section on Corporate Governance forms part of the Report of the Directors to the Members.

(1) Company's Philosophy on Code of Governance

Our Corporate Governance policies recognise the accountability of the Board and the importance of its decisions to all our constituents, including Customers, Investors and the Regulatory Authorities. The strong foundation of the Company is supported by the pillars of Customer faith, Debenture holders Confidence, Bankers Trust, Investor Steadfastness and Employee Loyalty. The Company has been growing over the past thirty years on the principles of dedicated customer service, fair business practices, efficient and trusted financial policies. It continues to maintain high standards of integrity through excellence in service to all its stakeholders.

The Board is fully aware of its fiduciary responsibilities and recognises its responsibilities to shareholders and other stakeholders to uphold the highest standards in economic, social and ethical matters by ensuring that the company conducts its activities in accordance with corporate governance best practices.

(2) Board of Directors

Composition and category:

Directors possess the highest personal and professional ethics, integrity and values, and are committed to representing the long-term interests of the stakeholders. The basic responsibility of the Board is to provide effective governance over the company's affairs exercising its reasonable business judgement on behalf of the Company.

The Board has been constituted in a manner, which will result in an appropriate mix of executive/non-executive and independent Directors to ensure proper governance and management. As on 31.03.2023, the Board comprises Nine members who have experience in diverse fields like Finance, Accounts and Management. Non-Executive Directors bring independent judgement in the Board's deliberations and decisions. During the year there were change in the composition of Board of Directors, Shri Nageswara Rao Yalamanchili who was appointed as an additional director (Non-Executive & Independent), w.e.f. 01.12.2021 was appointed as an independent director by the shareholders at the Annual General Meeting held on 30.09.2022. Shri Sunil Chandiramani and Shri Gopala Krishna Gurrappa were appointed as additional director(s) (Non-Executive & Independent) at the Board Meeting held on 30.09.2022 and was appointed as Independent Directors by the shareholders at the Extra Ordinary General Meeting held on 13.02.2023. Shri. S. Veerabhadra Rao, Independent Director resigned from the Board w.e.f. 10.02.2023. Due to his personal reasons and other pre-occupations, Shri. S. Veerabhadra Rao, had to tender his resignation and the Board hereby confirms that there are no other material reasons other than those stated above.

Further Shri. Abhishek Agarwal (DIN: 06760344) was appointed as Nominee Director of Accion Digital Transformation Fund LP (New Investor) by the Board of Directors with effect from 30.05.2023.

The Executive Directors as on 31.03.2023 were Shri Vupputuri Gopala Kishan Prasad – Chairman & Executive Director, Smt. Indira Devi Vupputuri - Whole Time Director and Smt. Vasumathi Devi Koganti – Managing Director. Smt. Indira Devi Vupputuri - Whole-time Director, resigned from the Company w.e.f 14.07.2023.

As on 31.03.2023, the Independent Directors were Shri K. Satyanarayana Prasad, Shri Nageswara Rao Yalamanchili, Shri Sunil Chandiramani and Shri Gopala Krishna Gurrappa, Shri. Satyanand Sinha Chunduri was the Non-Executive Non-Independent Director and Smt. Vupputuri Vasantha Lakshmi is the alternate director to Shri Satyanand Sinha Chunduri, Shri. Vinit Mukesh Mehta is a Nominee Director.

Relationship between Directors:

Shri Vupputuri Gopala Kishan Prasad, Chairman & Executive Director is husband of Smt. Indira Devi Vupputuri, Whole Time Director. Shri Vupputuri Gopala Kishan Prasad and Smt. Indira Devi Vupputuri are parents of Smt. Vasumathi Devi Koganti, Managing Director and Smt. V. Vasantha Lakshmi, Alternate

Director and Shri Satyanand Sinha Chunduri, is Brother-In-Law of Shri Vupputuri Gopala Kishan Prasad.

Board Meetings:

The Board of Directors meets at regular intervals with a formal schedule of matters specifically reserved for its attention to ensure that it exercises full control over significant strategic, financial, operational and compliance matters. The Board is regularly briefed and updated on the key activities of the business and is provided with briefings on other matters concerning the company on a need basis. The Board of Directors generally meets every quarter to review the business performance. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas.

During the year under review, eight meetings of the Board of Directors were held on the following dates.

30-05-2022	11-08-2022	30-09-2022	10-11-2022
13-01-2023	10-02-2023	21-02-2023	27-03-2023

The details of attendance at Board Meetings and details of other Directorships, Committee Chairmanships / Memberships held by the Directors during the period from 1st April, 2022 to 31st March, 2023 are as follows:

Name of the Director	Category of Board Directorship	No. of Board Meetings attended	% of total meetings attended	Attendance at the last AGM	No of other Directorships	*No of other Committee in which director is a Chairman or Member	Names of the Listed entity (including Debt Listed Companies)	Category of Directorship
Vupputuri Gopala Kishan Prasad	Chairman & Executive Director	8	100%	Yes	2	0		
Indira Devi Vupputuri	Whole Time Director	5	62.5%	Yes	1	0		
Vasumathi Devi Koganti	Managing Director	8	100%	Yes	1	1	IKF Home Finance	Director
K Satyanarayana Prasad	Independent Director	8	100%	Yes	1	0		
V Vasantha Lakshmi Alternate Director to Satyanand Sinha Chunduri	Alternate Director	8	100%	Yes	1	0		
S Veerabhadra Rao (Resigned on 10.02.2023	Independent Director	4	75%	Yes	2	0		
Vinit Mukesh Mehta	Nominee Director	8	100%	No	-	0		
Y Nageswara Rao (Appointed on 30.09.2022)	Independent Director	8	100%	No	3	0		
Sunil Chandiramani (Appointed on 30.09.2022)	Independent Director	4	80%	No	7	2	Sapphire Foods India Limited	Non-Executive - Independent Director
Gopala Krishna Gurrappa (Appointed on 30.09.2022)	Independent Director	4	80%	No	4	0		

Shri Sunil Chandiramani holds directorship in other listed entities.

During the financial year, the Board has accepted all the recommendation(s) of all the Committees of the board.

* Board Committees for this purpose means only Audit Committee and Stakeholders Relationship Committee.

Committees:

(3) Audit Committee:

The terms of reference of the Audit Committee are broadly inter alia as follows:

a. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

b. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

c. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

d. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;

e. Review of compliances and review of systems and controls;

f. approval or any subsequent modification of transactions with related parties.

The Audit Committee provides direction to the Audit function and monitors the quality of internal controls and systems. The responsibilities of the Audit Committee include the overseeing of financial reporting process to ensure fairness, sufficiency and credibility of financial statements, review of the quarterly and annual financial statements before submission to the Board, review of adequacy of internal control systems and the internal audit functions. The Audit Committee comprises three Non-Executive Directors with two Independent Directors and one Nominee Director. The Committee comprises of Shri S. Veerabhadra Rao as Chairman of the Committee and Shri. Vinit Mukesh Mehta, Shri K Satyanarayana Prasad as Members. The Executive Directors, Statutory Auditors, Internal Auditors and other Functional Heads are invitees to the Committee Meetings. During the year there were changes in the composition of Audit Committee. Shri. S. Veerabhadra Rao, Independent Director has resigned from the Board on 10.02.2023 and Shri. Y. Nageswara Rao, Independent Director was appointed as a member of Audit Committee w.e.f 10.02.2023. On 30.05.2023 the Audit Committee was again reconstituted with Shri. Y. Nageswara Rao, Independent Director as Chairman of the Committee and Shri. Gopala Krishna Gurrappa, Independent Director, Shri K. Satyanarayana Prasad, Independent Director, Shri. Vinit Mukesh Mehta, Nominee Director and Shri Abhishek Agarwal, Nominee Director as members of the Committee.

During the year the committee met 6 times on 30.05.2022, 11.08.2022, 15.09.2022, 30.09.2022, 10.11.2022 and 10.02.2023. The details of members and their attendance at the committee meetings are given below:

Name of the Director	No of Audit Committee Meetings held	No of Audit Committee Meetings attended	% of total Meetings attended
Shri. S. Veerabhadra Rao (Resigned on 10.02.2023)	6	5	100%
Shri. K. Satyanarayana Prasad	6	6	100%
Shri Vinit Mukesh Mehta	6	5	83%
Shri Y Nageswara Rao (From 10.02.2023)	6	1	16.67%

The previous Annual General Meeting ("AGM") of the Company was held on September 30, 2022 and was attended by Shri. S. Veerabhadra Rao, Chairman of the audit committee.

(4) Nomination, Remuneration & Compensation Committee:

The Nomination, Remuneration & Compensation Committee was constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 comprises of Shri S. Veerabhadra Rao as the Chairman and Shri. K. Satyanarayana Prasad and Sri Vinit Mukesh Mehta as Members. The Committee determines the remuneration package of Executive Directors (Whole Time Directors) of the Company and to grant Stock Options to eligible employees from time to time. During the year there were changes in the composition of the Committee. Shri. S. Veerabhadra

Rao, Independent Director has resigned from the Board on 10.02.2023 and Shri. Y. Nageswara Rao, Independent Director was appointed as a member of Nomination, Remuneration & Compensation Committee w.e.f 10.02.2023 On 30.05.2023, the Committee was again reconstituted with Shri. Y. Nageswara Rao, Independent Director as Chairman of the Committee and Shri K. Satyanarayana Prasad, Independent Director, Shri. Vinit Mukesh Mehta, Nominee Director and Shri Abhishek Agarwal, Nominee Director as members of the Committee. During the year, the committee met three times on 11.08.2022, 30.09.2022 and 10.02.2023.

The terms of reference of the Committee, inter alia, includes formulation of criteria for determining qualifications, positive attributes and independence of a director, recommendation of persons to be appointed to the Board and senior management and specifying the manner for effective evaluation of performance of Board, its Committees, Chairperson and individual directors, recommendation of remuneration policy for directors, key managerial personnel and other employees, formulation of criteria for evaluation of performance of independent directors and the Board. The Committee also reviews the remuneration of the senior management team.

Attendance of each Director at Nomination &Compensation Committee Meeting

Name of the Director	Category	Number of committee meetings	
		Held	Attended
Vinit Mukesh Mehta	Nominee Director	3	3
S. Veerabhadra Rao (Resigned on 10.02.2023)	Independent Director	2	2
K Satyanarayana Prasad	Independent Director	3	3
Y. Nageswara Rao (From 10.02.2023)	Independent Director	1	1

Criteria for Performance evaluation:

(i) Remuneration Policy:

The Policy inter alia provides for the following:

(a) attract, recruit, and retain good and exceptional talent;

(b) list down the criteria for determining the qualifications, positive attributes, and independence of the directors of the Company;

(c) ensure that the remuneration of the directors, key managerial personnel and other employees is performance driven, motivates them, recognises their merits and achievements and promotes excellence in their performance;

(d) motivate such personnel to align their individual interests with the interests of the Company, and further the interests of its stakeholders;

(e) ensure a transparent nomination process for directors with the diversity of thought, experience, knowledge, perspective and gender in the Board; and

(f) fulfill the Company's objectives and goals, including in relation to good corporate governance, transparency, and sustained long-term value creation for its stakeholders.

(ii) Remuneration paid to Directors

Remuneration to Executive Directors:

The Managing Director, Whole Time Director and Executive Director of the company have been appointed on contractual terms, based on the approval of the shareholders. The remuneration package comprises of salary, allowances and perquisites. The details of remuneration paid to the Executive Directors during the year 2022-2023 are given below:

Name of the Director	Remuneration (in ₹)	Allowances	Commission (in ₹)
Vupputuri Gopala Kishan Prasad	₹ 84,00,000	NIL	₹ 63,27,000
V Indira Devi	₹36,00,000	NIL	₹ 26,92,000
Vasumathi Devi Koganti	₹60,00,000	NIL	₹ 44,42,000

The remuneration is within the limits prescribed under Schedule V to the Companies Act, 2013.

Remuneration to Non-Executive Directors

a) Details of Sitting Fees paid to Non-Executive Directors during the financial year 2022-2023

The details of sitting fees paid/payable to Non-Executive Directors during the financial year 2022-2023 was.

Name of the Director	Sitting Fee (in ₹)					Total
	Board Meetings	Audit Committee Meetings	N & R Committee Meetings	Risk Management Committee Meeting	Stakeholders Relationship Committee Meetings	
Shri. Nageswara Rao Yalamanchili	3,50,000	-	-	-	-	3,50,000
Shri Sunil Chandiramani	2,00,000	-	-	-	-	2,00,000
Shri Gopala Krishna Gurrappa	2,00,000	-	-	-	-	2,00,000

The Sitting fees paid is as per Rule 4 of Companies (Appointment and Remuneration of Directors) Rules, 2014.

b) Number of Shares and Convertible Instruments held by Non-executive Directors:

Name of the Non-Executive Director	No. of Equity Shares	No. of Convertible Instruments
Shri. S. Veerabhadra Rao	Nil	Nil
Shri. K. Satyanarayana Prasad	Nil	Nil
Shri. Satyanand Sinha Chunduri	1,17,700	Nil
Smt. Vupputuri Vasantha Lakshmi	24,91,794	Nil
Shri. Gopala Krishna Gurrappa	Nil	Nil
Shri. Sunil Chandiramani	69,768	Nil
Shri. Y. Nageswara Rao	Nil	Nil

c) Familiarisation Programme:

The Company has Familiarisation Programme for the Independent Directors with respect to the Company, their roles, rights, responsibilities and details of such Familiarisation Programme is available in the Company's website and can be accessed through the web-link https://www.ikffinance.com/investors.php#heading7new.

d) The list of core skills/ expertise/competencies as identified by the Board of Directors as required in the context of business and sector for it to function effectively and those actually available with the Board of Directors:

Industry, Accounts & Finance, Taxes, Legal, Marketing, Branding, Risks, Administration and Governance.

List of Directors possessing the skills/expertise and competencies:

Name of the Director	Skills/Expertise and Competencies
V G K Prasad	Industry, Marketing, Branding, Risks, Administration
V Indira Devi	Industry, Marketing, Branding, Risks, Administration
K Vasumathi Devi	Industry, Marketing, Branding, Risks, Administration
K Satyanarayana Prasad	Risks, Administration and Governance
Sinha S Chunduri	Accounts & Finance
S Veerabhadra Rao	Risks, Administration and Governance
Vinit Mukesh Mehta	Accounts & Finance, Taxes, Legal & Governance
Nageswara Rao Yalamanchili	Risks, Administration and Governance
Gopala Krishna Gurrappa	Risks, Administration and Governance
Sunil Chandiramani	Accounts & Finance, Taxes, Legal & Governance
Shri Abhishek Agrawal	Accounts & Finance, Taxes, Legal & Governance
Shri Sethuraman Ganesh	Risks, Administration and Governance

e) Confirmation by the Board:

The Board hereby confirms that the independent directors fulfil the conditions specified in these regulations and are independent of the management.

f) Resignation of Independent Director:

During the year none of the Independent Directors has resigned except Shri. S. Veerabhadra Rao. The Board wishes to place on record its deep appreciation and gratitude for the extraordinary contributions made by Shri. S. Veerabhadra Rao during his association with the Company.

(5) Stakeholder Relationship Committee:

The Share Transfer and Investor Grievance Committee comprises of Shri. K. Satyanarayana Prasad as Chairman and Shri S Veerabhadra Rao as Member. The Stakeholder Relationship Committee was constituted in accordance with the provisions Section 178 of the Companies Act, 2013 and Rules made thereunder. During the year there was no complaints received by the Company.

Due to resignation of Shri. S. Veerbhadra Rao, Independent Director on 10.02.2023, the Committee was reconstituted on 30.05.2023 with Shri. Y. Nageswara Rao, Independent Director as Chairman of the Committee and Shri K. Satyanarayana Prasad, Independent Director, Sri Abhishek Agarwal, Nominee Director as members of the Committee.

During the period under review, the Company has not received any complaints.

(5A) Risk Management Committee:

The Risk Management Committee comprises of Shri Vupputuri Gopala Kishan Prasad, as Chairman, Shri. S. Veerabhadra, Shri Vinit Mukesh Mehta, Smt. Vasumathi Devi Koganti, as Members. During the year there were changes in the in the composition of the Committee. Shri. S. Veerabhadra Rao, Independent Director has resigned from the Board on 10.02.2023. On 30.05.2023, the Committee was reconstituted with Shri Vupputuri Gopala Kishan Prasad, as Chairman of the Committee and Smt. Vasumathi Devi Koganti, Managing Director, Shri. Vinit Mukesh Mehta, Nominee Director and Shri Abhishek Agarwal, Nominee Director as members of the Committee. The Risk Management Committee was formed to review and monitor Risk Management policies and systems from time to time.

During the year 2022-2023 the committee met 4 times on 30.05.2022, 11.08.2022, 10.11.2022 and 10.02.2023. The terms of reference of the Committee to include, review of operational, reputational and market risks. The other terms inter alia, include, managing the integrated risk, laying down procedures to inform the Board about risk assessment and minimisation procedures in the Company, and framing, implementing, monitoring the risk management plan for the Company.

Attendance of each Director at Risk Management Committee Meetings

Name of the Director	Category	Number of committee meetings	
		Held	Attended
Vupputuri Gopala Kishan Prasad	Executive Director	4	4
S. Veerabhadra Rao (Resigned on 10.02.2023)	Independent Director	3	3
Vasumathi Devi Koganti	Managing Director	4	4
Vinit Mukesh Mehta	Nominee Director	4	3

Other Committees:

(a) Asset Liability Management Committee:

The Asset Liability Management Committee comprises of Shri Vupputuri Gopala Kishan Prasad as Chairman, Shri S. Veerabhadra Rao, Shri Vinit Mukesh Mehta and Smt. Vasumathi Devi Koganti as Members. During the year there were changes in the in the composition of the Committee. Shri. S. Veerabhadra Rao, Independent Director has resigned from the Board on 10.02.2023. On 30.05.2023, the Committee was reconstituted Shri Vupputuri Gopala Kishan Prasad as Chairman of the Committee and Smt. Vasumathi Devi Koganti, Managing Director, Shri. Vinit Mukesh Mehta, Nominee Director and Shri Abhishek Agarwal, Nominee Director as members of the Committee. The Asset Liability Management Committee was formed to review and monitor liquidity and interest rate risk arising out of maturity mismatch of assets and liabilities and to address the mismatches, if any, from time to time. During the year 2022-2023 the committee met 4 times on 30.05.2022, 11.08.2022, 10.11.2022 and 10.02.2023.

Attendance of each Director at Asset Liability Management Committee Meeting

Name of the Director	Category	Number of committee meetings	
		Held	Attended
Vupputuri Gopala Kishan Prasad	Executive Director	4	4
S. Veerabhadra Rao (Resigned on 10.02.2023)	Independent Director	3	3
Vasumathi Devi Koganti	Managing Director	4	4
Vinit Mukesh Mehta	Nominee Director	4	3

(b) Management Committee:

The Management Committee comprises of Shri Vupputuri Gopala Kishan Prasad as Chairman, Shri. S Veerabhadra Rao and Smt. Vasumathi Devi Koganti as Members. During the year there was a change in the composition of Committee. Shri. S. Veerabhadra Rao, Independent Director has resigned from the Board on 10.02.2023. On 30.05.2023, the Committee was reconstituted Shri Vupputuri Gopala Kishan Prasad as Chairman of the Committee, Smt. Vasumathi Devi Koganti, Managing Director and Shri. K. Satyanarayana Prasad, Independent Directors as members of the Committee. The management Committee was formed to review and monitor borrowings, assignment and securitization transactions, day to day management activities etc from time to time. During the year 2022-2023 the committee met 46 times 06.04.2022, 30.04.2022, 25.05.2022, 30.05.2022, 04.06.2022, 25.06.2022, 28.06.2022, 29.06.2022, 01.07.2022, 22.07.2022, 08.08.2022, 18.08.2022, 29.08.2022, 24.09.2022, 28.09.2022, 29.09.2022, 10.10.2022, 12.10.2022, 21.10.2022, 22.10.2022, 28.10.2022, 31.10.2022, 03.11.2022, 30.11.2022, 09.12.2022, 16.12.2022, 22.12.2022, 24.12.2022, 27.12.2022, 28.12.2022, 29.12.2022, 04.01.2023, 12.01.2023, 23.01.2023, 30.01.2023, 16.02.2023, 20.02.2023, 27.02.2023, 02.03.2023, 15.03.2023, 17.03.2023, 21.03.2023, 23.03.2023, 27.03.2023, 29.03.2023 and 30.03.2023.

Name of the Director	Category	Number of committee meetings	
		Held	Attended
Vupputuri Gopala Kishan Prasad	Executive Director	46	46
S. Veerabhadra Rao (Resigned on 10.02.2023)	Independent Director	35	35
Vasumathi Devi Koganti	Managing Director	46	46

(6) Remuneration of directors

Pecuniary relationship/transaction with non-executive directors

During FY 2022-23, there were no pecuniary relationship/transactions of any non–executive directors with the Company, except payment of sitting fees for attending Board Meetings. During FY 2022-23, the Company did not advance any loans to any of its directors.

Criteria of making payments to non-executive directors

Non-executive directors of the Company play a crucial role in the independent functioning of the Board. They bring in an external perspective to decision-making and provide leadership and strategic guidance while maintaining objective judgment. They also oversee the corporate governance framework of the Company.

Details of Remuneration of directors

Non-Executive Directors do not receive any remuneration from the company and except sitting fee of ₹ 50,000/- per meeting. Details of remuneration, sitting fees and commission paid to the Directors are provided in the Form MGT-7 (annual return) which is hosted on the website of the Company and can be accessed through the web-link https://www.ikffinance.com/investors.php#heading7new.

(7) General Body Meetings:

a) Time and location of last three Annual General Meetings and Special Resolutions passed by the members in the past 3 AGMs.

AGM	Day	Date	Time	Venue	Special Resolutions passed
31st AGM	Friday	30.09.2022	11.00 AM	Through Video Conference / Audio-visual means	• Renew the Borrowing Powers of the Company of ₹ 5000 crores. • Renew the power of Board of Directors of the Company to lease and mortgage of the property (ies) of the Company. • Issue of Non-Convertible Debentures (NCD)/ Tier II Debt(s)/ Commercial Papers/Bonds on Private Placement Basis. • Approve re-appointment of Sri. Vupputuri Gopala Kishan Prasad as Chairman and Executive Director of the Company. • Approve re-appointment of Smt. Indira Devi Vupputuri as Whole-Time Director of the Company. • Approve re-appointment of Smt. Vasumathi Devi Koganti as Managing Director of the Company.
30th AGM	Tuesday	30.11.2021	11.00 AM	Through Video Conference / Audio-visual means	• Renew the Borrowing Powers of the Company of ₹ 5000 crores. • Renew the power of Board of Directors of the Company to lease and mortgage of the property (ies) of the Company. • Issue of Non-Convertible Debentures (NCD)/ Tier II Debt(s)/ Commercial Papers/Bonds on Private Placement Basis.
29th AGM	Thursday	24.12.2020	11.00 AM	Through Video Conference / Audio-visual means	• Enhance the Borrowing Powers of the Company from ₹4000 crores to ₹ 5000 crores. • Enhance the power of Board of Directors of the Company to lease and mortgage of the property (ies) of the Company. • Issue of Non-Convertible Debentures (NCD)/ Tier II Debt(s)/ Commercial Papers/Bonds on Private Placement Basis.

b) No special resolution was proposed to be passed through postal ballot.

c) No special resolution is proposed to be passed through postal ballot.

(8) Means of Communication:

The half yearly financial results are published in "Business Line" (English) and "Praja Shakthi" (Telugu) and website of the Company and can be accessed through the web-link https://www.ikffinance.com/investors.php#heading7new.

The Company has not made any presentations to institutional investors or to the analysts.

(9) General Information to Shareholder:

General Body Meeting, Day, Date, Time &Location

32nd Annual General Meeting will be held on Friday, 29th September, 2023 at 11.00 A. M., at the Registered Office of the Company situated at #40-1-144, 3rd Floor, Corporate Center, M.G. Road, Vijayawada – 520010, Andhra Pradesh.

Financial Calendar

Financial Year - 1stApril 2022 to 31st March 2023.

Dividend Payment

Your Directors' have not recommended payment of dividend for the financial year ended 31st March 2023 since it is proposed to retain the same in the business.

Stock Exchange(s) at which the securities are listed

None of the equity shares and convertible securities are listed on any Stock Exchange.

The Non-convertible Debentures are listed on the debt market of BSE.

Annual listing fees, as prescribed, have been paid to the said stock exchange.

Stock Code:

959773, 973527, 973528, 973633, 974327, 974714

Suspension from trading

No securities of the Company were suspended from trading during the FY 2022-2023.

Market price data- high, low during each month in last financial year

Not Applicable as the Securities of the Company are not listed on the Stock Exchange.

Performance in comparison to broad-based indices such as BSE Sensex, CRISIL Index etc.,

Not Applicable as the Securities of the Company are not listed on the Stock Exchange.

Book Closure dates

September 22, 2023 to September 29, 2023

Share Transfers

There was no physical transfer of shares.

The company's shares are being compulsorily traded in dematerialized form with effect from 1st April, 2003. M/s. Bigshare Services Private Limited, who have been appointed as the Registrar and Share Transfer Agents of the company for both physical and electronic segments have attended to the share transfer formalities regularly. The Registrars and Share Transfer Agents can be contacted by the investors at the following address

M/s. Bigshare Services Private Limited, 306, 3rd Floor, Right Wing, Amrutha Ville, Opp.: Yashoda Hospital, Rajbhavan Road, Somajiguda, Hyderabad – 500 082, Tel. No.: 040-23374967, Fax No.: 040-23374295, Email: bsshyd@bigshareonline.com.

Outstanding GDRs or ADRs or Warrants or any Convertible Instruments, conversion date and likely impact on equity

Not Applicable as the Company doesn't issue any GDRs or ADRs or Warrants or any Convertible Instruments.

Commodity price risk or foreign exchange risk and hedging activities

The Company does not hedge its exposure to commodity price risks. The Company also does not hedge foreign exchange risks.

Plant location

Not Applicable

Distribution of Shareholding as on 31st March, 2023:

Shareholdings		Shareholders		Share Amount	
₹	₹	No	% of total	₹	% of total
Upto	5,000	1031	1	1879180	0.38%
5,001	10,000	177	0	1556270	0.31%
10,001	20,000	88	0	1401750	0.29%
20,001	30,000	36	0	931230	0.16%
30,001	40,000	20	0	739720	0.15%
40,001	50,000	19	0	912960	0.11%
50,001	1,00,000	18	0	1428150	0.22%
1,00,001	& above	79	0	636901240	98.37%
Total		**1468**	**1**	**645750500**	**100.00%**

Shareholding Pattern as on 31st March, 2023:

Category	Total Shareholders	% of Shareholders	Total Shares	%
Clearing Member	6	0.21%	27118	0.00%
Corporate Bodies	36	1.51%	1707016	0.09%
Foreign Company	2	0.07%	18632941	24.78%
Foreign Promoters	2	0.14%	1611800	3.06%
Non-Resident Indians	12	0.55%	5521	0.01%
Promoters	5	0.34%	28441453	53.80%
Public	1402	97.05%	6132159	3.32%
Trusts (Domestic Companies)	3	0.14%	8017042	14.93%
Total	**1468**	**100.00%**	**64575050**	**100%**

Dematerialization of Shares & Liquidity

Total No of Shares as on 31st March, 2023 is 6,45,75,050. Shares in demat form as on 31st March, 2023 was 5,68,93,029 and physical form 1,00,603. Further 75,81,418 Equity Shares allotted were dematerialized in the FY 2023-24.

Address for correspondence and any assistance/ clarification

Compliance Officer:

Shri Ch. Sreenivasa Rao, Company Secretary, IKF Finance Limited, D. No.: 40-1-144, Corporate Centre, M.G. Road, Vijayawada – 520010.

List of all credit ratings obtained during the year:

The credit ratings obtained during the year were disclosed in the Directors' Report, which forms part of this Report.

(10) Other Disclosures:

Materially significant related party transactions

There are no materially significant transactions with related parties i.e., Associate Companies, Promoters, Directors or the key management personnel and their relatives conflicting with the Company's interest that may have potential conflict with the interests of listed entity at large.

Details of non-compliance by the listed entity – Nil

Details of establishment of vigil mechanism / whistle blower policy – The details of establishment of vigil mechanism / whistle blower policy are disclosed in the Directors' Report, which forms part of this Report.

Details of compliance with mandatory requirements and adoption of the nonmandatory requirements - The Company has complied with all the mandatory requirements and regulations as applicable to the Company.

Web link where policy for determining 'material' subsidiaries is disclosed – https://www.ikffinance.com/assets/pdf/policies/Policy%20on%20Material%20Subsidiaries.pdf.

Web link where policy on dealing with related party transactions – https://www.ikffinance.com/assets/pdf/policies/Policy%20on%20Related%20Party%20Transactions.pdf.

Details of utilization of funds raised through preferential allotment or qualified institutions placement – The details of utilization of funds raised through preferential allotment are disclosed in the Directors' Report, which forms part of this Report.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 – The disclosures in relation to the Sexual Harassment of Women at Workplace are disclosed in the Directors' Report, which forms part of this Report.

Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount' – The disclosures in relation to the Loans and Advances are disclosed in the Directors' Report and Financial Statements, which forms part of this Report.

Details of material subsidiaries:

Name of the Material Subsidiary	IKF HOME FINANCE LIMITED
Date of Incorporation	05.08.2002
Address of the Registered Office	40-1-144, 01st Floor, Corporate Centre, M.G. Road, Vijayawada – 520010, Andhra Pradesh, India
Address of the Corporate Office	My Home Twitza, 11th Floor, Plot no's – 30/A, Survey no - 83/1 Diamond Hills, Lumbini Avenue, beside 400/220/132kv GIS Substation, APIIC Hyderabad Knowledge City, Raidurg, Hyderabad – 500081, Telangana, India
Place of Incorporation	Vijayawada
Name of the Statutory Auditors	K.S.RAO & CO
Date of Appointment	30.09.2022

The Company has complied with the requirement of Corporate Governance Report of sub-paras (2) to (10) as mentioned under Clause (C) of Schedule V of Listing Regulations.

Discretionary requirements as specified in Part E of Schedule II of Listing Regulations – Not applicable

The Company is in compliance with the requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations, as applicable, with regard to Corporate Governance – Not applicable

Total fees for all services paid by to the statutory auditor

(Currency : INR in lakhs)

Particulars	**Year ended March 31, 2023**	**Year ended March 31, 2022**
Auditor's remuneration		
- Audit fees	16.00	22.00
In other capacity	-	-
- Certification services	10.20	10.91
Other of pocket expenses	-	0.06
Total	**26.20**	**32.97**

DECLARATION BY MANAGING DIRECTOR REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

As required by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, applicable to the Company, I affirm that Board Members and the Senior Management Personnel have confirmed compliance with the Codes of Conduct, as applicable to them, for the year ended March 31, 2023.

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Place: Vijayawada
Date: 14.07.2023

Annexure-I

Statement containing the salient features of the financial statements of subsidiaries / associate companies / joint ventures

[Pursuant to first proviso to Sub-section (3) of Section 129 of the Companies Act, 2013, read with Rule 5 of the Companies (Accounts) Rules, 2014]

AOC-1

Part "A": Subsidiaries

(Amount in Lakhs, unless otherwise stated)

Name of the subsidiary	IKF Home Finance Limited
Financial period ended	31.03.2023
Exchange rate	Not Applicable
Share capital	6214.32
Reserves & surplus	8106.38
Total assets	68343.67
Total liabilities (excluding share capital and reserves & surplus)	54022.97
Investments	1200
Turnover	8878.54
Profit/(Loss) before taxation	1437.77
Provision for taxation	366.16
Profit / (Loss) after taxation	1071.61
% of shareholding	89.13%

1. Names of subsidiaries which are yet to commence operations: Nil
2. Names of subsidiaries which have been liquidated or sold during the year: Nil

Part "B": Associate Company

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Company.

As on 31.03.2023, the Company did not have any associate or joint venture company.

1. Names of associates or joint ventures which are yet to commence operations: Nil
2. Names of associates or joint ventures which have been liquidated or sold during the year: Nil

For and on behalf of the Board
IKF FINANCE LIMITED

Vupputuri Gopala Kishan Prasad
Chairman & Executive Director
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Place: Vijayawada
Date: 14.07.2023

Annexure II

Form No. MR-3

Secretarial Audit Report

For the Financial Year ended on March 31, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
M/s. IKF Finance Limited,
40-1-144, 3rd Floor, Corporate Centre,
M.G. Road, Vijayawada - 520010.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **IKF Finance Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company, during the audit period covering the financial year ended on March 31, 2023, complied with the statutory provisions listed hereunder and also the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not applicable to the Company during the audit period)**

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the audit period)**

(d) The Securities Exchange Board of India (Share Based Employee Benefit) Regulations, 2014; **(Not applicable to the Company during the audit period)**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the Company during the audit period)**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the audit period)** and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the audit period)**

(vi) The Employees Provident Fund and Miscellaneous Provisions Act, 1952;

(vii) Employees State Insurance Act, 1948;

(viii) Employers Liability Act, 1938;

(ix) Equal Remuneration Act, 1976;

(x) Maternity Benefits Act, 1961;

(xi) Minimum Wages Act, 1948;

(xii) Negotiable Instruments Act, 1881;

(xiii) Payment of Bonus Act, 1965;

(xiv) Payment of Gratuity Act, 1972;

(xv) Payment of Wages Act, 1936 and other applicable labour laws;

(xvi) Laws specially applicable to the industry to which the Company belongs, as identified by the Management:

- NBFC – The Reserve Bank of India Act, 1934 and all applicable Laws, Rules, Regulations, Guidelines, Circulars, Notifications, etc

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by the Institute of Company Secretaries of India;

(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable to the Company

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that on examination of the relevant documents and records and based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, and also on the review of compliance reports by respective department heads / Company Secretary of the Company, in our opinion, there exist adequate systems and processes and control mechanism in the Company to monitor and ensure compliance with applicable general laws.

We further report that that the compliances by the Company of applicable financial laws, like direct and indirect tax laws, have not been reviewed in this audit since the same is not within the scope of our audit.

We further report that the Board of Directors of the Company has been duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

We further report that adequate notice was given to all directors to schedule the Board Meetings and agenda with detailed notes thereon were sent to all the directors at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications as may be required on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, all the decisions of the Board were without any dissent.

We further report that there are adequate systems and processes in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that, during the audit period, the following material events / actions have taken place: During the year under review:

(a) the Company has made private placement of Equity shares as well as Non-Convertible Debentures as per the applicable provisions of the Companies Act, 2013 and rules made thereunder;

(b) the authorized share capital of the Company has been increased from 85 Crores to 105 Crores;

(c) the articles of association of the Company have been amended.

for **B S S & Associates**
Company Secretaries

Sd/-
B. Sathish
Partner
ACS No.: 27885
C P No.: 10089
UDIN: A027885E000618794
Peer review No: 726/2020

Place: Hyderabad
Date: 14.07.2023

This Report is to be read with our letter of even date which is annexed as '**Annexure A**' and Forms an integral part of this report.

Annexure-A

To,
The Members,
M/s. IKF Finance Limited,
40-1-144,3rd Floor, Corporate Centre,
M.G. Road, Vijayawada - 520010.

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, that we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit report is not an assurance as to the future viability of the Company or of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

for **B S S & Associates**
Company Secretaries

Sd/-
B. Sathish
Partner
ACS No.: 27885
C P No.: 10089
UDIN: A027885E000618794
Peer review No: 726/2020

Place: Hyderabad
Date: 14.07.2023

Annexure-III

Annual Report on CSR Activities

[Pursuant to Clause (o) of sub section (3) of Section 134 of the Act and Rule 8 of the Companies (Corporate Social Responsibility) Rules 2014]

1. Brief outline on CSR Policy of the Company:

Brief outline of the Company's CSR Policy, including overview of projects or programmes proposed to be undertaken:

a. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water;

b. Promoting education, including special education and employment enhancing vocation skills and livelihood enhancement projects;

c. Promoting gender equality, empowering women;

d. Ensuring environmental sustainability, ecological balance;

e. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central / State Government for socio-economic development and relief;

f. Rural Development projects;

g. Any other measures with the approval of Board of Directors on the recommendation of CSR Committee subject to the provisions of Section 135 of Companies Act, 2013 and rules made there-under.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	*Shri S. Veerabhadra Rao	Chairman	2	2
2	Shri Vupputuri Gopala Kishan Prasad	Member	2	2
3	Shri. Vinit Mukesh Mehta	Member	2	0

* Shri. S. Veerabhadra Rao, Independent Director resigned from the Board on 10.02.2023. On 10.02.2023, the CSR Committee was reconstituted with Shri. K. Satyanarayana Prasad, Independent Director as Chairman of the Committee.

3. Provide the web-link(s) where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company

The details are available on our website at: https://www.ikffinance.com/assets/pdf/policies/CSR%20Policy.pdf.

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:

As the Company is not having average CSR obligation of ₹ 10 Crores or more in pursuance of subsection (5) of section 135 of the Act and hence impact assessment is not applicable to the Company.

5. (a) Average net profit of the company as per sub-section (5) of section 135: ₹45,47,10,237/-

(b) Two percent of average net profit of the company as per sub-section (5) of section 135: ₹ 90,94,205/-

(c) Surplus arising out of the CSR projects or programs or activities of the previous financial years: Nil

(d) Amount required to be set off for the financial year, if any: Nil

(e) Total CSR obligation for the financial year [(b)+(c)-(d)]: ₹ 90,94,205/-

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 91,28,600/-

(b) Amount spent in Administrative Overheads: Nil

(c) Amount spent on Impact Assessment, if applicable: Nil

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 91,28,600/-

(e) CSR amount spent or unspent for the Financial Year

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
₹ 91,28,600/-	--	--	--	--	--

(f) Excess amount for set off, if any

Sl. No.	Particulars	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub section 5 of section 135	90,94,205
(ii)	Total amount spent for the Financial Year	91,28,600
(iii)	Excess amount spent for the financial year [(ii)-(i)]	34,395
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	34,395

7. (a) Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

1	2	3	4	5	6		7	8
Sl. No	Preceding Financial Year(s)	Amount transferred to unspent CSR Account under sub section (6) of Section 135 (in ₹)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1	2021-22	Nil	Nil	Nil	Nil	-	-	-
2	2020-21	Nil	Nil	Nil	Nil	-	-	-
3	2019-20	Nil	Nil	Nil	Nil	-	-	-
Total				**Nil**				

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Not Applicable

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135: Not Applicable

for and on behalf of the Board of Directors of
IKF Finance Limited

K. Satyanarayana Prasad
Chairman of CSR Committee
DIN: 03598603

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Place: Vijayawada
Date: 14.07.2023

Annexure-IV

Particulars of contracts / arrangements made with related parties

[Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013, and Rule 8(2) of the Companies (Accounts) Rules, 2014]

AOC-2

This Form pertains to the disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in Section 188(1) of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. **Details of contracts or arrangements or transactions not at arm's length basis**

   There were no contracts or arrangements or transactions entered in to during the year ended March 31, 2023, which were not at arm's length basis.

2. **Details of material contracts or arrangement or transactions at arm's length basis**

   There were no material contracts or arrangements or transactions entered in to during the year ended March 31, 2023.

For and on behalf of the Board
IKF FINANCE LIMITED

	Vupputuri Gopala Kishan Prasad	**Vasumathi Devi Koganti**
Place: Vijayawada	Chairman & Executive Director	Managing Director
Date: 14.07.2023	DIN: 01817992	DIN: 03161150

Independent Auditor's Report

To the Members of
IKF Finance Limited

Report on the audit of Standalone financial statements

We have audited the accompanying Standalone financial statements of **IKF Finance Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and notes to the Standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone financial statements in accordance with the Standards on Auditing (SA), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone financial statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India ("ICAI"} together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Standalone financial statements for the year ended March 31, 2023. These matters were addressed in the context of our audit of the Standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Standalone financial statements.

Key audit Matters	How our audit addressed the key audit matter
Impairment of Financial Instruments (expected credit Losses) has been described in Note 2.4.c, 2.6.f and 6 of the Standalone financial statements.	
Management estimates impairment provision using Expected Credit loss model for the loan exposure as per the Board approved policy which is in line with Ind AS and the Regulations. Measurement of loan impairment involves application of significant judgement by the management. The most significant judgements are:	• We evaluated the design and operating effectiveness of controls across the processes relevant to ECL, including the judgements and estimates. • We tested the completeness of loans and advances included in the Expected Credit Loss calculations as of March 31, 2023 by reconciling it with the balances as per loan balance register and loan commitment report as on that date.

Key audit Matters	How our audit addressed the key audit matter
• Timely identification and classification of the impaired loans, including classification of assets to stage 1, 2, or 3 using criteria in accordance with Ind AS 109 which also include considering the impact of RBI's regulatory circulars, • The segmentation of financial assets when their ECL is assessed on a collective basis, • Determination of probability of defaults (PD) and loss given defaults (LGD) based on the default history of loans, subsequent recoveries made and other relevant factors and • Assessment of qualitative factors having an impact on the credit risk.	• We tested assets in stage 1, 2 and 3 on sample basis to verify that they were allocated to the appropriate stage. • Tested samples to ascertain the completeness and accuracy of the input data used for determining the PD and LGD rates and agreed the data with underlying books of accounts and records. • For samples of exposure, we tested the appropriateness of determining EAD, PD and LGD. • We performed an overall assessment of the ECL provision levels at each stage including management's assessment and provision on account of Company's portfolio, risk profile, credit risk management practices. • We assessed the adequacy and appropriateness of disclosures in compliance with the Ind AS 107 in relation to ECL.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis and Directors' Report (the "Reports") but does not include Standalone financial statements and our auditors' report thereon. The reports are expected to be made available to us after the date of this auditors' report.

Our opinion on the Standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Other Information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 (Revised) 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Those Charged with Governance for the Standalone financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5} of the Act with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards} Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively to ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone financial statements

Our objectives are to obtain reasonable assurance about whether the Standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our

opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3} (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone financial statements, including the disclosures, and whether the Standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2020 ("the Order"} issued by the Central Government of India in terms of sub-section (11} of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
   (b) In our opinion, proper books of account as required by law have been Kept by the Company so far as it appears from our examination of those books;
   (c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid Standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of written representations received from the directors as on March 31, 2023, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;

(g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that to the best of it's knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or other wise , that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of it's knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For **SGCO & CO. LLP**
Chartered Accountants
Firm Reg. No.:- 112081W/W100184

Suresh Murarka
Partner
Membership No. :- 044739
UDIN :- 23044739BGUNOX2293

Place :- Mumbai
Date :- 30-05-2023

Annexure A

REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS OF OUR REPORT OF EVEN DATE

Re: IKF Finance Limited (" the Company")

(i) (a) (1) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

(2) The Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us, as per the phase programme of physical verification of fixed assets, the Company carries out physical verification of its entire fixed assets every year and no material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in investment property are held in the name of the Company.

(d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii)(a) of the Order are not applicable to the Company

(b) The Company has been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.

(iii) During the year, in the ordinary course of its business, the Company has made investments in, provided guarantee / security to and granted loans and advances in the nature of loans, secured and unsecured, to companies, firms, limited liability partnerships and other parties. With respect to such investments, guarantees /security and loans and advances:

(a) The Company's principal business is to give loans and, accordingly, the requirements under paragraph 3(iii)(a) of the Order is not applicable to the Company.

(b) The investments made and the terms and conditions of the grant of all the loans and advances in the nature of loans, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(c) According to the information and explanations given to us and based on examination of the books and records, in respect of the loans and advances in the nature of loans granted by the company, the schedule of repayment of principle and payment of interest has been stipulated and repayments or receipts are regular, except for the credit impaired cases.

(d) The total amount overdue for more than ninety days, in respect of loans and advances in the nature of loans, as at the year-end is ₹ 3402.44 lakhs . Reasonable steps are being taken by the company for recovery of the principal and interest as stated in the applicable regulations and loan agreements.

(e) The Company's principal business is to give loans and, accordingly, the requirements under paragraph 3(iii)(e) of the Order are not applicable to the Company.

(f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

(iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investment made and guarantees, and securities given have been complied with by the Company.

(v) The Company has not accepted any deposits from the public. Hence, reporting under clause 3(v) of the order is not applicable.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the services of the Company. Hence, reporting under clause 3 (vi) of the Order is not applicable to the Company.

(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities. As informed, the provisions relating to service tax, wealth tax, sales tax, value added tax, excise duty and customs duty are currently not applicable to the Company.

There were no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. As informed, the provisions relating to service tax, wealth tax, sales tax, value added tax, excise duty and customs duty are currently not applicable to the Company.

(b) According to the information and explanations given to us, there are no dues of income tax, goods and service tax and cess which have not been deposited on account of any dispute. As informed, the provisions of service tax, wealth tax, sales tax, value added tax, excise duty and customs duty are not applicable to the Company.

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) In our opinion and according to the information and explanations given by the management, the company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has applied term loans for the purpose for which the loans were obtained.

(d) The Company has not utilised fund raised on short term basis for long term purposes.

(e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting on clause 3(ix)(f) of the Order is not applicable.

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) The company has made private placement of shares as well as debentures and the requirement of section 42 of the Companies Act, 2013 have been complied with and according to information and explanations given to us, the amount raised have been used for the purposes for which the funds were raised.

(xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) There were no whistle blower complaint received during the year and hence reporting under clause 3(xi)(c) of the Order is not applicable.

(xii) The Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) (a) According to the information and explanations given to us, we report that the Company has registered as required, under section 45-IA of the Reserve Bank of India Act, 1934.

(b) The company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) In our opinion, the Company is not a core investment company (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi) (c) and (d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of statutory auditors of the company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) There are no unspent amounts towards CSR on ongoing projects under sub-section (5) of Section 135 requiring transfer to special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.

For **SGCO & CO. LLP**
Chartered Accountants
Firm Reg. No.:- 112081W/W100184

Suresh Murarka
Partner
Membership No. :- 044739
UDIN :- 23044739BGUNOX2293

Place :- Mumbai
Date :- 30-05-2023

Annexure B

REFERRED TO IN PARAGRAPH 2 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REOUIREMENTS" OF OUR REPORT OF EVEN DATE

Report on the Internal Financial Controls under Clause (i) of 5ub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of IKF Finance Limited ("the Company") as of March 31, 2023, in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these Standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the " Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these Standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these Standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these Standalone financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with reference to these Standalone financial statements

A company's internal financial control over financial reporting with reference to these Standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone financial statements for external purpose in accordance with generally accepted accounting principles. A company's Internal financial control over financial reporting with reference to these Standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transaction are recorded as necessary to permit preparation of Standalone financial statements in accordance with generally accepted accounting Principles, and that receipts and expenditure of the company are being made only in accordance

with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisitions, use or disposition of the company's assets that could have a material effect on the Standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting with Reference to these Standalone financial statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these Standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these Standalone financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these Standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these Standalone financial statements and such internal financial controls over financial reporting with reference to these Standalone financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the guidance note on audit of Internal financial controls over financial reporting issued by the Institute of Chartered Accountants of India.

For **SGCO & CO. LLP**
Chartered Accountants
Firm Reg. No.:- 112081W/W100184

Suresh Murarka
Partner
Membership No. :- 044739
UDIN :- 23044739BGUNOX2293

Place :- Mumbai
Date :- 30-05-2023

Standalone Balance Sheet

as at March 31, 2023

(Currency : ₹ in lakhs)

Particulars	Note No	As at March 31, 2023	As at March 31, 2022
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	3	23,039.43	3,377.21
(b) Bank Balance other than included in (a) above	4	5,573.17	2,208.65
(c) Loans	5	2,10,754.51	1,56,325.40
(d) Investments	7	30,810.55	6,252.92
(e) Other financial assets	6	2,251.57	1,800.96
		2,72,429.23	**1,69,965.14**
(2) Non-financial assets			
(a) Current Tax Assets (Net)		372.98	183.04
(b) Deferred Tax Assets (Net)	28	-	70.34
(c) Investment Property	10	72.14	114.31
(d) Property, Plant and Equipment	9	250.23	260.11
(e) Right of use asset	9	270.26	10.75
(f) Intangible assets	11	156.38	154.42
(g) Other non-financial assets	8	2,878.41	1,067.42
		4,000.41	**1,860.39**
Total assets		**2,76,429.64**	**1,71,825.53**
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial liabilities			
(a) Debt securities	12	18,838.54	15,186.47
(b) Borrowings (other than debt securities)	13	1,68,496.32	1,09,462.84
(c) Subordinated Liabilities	14	16,345.06	6,003.45
(d) Other financial liabilities	15	2,921.34	2,030.13
		2,06,601.26	**1,32,682.89**
(2) Non-financial liabilities			
(a) Provisions	16	210.50	306.37
(b) Deferred tax liabilities (Net)	28	188.82	-
(c) Other non-financial liabilities	17	179.07	99.50
		578.39	**405.87**
EQUITY			
(a) Equity share capital	18	6,457.51	5,265.91
(b) Other equity	19	62,792.48	33,470.86
		69,249.99	**38,736.77**
Total liabilities and equity		**2,76,429.64**	**1,71,825.53**

Significant accounting policies and key accounting estimates and judgments 2

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

per Suresh Murarka
Partner
Membership No.044739

Place: Mumbai
Date: 30 May 2023

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

V.G.K Prasad
Chairman
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Ch.Sreenivasa Rao
Company Secretary
& Chief Financial Officer
M.No. ACS14723

Place: Vijayawada
Date: 30 May 2023

Standalone Statement of Profit and Loss

for the year ended March 31, 2023

(Currency : ₹ in lakhs)

Particulars	Note No	Year ended March 31, 2023	Year ended March 31, 2022
Revenue From operations			
(i) Interest income	20	28,401.52	21,932.36
(ii) Fees and commission income	21	240.36	160.21
(I) Total revenue from operations		**28,641.88**	**22,092.57**
(II) Other income	22	17.80	30.25
(III) Total income (I + II)		**28,659.68**	**22,122.82**
Expenses			
(i) Finance costs	23	15,402.63	11,787.65
(ii) Impairment on financial instruments	24	539.85	511.78
(iii) Employee benefits expenses	25	4,297.44	3,248.03
(iv) Depreciation, amortization and impairment	26	264.23	128.96
(v) Others expenses	27	1,424.80	1,019.11
(IV) Total expenses		**21,928.95**	**16,695.53**
(V) Profit before tax (III - IV)		**6,730.73**	**5,427.29**
(VI) Tax Expense:			
(1) Current Tax	28	1,461.47	1,487.04
(2) Deferred Tax	28	255.84	(100.25)
(3) Adjustment of tax relating to earlier periods	28	12.91	10.06
		1,730.22	**1,396.85**
(VII) Profit for the period (V-VI)		**5,000.51**	**4,030.44**
(VIII) Other comprehensive income			
(A) Items that will not be reclassified to profit or loss (specify items and amounts)			
(a) Remeasurements of the defined benefit plans	29	13.18	11.07
Income tax relating to items that will not be reclassified to profit or loss		(3.32)	(2.79)
Other comprehensive income / (loss)		**9.86**	**8.28**
(IX) Total comprehensive income for the period (VII + VIII)		**5,010.37**	**4,038.72**
(X) Earnings per share (equity share, par value of ₹10 each)			
Basic	30	9.31	7.80
Diluted	30	9.31	7.80

Significant accounting policies and key accounting estimates and judgments 2

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Ch.Sreenivasa Rao
Company Secretary
& Chief Financial Officer
M.No. ACS14723

Place: Vijayawada
Date: 30 May 2023

Standalone Cash Flow statement

for the year ended March 31, 2023

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	6,730.73	5,427.28
Adjustments for:		
Depreciation, amortisation and impairment	264.23	128.96
Interest Income	(28,401.52)	(21,932.36)
Interest expenses	15,402.63	11,787.65
Impairment on financial instrument	539.85	511.78
Share based payment expense	(3.99)	(6.03)
Provision for expenses	2.25	6.60
Employee benefit expenses	(57.21)	81.57
Rental income on Investment property	(7.63)	(7.63)
(Profit)/ Loss on sale of property, plant and equipment	1.14	(0.07)
(Profit)/ Loss on sale of immovable Property	3.15	6.10
Cash generated from / (used in) operations before working capital changes and adjustments for interest received and interest paid	**(5,526.37)**	**(3,996.15)**
Adjustments for changes in Working Capital :		
Decrease / (Increase) in trade receivable	-	26.21
Decrease / (Increase) in loans	(55,475.48)	(24,454.76)
Decrease / (Increase) in bank balances other than cash and cash equivalents	(3,364.52)	1,756.18
Decrease / (Increase) in other financial assets	12.05	126.85
Decrease / (Increase) in other non-financial assets	(1,810.98)	(685.42)
(Decrease) / Increase in other financial liabilities	622.18	(631.52)
(Decrease) / Increase in provisions	(25.48)	(39.67)
(Decrease) / Increase in other non-financial liabilities	79.57	(12.59)
Interest received	27,454.85	22,360.47
Interest paid	(15,826.72)	(11,836.88)
	(53,860.90)	**(17,387.28)**
Income tax paid (net of refunds)	(1,664.32)	(1,462.20)
Deferred tax adjustment	0.00	0.00
NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES	**(55,525.22)**	**(18,849.48)**
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(67.99)	(86.52)
Purchase of Investment property	0.00	(224.11)
Rental income on Investment property	7.63	7.63
Proceeds from sale of property, plant and equipment	0.82	0.08
Proceeds from sale of Investment property	38.85	110.00
Purchase of intangible assets	(50.25)	(27.55)
Purchase of investments measured at Amortised cost and FVTPL	(24,557.63)	(1,727.82)
NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES	**(24,628.57)**	**(1,948.29)**

Standalone Cash Flow statement

for the year ended March 31, 2023

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
CASH FROM FINANCING ACTIVITIES		
Proceeds from issue of equity shares (including securities premium)	25,506.83	714.39
Amount received from debt securities	7,000.00	8,000.00
Repayment of debt securities	(3,400.00)	(25,950.00)
Amount received from borrowings other than debt securities	1,09,340.00	56,500.00
Repayment of borrowings other than debt securities	(48,983.70)	(26,861.44)
Amount received from subordinated Liabilities	14,000.00	-
Repayment of subordinated debt	(3,500.00)	-
Payment of principal portion of lease liabilities	(113.49)	(19.13)
Payment of interest on lease liabilities	(33.63)	(2.12)
NET CASH GENERATED FROM / (USED IN) FROM FINANCING ACTIVITIES	**99,816.01**	**12,381.70**
Net Increase / (Decrease) in Cash and Cash Equivalents	**19,662.22**	**(8,416.07)**
Cash and Cash Equivalents at the beginning of Year	3,377.21	11,793.28
Cash and Cash Equivalents at the end of the Year	23,039.43	3,377.21

The above Cash Flow Statement has been prepared under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows'.

As per our report of even date

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

per Suresh Murarka
Partner
Membership No.044739

Place: Mumbai
Date: 30 May 2023

For and on behalf of the Board of Directors of
IKF Finance Limited
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V.G.K Prasad
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Managing Director
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Ch.Sreenivasa Rao
Company Secretary
& Chief Financial Officer
M.No. ACS14723
Place: Vijayawada
Date: 30 May 2023

Statement of Changes in Equity

for the year ended March 31, 2023

A. Equity share capital

Current Reporting Period

(Currency : ₹ in lakhs)

Particulars	Balance at the beginning of the current reporting period As at March 31, 2022	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period As at March 31, 2023
Issued, Subscribed and paid up - fully paid (Equity shares of ₹10 each, Fully paid-up)	5,265.91	-	5,265.91	1,191.60	6,457.51
Issued, Subscribed and paid up - partly paid	0.00	-	0.00	-	0.00

Previous Reporting Period

(Currency : ₹ in lakhs)

Particulars	Balance at the beginning of the current reporting period As at March 31, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period As at March 31, 2022
Issued, Subscribed and paid up - fully paid (Equity shares of ₹10 each, Fully paid-up)	4,747.94	-	4,747.94	517.97	5,265.91
Issued, Subscribed and paid up - partly paid	419.55	-	419.55	(419.55)	0.00

B. Other equity

(Currency : ₹ in lakhs)

Particulars	Reserves and Surplus						Total
	Statutory Reserve	Capital Reserve	Securities Premium	General Reserve	Share based payment Reserve	Retained Earnings	
Balance at April 01, 2021	**4,187.40**	**32.50**	**9,960.39**	**1,019.93**	**30.65**	**13,591.30**	**28,822.19**
Changes in Accounting Policies / Prior Period Errors	-	-	-	-	-	-	**-**
Restated balance as at April 01, 2021	4,187.40	32.50	9,960.39	1,019.93	30.65	13,591.30	**28,822.18**
Profit for the year	-	-	-	-	-	4,030.44	**4,030.44**
Other comprehensive income for the year	-	-	-	-	-	8.28	**8.28**
Total comprehensive income for the year (net of tax)	**-**	**-**	**-**	**-**	**-**	**4,038.72**	**4,038.72**

Statement of Changes in Equity

for the year ended March 31, 2023

(Currency : ₹ in lakhs)

Particulars	Reserves and Surplus						Total
	Statutory Reserve	Capital Reserve	Securities Premium	General Reserve	Share based payment Reserve	Retained Earnings	
Transfer to Statutory Reserve	806.09	-	-	-	-	(806.09)	-
Transfer to General Reserve	-	-	-	201.52	-	(201.52)	-
Issue of equity shares	-	-	615.97	-	-	-	**615.97**
Share based payment expense	-	-	-	-	(6.03)	-	**(6.03)**
Balance at March 31, 2022	**4,993.49**	**32.50**	**10,576.37**	**1,221.45**	**24.62**	**16,622.41**	**33,470.84**
Changes in Accounting Policies / Prior Period Errors	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Restated balance as at April 01, 2022	**4,993.49**	**32.50**	**10,576.37**	**1,221.45**	**24.62**	**16,622.43**	**33,470.86**
Profit for the year	-	-	-	-	-	5,000.51	**5,000.51**
Other comprehensive income for the year	-	-	-	-	-	9.86	**9.86**
Total comprehensive income for the year (net of tax)	**-**	**-**	**-**	**-**	**-**	**5,010.37**	**5,010.37**
Transfer to Statutory Reserve	1,000.10	-	-	-	-	(1,000.10)	-
Transfer to General Reserve	-	-	-	250.03	-	(250.03)	-
Issue of equity shares	-	-	24,315.23	-	-	-	**24,315.23**
Share based payment expense	-	-	-	-	(3.99)	-	**(3.99)**
Balance at March 31, 2023	**5,993.59**	**32.50**	**34,891.60**	**1,471.48**	**20.63**	**20,382.67**	**62,792.48**

As per our report of even date

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

per Suresh Murarka
Partner
Membership No.044739

Place: Mumbai
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For and on behalf of the Board of Directors of
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Company Secretary
& Chief Financial Officer
M.No. ACS14723
Place: Vijayawada
Date: 30 May 2023

Notes

on Standalone Financial Statements for the year ended March 31, 2023

1 Company Overview

IKF Finance Limited ('the Company') is a public company domiciled in India and incorporated under the provision of the Companies Act, 1956. The Company was registered as a non-deposit accepting Non-Banking Financial Company ('NBFC-ND') with the Reserve Bank of India ('RBI') and classified as a Non-Banking Financial Company- Asset Finance Company ('NBFC-AFC') with effect from May 12, 2014.The Company provides finance for commercial vehicles, construction equipment and other loans.

2 Significant Accounting Policies

2.1 Basis of preparation

The financial statements for the year ended March 31, 2023 have been prepared by the Company in accordance with Indian Accounting Standards ("Ind AS") notified by the Ministry of Corporate Affairs, Government of India under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016, as amended from time to time, in this regard. Any application guidance/ clarifications/ directions issued by RBI or other regulators are implemented as and when they are issued/ applicable.

2.2 Presentation of Financial Statements

The financial statement of the company are presented as per Division III of the Schedule III to the Companies Act 2013 as amended from time to time, for Non-Banking Financial Companies ('NBFCs') that are required to comply with Ind-AS. The Statement of Cash Flows has been presented as per the requirements of Ind-AS 7 Statement of Cash Flows. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non–current) is presented in Note 33 – Maturity analysis of assets and liabilities.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Company and/or its counterparties

2.3 Basis of Measurement

The financial statements have been prepared under the historical cost convention on the accrual basis except for certain financial instruments, plan assets of defined benefit plans and share based payment plans, which are measured at fair values at the end of each reporting period as explained in the accounting policies below. All amounts disclosed in the financial statements and notes have been rounded off to the nearest INR Lakhs in compliance with Schedule III of the Act, unless otherwise stated.

2.4 Significant accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) at the date of the financial statements and the reported amounts of revenues and expenses for the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual results could differ from these estimates. Any revisions to accounting estimates are recognized prospectively in the current and future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Key sources of estimation of uncertainty at the date of financial statements, which may cause a material adjustment to the carrying amount of assets and liabilities within the next financial year are included in the following notes:

a. Business model assessment

Classification and measurement of financial assets depends on the results of the solely payments of principal and interest (SPPI) and the business model test. The Company determines the business model at a level that reflects how

Notes

on Standalone Financial Statements for the year ended March 31, 2023

groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

b. Effective Interest Rate (EIR) method

The Company recognizes interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loans given / taken.

This estimation, by nature, requires an element of judgement regarding the expected behaviour and lifecycle of the instruments, as well as expected changes to other fee income/expense that are integral parts of the instrument.

c. Impairment of loans portfolio

The measurement of impairment losses on loan assets requires judgement, in estimating the amount and timing of future cash flows and recoverability of collateral values while determining the impairment losses and assessing a significant increase in credit risk.

The Company's Expected Credit Loss (ECL) calculation is the output of a complex model with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL model that are considered accounting judgements and estimates include:

- PD calculation includes historical data, benchmarking, assumptions and expectations of future conditions.
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life-time expected credit loss and the qualitative assessment.
- The segmentation of financial assets when their ECL is assessed on a collective basis.
- Development of ECL models, including the various formulas and the choice of inputs.

It is the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

The impairment loss on loans and advances is disclosed in more detail in Note 5-Loans and Note 41- Risk Management.

d. Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

e. Fair value measurement:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Notes

on Standalone Financial Statements for the year ended March 31, 2023

f. Operating leases

Company as a lessee:

The Company has applied Ind AS 116 using the partial retrospective approach.

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right of use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short term lease

The Company has elected not to recognise right of use asset and lease liabilities for short term leases of property that has lease term of 12 months or less. The Company recognises lease payment associated with these leases as an expense on a straight line basis over lease term.

g. Share based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

2.5 Revenue recognition

a. Interest Income on loans

Interest income is recorded using effective interest rate (EIR) method for all financial assets measured at amortised cost.

EIR is the rate that exactly discounts the estimated future cash flows through the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset except for credit impaired asset.

The calculation of the effective interest rate includes transaction costs and fees (loan processing fees, commission paid to direct selling agents and other premiums or discounts) that

Notes

on Standalone Financial Statements for the year ended March 31, 2023

are an integral part of the contract. Transaction costs include incremental costs that are directly attributable to the acquisition of financial asset.

b. Rental Income

Rental income arising from operating leases is recognised on a straight-line basis over the lease term. In cases where the increase is in line with expected general inflation rental income is recognised as per the contractual terms.

Operating leases are leases where the Company does not transfer substantially all of the risk and benefits of ownership of the asset.

c. Interest income on fixed deposits

Interest on fixed deposits is recognised on a time proportion basis taking into account the amount outstanding and the applicable rate.

d. Other income

Other charges including application fees (penal interest, cheque bouncing charges, etc.) are recognised on realization basis.

2.6 Financial instruments

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Recognised financial assets and financial liabilities are initially measured at transaction price, which equates fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

A financial asset and a financial liability are offset and presented on net basis in the balance sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

a. Classification and measurement of Financial assets

Based on the business model, the contractual characteristics of the financial assets and specific elections where appropriate, the Company classifies and measures financial assets in the following categories:

- Amortised cost
- Fair value through other comprehensive income ('FVOCI')
- Fair value through profit and loss ('FVTPL')

Financial assets at amortised cost

Financial assets are measured at amortised cost using the effective interest rate (EIR) if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement and based on the assessment of the business model as asset held to collect contractual cash flows and SPPI, such financial assets are subsequently measured at amortised cost using effective interest rate ('EIR') method. Interest income and impairment expenses are recognised in statement of profit and loss. Any gain or loss on derecognition is also recognised in statement of profit and loss.

The EIR method is a method of calculating the amortised cost of a financial instrument and of allocating interest over the relevant period. The EIR is the rate that exactly discounts estimated future cash flows (including all fees paid or received that form an integral part of the EIR, transaction costs and other premiums or discounts) through the expected life of the instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

The Company records loans at amortised cost.

Notes

on Standalone Financial Statements for the year ended March 31, 2023

Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to sole payments of principal and interest on the principal amount outstanding and by selling financial assets.

Movements in the carrying amount of such financial assets are recognised in Other Comprehensive Income ('OCI'), except dividend income and interest income which is recognised in statement of profit and loss. Equity instruments at FVOCI are not subject to an impairment assessment.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

b. Financial Liabilities

Financial liabilities are measured at amortised cost. The carrying amounts are determined based on the EIR method. Interest expense is recognised in statement of profit and loss. Any gain or loss on de-recognition of financial liabilities is also recognised in statement of profit and loss.

c. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company is recognised at the proceeds received, net of directly attributable transaction costs.

d. Reclassification

Financial assets and liabilities are not reclassified subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line or in the period the Company changes its business model for managing financial assets.

e. De-recognition of financial assets and financial liabilities

i. Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Company has transferred the financial asset if, and only if, either:

i. The Company has transferred its contractual rights to receive cash flows from the financial asset, or

ii. It retains the rights to the cash flows but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement.

Pass-through arrangements are transactions whereby the Company retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

i. The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.

Notes

on Standalone Financial Statements for the year ended March 31, 2023

ii. The Company cannot sell or pledge the original asset other than as security to the eventual recipients.

iii. The Company has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Company is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

i. The Company has transferred substantially all the risks and rewards of the asset, or

ii. The Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

ii. Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying value of the original financial liability and the new financial liability with modified terms is recognised in statement of profit and loss.

f. Impairment of Financial Assets

The Company recognises impairment allowances for Expected Credit Loss (ECL) on all the financial assets that are not measured at FVTPL:

The ECL provision is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss.

The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on financial assets that are possible within the 12 months after the reporting date.

The Company performs an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Company categorises its loans into three stages as described below:

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For non-impaired financial instruments

- Stage 1 is comprised of all non-impaired financial instruments which have not experienced a significant increase in credit risk (SICR) since initial recognition. A 12-month ECL provision is made for stage 1 financial instruments. In assessing whether credit risk has increased significantly, the Company compares the risk of a default occurring on the financial instrument as at the reporting date, with the risk of a default occurring on the financial instrument as at the date of initial recognition.

- Stage 2 is comprised of all non-impaired financial instruments which have experienced a SICR since initial recognition. The Company recognises lifetime ECL for stage 2 financial instruments. In subsequent reporting periods, if the credit risk of the financial instrument improves such that there is no longer a SICR since initial recognition, then entities shall revert to recognizing 12 months of ECL.

For impaired financial instruments:

Financial instruments are classified as stage 3 when there is objective evidence of impairment as a result of one or more loss events that have occurred after initial recognition with a negative impact on the estimated future cash flows of a loan or a portfolio of loans. The Company recognises lifetime ECL for impaired financial instruments.

The calculation of ECLs

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

Probability of Default (PD) -

The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognized and is still in the portfolio. The concept of PD is further explained in Note 41-Risk Management.

Exposure at Default - The Exposure at Default is an estimate of the exposure at a future default date, considering expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

Loss Given Default – The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive.

Collateral Valuation

To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. The collateral comes in various forms, such as movable and immovable assets, guarantees, etc. However, the fair value of collateral affects the calculation of ECLs. To the extent possible, the Company uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using other methodologies. Non-financial collateral, such as vehicles, is valued based on data provided by third parties or management judgements.

Collateral repossessed

In its normal course of business whenever default occurs, the Company may take possession of properties or other assets in its retail portfolio and generally disposes such assets through auction, to settle outstanding debt. Any surplus funds are returned to the customers/obligors. As a result of this practice, assets under legal repossession processes are not recorded on the balance sheet.

Write-offs

Loans are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when it is determined that the customer does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any

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subsequent recoveries against such loans are credited to the statement of profit and loss.

g. Determination of fair value

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, the Company measures certain categories of financial instruments (as explained in Note 40- Fair Value Measurement) at fair value on each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1 financial instruments - Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2 financial instruments - Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.

Level 3 financial instruments - Those that include one or more unobservable input that is significant to the measurement as whole.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. No such instances of transfers between levels of the fair value hierarchy were recorded during the reporting period.

2.7 Property, plant and equipment

Property, plant and equipment are carried at cost of acquisition less accumulated depreciation and accumulated impairment loss (if any). The total cost of

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the asset comprises the purchase price, taxes, duties, freight (net of rebates and discounts) and any other directly attributable costs of bringing the assets to their working condition for their intended use. Borrowing costs directly attributable to acquisition of those assets which necessarily take a substantial period of time to get ready for their intended use are capitalised. Advances paid towards the acquisition of assets outstanding at each balance sheet date are disclosed as other non-financial assets. The cost of assets not ready for their intended use at each balance sheet date is disclosed as capital work-in-progress.

Depreciation is provided on a straight-line method, over the estimated useful life of each asset as prescribed in Schedule II of the Companies Act, 2013 as follows:

Asset	Useful Life
Building (Investment Property)	60 years
Office Equipment	5 years
Furniture and Fixture	10 years
Computers	3 years
Vehicles (Car, Lorry, Bus)	8 years
Vehicles (Bike, Moped, Cycle)	10 years
Servers	6 years

An item of property, plant and equipment, is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment, is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.8 Intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Cost comprise the purchase price and any attributable cost of bringing the asset to its working condition for its intended use

Intangible assets are amortised on a straight line basis over their estimated useful life.

The estimated useful life of intangible assets are as follows:

Asset	Useful Life
Software	6 years

2.9 Investment in Subsidiaries

Ind AS 101 permits a first time adopter to measure its investment, at the date of transition, at cost determined in accordance with Ind AS 27, or deemed cost. The deemed cost of such investment shall be its fair value at the Company's date of transition to Ind AS, or Previous GAAP carrying amount at that date. The Company has elected to measure its investment in subsidiary at the Previous GAAP carrying amount as its deemed cost on the transition date.

2.10 Impairment of non-financial assets

Assessment is done at each balance sheet date as to whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, the recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting years may no longer exist or may have decreased.

2.11 Employee benefits

Defined Contribution Plan:

The Company has a defined contribution plan for post-employment benefits in the form of Provident Fund. Under the Provident Fund Plan, the Company contributes to a Government administered provident fund / recognized provident fund on behalf of the employees. The Company has no further obligation beyond making the contributions.

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The Company's contributions to the above Plan are charged to the Statement of Profit and Loss.

Defined Benefit Plan:

The Company provides for gratuity to all employees. The benefit is in the form of lump sum payments to vested employees on resignation, retirement, or death while in employment or on termination of employment of an amount equivalent to 15 days basic salary payable for each completed year of service as required under 'The Payment of Gratuity Act, 1972'. Vesting occurs upon completion of five years of service.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non- routine settlements; and
- Net interest expense or income

An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Other Employee Benefits:

The employees of the Company are entitled to compensated absence and deferred compensation as per the policy of the Company, the liability in respect of which is provided, based on an actuarial valuation carried out by an independent actuary as at the year end. The actuarial valuation method used by the independent actuary for measuring the liability is the Projected Unit Credit Method.

Actuarial gains and losses comprise experience adjustments and the effects of changes in the actuarial assumptions are recognized immediately in the Statement of Profit and Loss in the year in which they arise.

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. Unutilised leave balance that accrues to employees as at the year end is charged to the Statement of Profit and Loss on an undiscounted basis.

2.12 Income Taxes

Income-tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income-tax expense is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in equity or in OCI.

(a) Current tax

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961, enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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(b) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are reviewed at each reporting date and based on management's judgement, are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if the Company:

- has a legally enforceable right to set off current tax assets against current tax liabilities; and
- the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

2.13 Provision and contingencies

A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost.

A contract is considered as onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

2.14 Earnings per share

The Company reports basic and diluted earnings per share in accordance with Indian Accounting Standard 33 – "Earnings Per Share". Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share reflects the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by weighted average number of equity shares considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all potential equity shares.

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2.15 Cash and cash equivalent

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

2.16 Statement of cash flows

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash future, any deferrals or accruals of past or future operating cash receipts or payments and item of expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.17 Share based payments

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting year, based on the Company`s estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting year, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve.

2.18 Statutory Reserve

In accordance with section 45-IC of the RBI Act, 1934, the Company creates a reserve fund and transfers therein a sum not less than twenty per cent of its net profit every year as disclosed in the Statement of Profit and loss before any dividend is declared.

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3 Cash and cash equivalents

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	221.31	96.00
Balances with banks in current accounts	22,818.12	3,281.21
Total	**23,039.43**	**3,377.21**

Increase of cash and cash equivalents is on account of equity raised during the end of the financial year

4 Bank balance other than cash and cash equivalents

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks to the extent held as margin money*	5,573.17	2,208.65
Total	**5,573.17**	**2,208.65**

* Represent margin money deposits placed to avail term loans from banks, financial institutions and as cash collateral in connection with securitisation transactions.

3 Cash and cash equivalents

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Term loans	2,13,644.56	1,59,308.77
(ii) term loans - related parties	0.00	-
(iii) Staff loans	83.39	35.04
Total	**2,13,727.95**	**1,59,343.81**
Less: Impairment loss allowance	2,973.44	3,018.42
Total - Net of impairment loss allowance	**2,10,754.51**	**1,56,325.40**
(i) Secured by tangible assets*	2,13,644.56	1,59,308.77
(i) Secured by intangible assets	-	-
(ii) Covered by Bank/ Government Guarantees	-	-
(iii) Unsecured	83.39	35.04
Total	**2,13,727.95**	**1,59,343.81**
Less: Impairment loss allowance	2,973.44	3,018.42
Total - Net of impairment loss allowance	**2,10,754.51**	**1,56,325.40**
(i) Public sectors	-	-
(ii) Others	2,13,727.95	1,59,343.81
Total	**2,13,727.95**	**1,59,343.81**
Less: Impairment loss allowance	2,973.44	3,018.42
Total - Net of impairment loss allowance	**2,10,754.51**	**1,56,325.40**
(i) Loans in India	2,13,727.95	1,59,343.81
(ii) Loans outside India		
Total	**2,13,727.95**	**1,59,343.81**
Less: Impairment loss allowance	2,973.44	3,018.42
Total - Net of impairment loss allowance	**2,10,754.51**	**1,56,325.40**

*Secured against hypothecation of automobiles, book debts, equitable mortgage of immovable property etc.

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5.1 The table below discloses credit quality and the maximum exposure to credit risk based on the company's year end stage classification. The numbers presented are gross of impairment loss allowance:

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Term loans		
Stage I	1,69,430.51	1,29,809.42
Stage II	38,155.73	25,161.20
Stage III	6,058.32	4,338.15
Total	**2,13,644.56**	**1,59,308.77**

5.2 Gross movement of loans for the year ended March 31, 2023:-

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount as at April 1, 2022				
Term loans	**1,29,809.42**	**25,161.20**	**4,338.15**	**1,59,308.77**
Staff loans	**35.04**	**-**	**-**	**35.04**
New loans originated during the year				-
Term loans	1,18,581.75	7,959.69	729.63	1,27,271.07
Staff loans	48.80			48.80
Inter-stage movements:				
-Term loans				
Transfers to Stage 1	1,555.80	(1,542.59)	(13.21)	-
Transfers to Stage 2	(21,396.99)	21,423.38	(26.39)	-
Transfers to Stage 3	(1,577.21)	(1,524.33)	3,101.54	-
Interest on stage 3 loans	-	-	69.56	69.56
Amounts written off				
Term loans	(123.40)	(27.92)	(343.48)	(494.81)
Staff loans	-	-	-	-
Assets derecognised or repaid (excluding write offs)				
Term loans	(57,418.86)	(13,293.70)	(1,797.48)	(72,510.03)
Staff loans	(0.45)	-	-	(0.45)
Gross carrying amount as at March 31, 2023				
Term loans	**1,69,430.51**	**38,155.74**	**6,058.32**	**2,13,644.56**
Staff loans	**83.39**	**-**	**-**	**83.39**

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5.3 Gross movement of loans for the year ended March 31, 2022:-

(Currency : ₹ in lakhs)

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount as at April 1, 2021				
Term loans	**82,084.22**	**56,993.86**	**4,275.96**	**1,43,354.04**
Staff loans	**49.69**	**-**	**-**	**49.69**
New loans originated during the year				-
Term loans	80,082.60	2,782.07	104.43	82,969.10
Staff loans	6.35			-
Inter-stage movements:				
-Term loans				
Transfers to Stage 1	17,315.85	(17,251.52)	(64.34)	-
Transfers to Stage 2	(8,774.35)	8,849.51	(75.16)	-
Transfers to Stage 3	(527.83)	(1,672.81)	2,200.63	-
Interest on stage 3 loans	-	-	84.13	84.13
Amounts written off				
Term loans	(48.00)	(103.66)	(584.28)	(735.94)
Staff loans	-	-	-	-
Assets derecognised or repaid (excluding write offs)				
Term loans	(40,323.07)	(24,436.26)	(1,603.23)	(66,362.56)
Staff loans	(14.65)	-	-	(14.65)
Gross carrying amount as at March 31, 2022				
Term loans	**1,29,809.42**	**25,161.20**	**4,338.15**	**1,59,308.77**
Staff loans	**35.04**	**-**	**-**	**35.04**

5.4 ECL movement of term loans during the year ended March 31, 2023:-

(Currency : ₹ in lakhs)

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount as at April 1, 2022	**989.64**	**563.47**	**1,465.31**	**3,018.42**
New loans originated during the year	709.16	140.40	87.58	937.14
Inter-stage movements:				
Transfers to Stage 1	45.96	(42.41)	(3.55)	-
Transfers to Stage 2	(276.13)	294.27	(18.14)	-
Transfers to Stage 3	(18.96)	(53.80)	72.76	-
Amounts written off	(4.80)	(4.38)	(320.19)	(329.36)
Assets derecognised or repaid (excluding write offs)	(130.05)	(150.56)	(321.64)	(602.25)
Net Remeasurement of ECL arising from transfer of stage	(341.49)	(35.09)	326.07	(50.50)
Gross carrying amount as at March 31, 2023	**973.33**	**711.90**	**1,288.21**	**2,973.44**

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5.5 ECL movement of term loans during the year ended March 31, 2022:-

(Currency : ₹ in lakhs)

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount as at April 1, 2021	**678.70**	**1,355.87**	**1,208.00**	**3,672.10**
New loans originated during the year	648.57	68.49	39.11	756.16
Inter-stage movements:				
Transfers to Stage 1	654.22	(623.13)	(31.09)	-
Transfers to Stage 2	(100.45)	140.51	(40.06)	-
Transfers to Stage 3	(5.99)	(50.47)	56.46	-
Amounts written off	(1.49)	(14.10)	(395.79)	(411.38)
Assets derecognised or repaid (excluding write offs)	(130.09)	(190.49)	(194.01)	
Net Remeasurement of ECL arising from transfer of stage	(753.83)	(123.21)	822.67	(54.36)
Gross carrying amount as at March 31, 2022	**989.64**	**563.47**	**1,465.31**	**3,018.42**

6 Other Financial Assets

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Rent and utility deposit	239.69	217.70
Excess Interest Spread (EIS) Receivables	1,926.33	1,450.27
Other -unsecured, considered good	85.55	132.99
Total	**2,251.57**	**1,800.96**

7 Investments

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Investment in Equity instruments		
- Subsidiary (at cost)		
IKF Home finance limited*	10,762.73	6,252.92
(March 31,2023:5,74,04,177 Equity shares of ₹ 10 each fully paid ; March 31, 2022: 3,76,14,747 Equity shares of ₹ 10 each, fully paid & 1,97,89,430 Equity shares of ₹ 2.77, partly paid)		
Investment in Market Linked Debentures(at Fair Value through Profit or loss)	15,960.75	-
Investment in Debentures(at Amortised cost)	4,087.07	-
Total (A)	**30,810.55**	**6,252.92**
(i) Investments in India	30,810.55	6,252.92
(ii) Investments outside India		-
Total (B)	**30,810.55**	**6,252.92**

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8 Other Non-Financial Assets

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Prepaid expenses	354.73	161.05
Advances to employees	0.27	2.39
GST input credit	523.41	403.98
Advance given for purchase of property	2,000.00	500.00
Total	**2,878.41**	**1,067.42**

9 Property, plant and equipment

(Currency : ₹ in lakhs)

Particulars	Furniture and Fixtures	Computer & Printer	Office equipment	Vehicles	Total	Right to Use Assets
Gross carrying amount						
As at March 31, 2021	**270.52**	**81.96**	**11.16**	**75.51**	**439.16**	**130.15**
Additions	28.52	58.05	-	-	86.57	4.92
Disposals		(0.25)	-	-	(0.25)	(1.67)
As at March 31, 2022	**299.04**	**139.76**	**11.16**	**75.51**	**525.48**	**133.39**
Additions	6.35	55.80	5.84	-	67.99	399.37
Disposals	(2.47)	(27.70)	(0.54)	-	(30.71)	(13.97)
As at March 31, 2023	**302.92**	**167.86**	**16.46**	**75.51**	**562.76**	**518.79**
Accumulated depreciation and impairment:						
As at March 31, 2021	**96.45**	**61.20**	**5.44**	**35.56**	**198.64**	**105.39**
Depreciation for the year	36.50	17.68	1.76	11.00	66.93	18.17
Disposals	-	(0.20)	-	-	(0.20)	(0.93)
As at March 31, 2022	**132.95**	**78.68**	**7.20**	**46.56**	**265.37**	**122.64**
Depreciation for the year	33.60	29.55	2.24	10.52	75.91	139.86
Disposals	(1.96)	(26.31)	(0.48)	- .00	(28.75)	(13.97)
As at March 31, 2023	**164.59**	**81.92**	**8.96**	**57.08**	**312.53**	**248.53**
Net book value						
As at March 31, 2021	174.07	20.76	5.72	39.95	240.52	24.77
As at March 31, 2022	166.09	61.09	3.97	28.94	260.11	10.75
As at March 31, 2023	138.33	85.94	7.50	18.43	250.23	270.26

Note: The Company has not revalued any of its property, plant and equipment during the years ended March 31, 2023 and March 31, 2022. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/ reversals is nil.

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10 Investment Property

(Currency : ₹ in lakhs)

Particulars	Buildings	Land	Total
Gross carrying amount			
As at March 31, 2021	**6.98**		**6.98**
Additions	-	224.11	224.11
Disposals	-	(116.10)	(116.10)
As at March 31, 2022	**6.98**	**108.01**	**114.99**
Additions	-	-	-
Disposals	-	(42.00)	(42.00)
As at March 31, 2023	**6.98**	**66.01**	**72.99**
As at March 31, 2021	**0.51**	**-**	**0.51**
Depreciation for the year	0.17	-	0.17
Disposals	-	-	-
As at March 31, 2022	**0.68**	**-**	**0.68**
Depreciation for the year	0.17	-	0.17
Disposals	-	-	-
As at March 31, 2023	**0.85**	**-**	**0.85**
Net book value			
As at March 31, 2021	6.47	-	6.47
As at March 31, 2022	6.30	108.01	114.31
As at March 31, 2023	6.13	66.01	72.14

(i) Amounts recognised in Statement of Profit and Loss for Investment Property

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Rental Income	7.63	7.63
Direct operating expense from property that generated rental income		-
Profit from investment properties before depreciation	**7.63**	**7.63**
Depreciation	0.17	0.17
Profit from investment properties	**7.46**	**7.46**

(ii) Contractual obligations

The Company has no contractual obligations to purchase, construct or develop investment property. However, the responsibility for its repairs, maintenance or enhancements is with the Company.

(iii) Fair value

The fair valuation of investment property as at March 31, 2023 is ₹ 394.18 lakhs(PY: ₹ 389.65 lakhs)

(iv) Pledged details

Building is pledged in favor of consortium leader central bank for cash credit facility.

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(v) Estimation of fair value

The fair values of investment property is determined by guidance value given by the local government of the area where the investment properties are located.

(vi) Revaluation

The Company has not revalued any of its investment property during the years ended March 31, 2023 and March 31, 2022. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/ reversals is nil.

11 Intangible assets

(Currency : ₹ in lakhs)

Particulars	Computer software
Gross carrying amount	
As at March 31, 2021	**270.24**
Additions	27.54
Disposal	-
As at March 31, 2022	**297.78**
Additions	50.25
Disposal	-
As at March 31, 2023	**348.03**
Accumulated amortisation and impairment	
As at March 31, 2021	**99.67**
Amortisation for the year	43.70
Disposal	-
As at March 31, 2022	**143.37**
Amortisation for the year	48.29
Disposal	-
As at March 31, 2023	**191.65**
Net book value	
As at March 31, 2021	170.57
As at March 31, 2022	154.42
As at March 31, 2023	156.38

Note: The Company has not revalued any of its intangible assets during the years ended March 31, 2023 and March 31,2022. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is nil.

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12 Debt Securities

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
At amortised cost		
Secured		
Non convertible debentures	10,125.66	11,369.58
Unsecured		
Other non convertible debentures	8,712.88	3,816.89
Total	**18,838.54**	**15,186.47**
Debt Securities:		
Within India	18,838.54	15,186.47
Outside India	-	-
Total	**18,838.54**	**15,186.47**

Nature of security

Non convertible debentures (secured)

Non convertible debentures are secured by an exclusive charge by way of hypothecation of specific loan receivable created out of the loan proceeds and mortgage of personal properties of directors in addition to their personal guarantees.

The Company has utilised the funds raised from banks and financial institutions for the specific purpose for which they were borrowed.

The Company has borrowed funds from banks and financial institutions on the basis of security of current assets. It has filed quarterly returns or statements of current assets with banks and financial institutions and the said returns/statements are in agreement with books of accounts.

Terms of repayment of Debt securities as on March 31, 2023

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Monthly repayment schedule								
1-7 Years	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Quarterly repayment schedule								
1-5 Years	9.01%-10.00%	-	-	-	-	-	-	-
	10.01%-11.00%	4	3,500.00	4	3,500.00	-	-	7,000.00
	11.01%-12.00%	-	-	-	-	-	-	-
	12.01%-12.50%	-	-	-	-	-	-	-
Bullet repayment schedule								
1-7 Years	8.51%-9.50%	1	5,000.00	-	-	-	-	5,000.00
	9.51%-10.50%	2	6,500.00	-	-	-	-	6,500.00
	10.51%-11.50%	-	-	-	-	-	-	-
	11.51%-12.50%	-	-	-	-	-	-	-
Total			**15,000.00**	**-**	**3,500.00**	**-**	**-**	**18,500.00**
Add : Interest accrued but not due								385.72
Less : Unamortized Finance Cost								(47.18)
Total Amortized Cost			**15,000.00**		**3,500.00**		**-**	**18,838.54**

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Terms of repayment of Debt securities as on March 31, 2022

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Monthly repayment schedule								
1-7 Years	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Quarterly repayment schedule								
1-5 Years	9.01%-10.00%	-	-	-	-	-	-	-
	10.01%-11.00%	-	-	-	-	-	-	-
	11.01%-12.00%	-	-	-	-	-	-	-
	12.01%-12.50%	5	650.00	-	-	-	-	650.00
Bullet repayment schedule								
1-7 Years	8.51%-9.50%	1	1,250.00	1	5,000.00	-	-	6,250.00
	9.51%-10.50%	1.00	1,500.00	2	6,500.00	-	-	8,000.00
	10.51%-11.50%	-	-	-	-	-	-	-
	11.51%-12.50%	-	-	-	-	-	-	-
Total			**3,400.00**	**-**	**11,500.00**	**-**	**-**	**14,900.00**
Add : Interest accrued but not due								299.41
Less : Unamortized Finance Cost								(12.95)
Total Amortized Cost			**3,400.00**		**11,500.00**		**-**	**15,186.47**

13 Borrowings (other than debt securities)

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
At amortised cost		
Term loans (Secured)		
from banks	1,11,172.40	59,562.30
from non banking financial companies	26,757.56	10,993.61
from financial institutions	4,454.33	5,344.18
Loans repayable on demand (Secured):		
Cash credit from Bank	26,112.03	32,691.04
Associated liabilities in respect of securitisation transactions	-	871.72
Total	**1,68,496.32**	**1,09,462.84**
Borrowings:		
Within India	1,68,496.32	1,09,462.84
Outside India		
Total	**1,68,496.32**	**1,09,462.84**

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Nature of security

Term loans (secured)

Term Loans from bank, financial institutions and NBFCs are secured by an exclusive charge by way of hypothecation of specific loan receivable created out of the loan proceeds and cash collateral by way of fixed deposits and mortgage of personal properties of directors in addition to their personal guarantees.

Loans repayable on demand (Secured)

These loans are secured against the first pari passu charge on current assets, book debts and receivables including loans & advances of the Company as per the agreement. Further, the loan has been guaranteed by personal guarantee of director/ promoter to the extent of ₹ 332.20 Cr (March 31, 2022: ₹ 342.20 Cr).

The Company has utilised the funds raised from banks and financial institutions for the specific purpose for which they were borrowed.

The Company has borrowed funds from banks and financial institutions on the basis of security of current assets. It has filed quarterly returns or statements of current assets with banks and financial institutions and the said returns/statements are in agreement with books of accounts.

Terms of repayment of borrowings (other than debt) as on March 31, 2023

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Monthly repayment schedule								
1-7 Years	6.00%-7.00%	-	-	-	-	-	-	-
	7.01%-8.00%	-	-	-	-	-	-	-
	8.01%-9.00%	71	5,190.28	100	7,240.50	-	-	12,430.78
	9.01%-10.50%	275	22,070.18	417	32,909.19	-	-	54,979.37
	10.51%-11.50%	36	2,262.97	38	2,463.37	-	-	4,726.34
	11.51%-12.50%	3	115.38	-	-	-	-	115.38
Quarterly repayment schedule								
1-5 Years	6.00%-7.00%	-	-	-	-	-	-	-
	7.01%-8.00%	4	1,820.00	7	3,180.00	-	-	5,000.00
	8.01%-9.00%	25	6,060.44	37	9,988.05	-	-	16,048.49
	9.01%-10.50%	62	14,416.67	112	26,683.06	-	-	41,099.73
	10.51%-11.50%	9	3,333.20	16	5,380.49	-	-	8,713.69
	11.51%-12.50%	-	-	-	-	-	-	-
Total			**55,269.12**		**87,844.66**		**-**	**1,43,113.78**
Add : Interest accrued but not due								196.30
Less : Unamortized Finance Cost								(925.79)
Total Amortized Cost			**55,269.12**	**-**	**87,844.66**	**-**	**-**	**1,42,384.29**

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Terms of repayment of borrowings (other than debt) as on March 31, 2022

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Monthly repayment schedule								
1-7 Years	6.00%-7.00%	4	5,335.00	-	-	-	-	5,335.00
	7.01%-8.00%	12	930.71	11	869.33	-	-	1,800.04
	8.01%-9.00%	150	7,993.59	270	15,973.10	-	-	23,966.69
	9.01%-10.50%	35	1,250.32	21	1,175.66	-	-	2,425.98
	10.51%-11.50%	14	698.81	-	-	-	-	698.81
	11.51%-12.50%	28	1,692.40	-	-	-	-	1,692.40
Quarterly repayment schedule								
1-5 Years	6.00%-7.00%	-	-	-	-	-	-	-
	7.01%-8.00%	-	-	-	-	-	-	-
	8.01%-9.00%	47	9,853.33	93	19,850.83	-	-	29,704.16
	9.01%-10.50%	12	3,566.67	18	6,155.76	-	-	9,722.43
	10.51%-11.50%	5	832.98	-	-	-	-	832.98
	11.51%-12.50%	-	-	-	-	-	-	-
Total			**32,153.80**		**44,024.68**		**-**	**76,178.48**
Add : Interest accrued but not due								153.74
Less : Unamortized Finance Cost								(432.14)
Total Amortized Cost			**32,153.80**	**-**	**44,024.68**	**-**	**-**	**75,900.08**

14 Subordinated Liabilities

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured - At amortised cost		
Non convertible debentures (Tier-II)	16,345.06	4,505.22
Indian rupee loan from banks (Tier-II)	-	1,498.23
Total	**16,345.06**	**6,003.46**
Subordinated Liabilities:		
Within India	16,345.06	6,003.45
Total	**16,345.06**	**6,003.45**

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Terms of repayment of subordinated liabilities as on March 31, 2023

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Bullet repayment schedule								
1-7 Years	11.51%-12.50%	-	-	-	-	-	-	-
	>13.50%			1	2,500.00	1	14,000.00	16,500.00
Total					**2,500.00**		**14,000.00**	**16,500.00**
Add : Interest accrued but not due								8.98
Less : Unamortized Finance Cost								(163.92)
Total Amortized Cost					**2,500.00**		**14,000.00**	**16,345.06**

Terms of repayment of subordinated liabilities as on March 31, 2022

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Bullet repayment schedule								
1-7 Years	11.51%-12.50%	1.00	1,500.00	2	4,500.00	-	-	6,000.00
	>13.50%							-
Total					**4,500.00**		**-**	**6,000.00**
Add : Interest accrued but not due								37.37
Less : Unamortized Finance Cost								(33.92)
Total Amortized Cost					**4,500.00**		**-**	**6,003.45**

15 Other financial liabilities

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Lease Liabilities	278.39	11.61
Employee benefits payable	318.14	216.76
Expenses payable	26.79	4.45
Other Payables	233.80	204.17
Deposit from franchisees	431.47	341.41
Payable towards securitisation / assignment transactions	1,632.75	1,251.73
Total	**2,921.34**	**2,030.13**

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16 Provisions

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for gratuity	154.38	122.20
Provision for leave benefits	56.12	184.17
Total	**210.50**	**306.37**

17 Other non-financial liabilities

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory dues payable	179.07	99.50
Total	**179.07**	**99.50**

18. Equity share capital

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number	Amount	Number	Amount
Authorised Capital				
Equity shares of ₹ 10 each	8,00,00,000	8,000.00	6,00,00,000	6,000.00
Preference shares of ₹ 100 each	25,00,000	2,500.00	25,00,000	2,500.00
	8,25,00,000	**10,500.00**	**6,25,00,000**	**8,500.00**
Issued, subscribed and fully paid-up shares				
Equity Shares of ₹ 10 each fully paid up	6,45,75,050	6,457.51	4,74,79,379	4,747.94
Coverted from Partly Paid to Fully Paid Equity Shares	-	-	51,79,688	517.97
	6,45,75,050	**6,457.51**	**5,26,59,067**	**5,265.91**
Issued, subscribed and fully paid-up shares				
Equity Shares of ₹ 10 each, Fully paid up ₹ 10 per share	-	-	51,79,688	517.97
Converted to Fully Paid Equity Shares			(51,79,688)	(517.97)
	-	-	-	-
Total	**6,45,75,050**	**6,457.51**	**5,26,59,067**	**5,265.91**

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A. Reconciliation of number of shares

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number	Amount	Number	Amount
Fully paid equity share of ₹ 10 each				
At the beginning of the year	5,26,59,067	5,265.91	4,74,79,379	4,747.94
Shares issued during the year	1,19,15,983	1,191.60		
Coverted from Partly Paid to Fully Paid Equity Shares	-	-	51,79,688	517.97
Outstanding at the end of the year	**6,45,75,050**	**6,457.51**	**5,26,59,067**	**5,265.91**
Partly paid up equity share of ₹ 10 each, partly paid up ₹ 10 per share				
At the beginning of the year	-	-	51,79,688	419.55
Amount called/Issued during the year	-	-	-	98.41
Converted to Fully Paid Equity Shares	-	-	-51,79,688	(517.97)
Outstanding at the end of the year	**-**	**-**	**-**	**-**

Notes:

B. Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share fully paid up. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend if and when proposed by the Board of Directors will be subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, if any, in proportion to the number of equity shares held by the shareholder.

C. Details of shareholder(s) holding more than 5% of equity shares in the Company :

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number	Amount	Number	Amount
Equity shares of ₹ 10 each fully paid up				
Vupputuri Gopala Kishan Prasad	1,98,53,581	30.74%	1,97,43,156	37.49%
India Business Excellence Fund-IIA	1,30,51,546	20.21%	1,30,51,546	24.78%
Vistra ITCL (India) Limited (formerly known as IL and FS Trust Company Limited) (Trustee of Business Excellence Trust-II - India Business Excellence Fund II)	78,04,018	12.09%	78,04,018	14.82%
Koganti Vasumathi Devi	26,47,266	4.10%	26,47,266	5.03%
Accion Digital Transformation Fund , LP	55,81,395	8.64%	-	-

As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

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D. Shareholding of Promotors

Shares held by promoters at the end of the year	As at March 31, 2023			As at March 31, 2022		
	No. of Shares	% of Total Shares	% Change during the year	No. of Shares	% of Total Shares	% Change during the year
a. Equity shares of ₹ 10 each fully paid up *						
Vupputuri Gopala Kishan Prasad	1,98,53,581	30.74%	0.56%	1,97,43,156	37.49%	24.36%
Vupputuri Indira Devi	16,48,142	2.55%	0.00%	16,48,142	3.13%	24.21%
Koganti Vasumathi Devi	26,47,266	4.10%	0.00%	26,47,266	5.03%	24.21%
Devineni Vasantha Lakshmi	24,91,794	3.86%	0.00%	24,91,794	4.73%	24.21%
Vupputuri Raghu Ram	18,00,670	2.79%	0.00%	18,00,670	3.42%	24.21%
Durga Rani Chunduri	14,94,100	2.31%	0.00%	14,94,100	2.84%	0.00%
Sinha Satyanand Chunduri	1,17,700	0.18%	0.00%	1,17,700	0.22%	0.00%

* Partly paid shares are full paid and converted to fully paid equity shares in March 22

E. Aggregate number of equity shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Equity shares of ₹ 10 each, fully paid up, allotted on conversion of 19,53,125/- 0.01% Compulsorily convertible preference share of ₹ 100 each, Fully paid-up	-	-	-		195.31

19. Other equity

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Capital reserve	32.50	32.50
Securities premium reserve	34,891.60	10,576.37
Share Based Payment reserve	20.63	24.62
Statutory Reserve under section 45-IC of the Reserve Bank of India Act, 1934	5,993.60	4,993.50
General reserve	1,471.49	1,221.46
Retained earnings	20,382.66	16,622.42
Total	**62,792.48**	**33,470.86**

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Nature and purpose of reserve

a. Capital reserve

This reserve was created to record the excess carrying value of optionally convertible debentures provided through securities premium. The excess value is recorded by reversing the capital reserve with corresponding debit to debentures.

b. Securities premium reserve

The securities premium reserve is used to record the premium received on issue of shares. The reserve cab be utilised only for limited purpose such as issuance of bonus shares in accordance with provision of the Companies Act, 2013.

c. Statutory reserve

Reserves created under Section 45IC of The Reserve Bank of India Act, 1934

d. hare based payment reserve

The share based payment reserve is used to recognise the grant date fair value of options issued to employees of the Company and its subsidiaries under stock option schemes of the Company.

e. Retained earnings

Retained earnings represents surplus / accumulated earnings of the Company and are available for distribution to shareholders.

f. General Reserve

It is a free reserve which is created by appropriation from profits of the current year and/or undistributed profits of previous years, before declaration of dividend duly complying with any regulations in this regard.

B. Movement in Other equity

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
I. Capital Reserve		
Opening balance	32.50	32.50
Add : Share issued during the year	-	-
	32.50	**32.50**
II. Securities premium reserve		
Opening balance	10,576.37	9,960.39
Add : Premium received on issue of securities	24,315.23	615.97
Impact of first time adoption of Ind AS	-	-
	34,891.60	**10,576.37**
III. Share Based Payment reserve		
Opening balance	24.62	30.65
Add : During the year	-3.99	(6.03)
	20.63	**24.62**

Notes

on Standalone Financial Statements for the year ended March 31, 2023

(Currency : ₹ in lakhs)

Particulars		As at March 31, 2023	As at March 31, 2022
IV.	**Statutory Reserve under section 45-IC of the Reserve Bank of India Act, 1934**		
	Opening balance	4,993.50	4,187.41
	Add : Transfer from retained earnings	1,000.10	806.09
		5,993.60	**4,993.50**
V.	**General Reserve**		
	Opening balance	1,221.46	1,019.94
	Add : Transfer from retained earnings	250.03	201.52
		1,471.49	**1,221.46**
VI.	**Retained earnings**		
	Opening balance	16,622.42	13,591.31
	Add : Profit for the year	5,000.51	4,030.44
	Add : Other comprehensive income	9.86	8.28
	Appropriations:		
	Transfer to Statutory Reserve u/s 45-IC of the Reserve Bank of India Act, 1934	(1,000.10)	(806.09)
	Transfer to General reserve	(250.03)	(201.52)
	Total	**20,382.66**	**16,622.42**

20 Interest income

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
On financial assets measured at amortised cost		
Interest on loans	27,672.71	21,757.50
Interest on deposits with banks	122.43	141.80
Interest on investment in debentures	606.38	33.06
Total	**28,401.52**	**21,932.36**

21 Fees and commission income

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Other fees and charges	240.36	160.21
Total	**240.36**	**160.21**

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22 Other income

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest on income tax refund	-	-
Rental income	7.63	7.63
Miscellaneous Income	10.17	22.61
Total	**17.80**	**30.25**

23 Finance costs

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
On financial liabilities measured at amortised cost		
Interest on deposits	50.07	70.16
Interest on borrowings	11,440.35	6,879.65
Interest on commercial paper and bonds	-	-
Interest on debentures	1,354.17	2,720.03
Interest on subordinated liabilities	1,506.21	800.06
Interest on ICD	126.42	265.90
Interest on lease liabilities	33.63	2.12
Interest on securitisation	99.70	475.13
Bank Charges	5.51	9.57
Other finance cost	786.57	565.04
Total	**15,402.63**	**11,787.65**

24 Impairment on financial instruments

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
On financial instruments measured at amortised cost		
Loans	(44.98)	(224.16)
Trade receivables	-	(26.21)
Bad debts and write offs	584.83	762.15
Total	**539.85**	**511.78**

25 Employee benefits expenses

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries and wages	4,057.01	2,964.03
Contribution to provident and other funds	216.75	165.42
Share based payment to employees	(3.99)	(6.03)

Notes

on Standalone Financial Statements for the year ended March 31, 2023

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Staff welfare expenses	84.87	43.05
Gratuity	47.37	34.49
Leave encashment	(104.57)	47.07
Total	**4,297.44**	**3,248.03**

26 Depreciation, amortization and impairment

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation on property, plant and equipment	215.77	85.10
Depreciation on investment property	0.17	0.17
Amortization of intangible assets	48.29	43.70
Total	**264.23**	**128.96**

27 Other expenses

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Rent	245.30	200.31
Communication cost	75.23	49.06
Travelling and conveyance	212.14	113.57
Rates and taxes	379.17	224.80
Insurance	3.31	3.83
Commission and Brokerage	49.38	17.20
Repairs and maintenance	72.54	66.61
Printing and stationary	40.64	28.68
Payment to auditors (Refer Note 27.1)	26.20	32.97
Advertisement, publicity and sales promotion expenses	11.49	3.36
Operation Cost	31.30	29.84
Legal and professional fees	144.54	128.29
Corporate social responsibility (Refer Note 27.2)	91.29	96.53
Director sitting fees	7.50	1.00
Loss on sale of property, plant and equipment	1.91	-
Loss on sale of Investment Property	3.15	6.10
Miscellaneous expenses	29.71	16.97
Total	**1,424.80**	**1,019.11**

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on Standalone Financial Statements for the year ended March 31, 2023

27.1 Payment to the auditors:

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Auditor's remuneration		
- Audit fees (including Limited review fees)	25.00	31.00
In other capacity		
- Certification services	1.20	1.91
Other of pocket expenses	-	0.06
Total	**26.20**	**32.97**

27.2 Corporate social responsibility:

(Currency : ₹ in lakhs)

Particulars		Year ended March 31, 2023	Year ended March 31, 2022
a)	Amount required to be spent by the company during the year	90.94	88.85
b)	Amount of expenditure incurred		
	i) Construction/acquisition of any asset	-	-
	ii) On purposes other than (i) above	91.29	96.53
c)	Shortfall at the end of the year	-	-
d)	Total of previous years shortfall	-	-
e)	Net Shortfall	-	-
f)	Reason for shortfall	NA	NA
g)	Nature of CSR activities	Disaster relief, Sanitation and Hygiene.	Disaster relief, Sanitation and Hygiene.
h)	Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	-	-
i)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	-	-

Notes

on Standalone Financial Statements for the year ended March 31, 2023

28 Income tax

(a) Income tax expense

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
	₹	₹
Current tax		
Current tax on profits for the year	1,461.47	1,487.04
Adjustment for current tax of the prior periods	12.91	10.06
Subtotal (A)	**1,474.38**	**1,497.10**
Deferred tax		
Decrease/(Increase) in deferred tax assets	(91.42)	52.59
(Decrease)/Increase in deferred tax liabilities	343.94	(155.62)
Subtotal (B)	**252.53**	**(103.03)**
Deferred tax asset/ (liability) relating to items recognised in other Comprehensive Income (C)	(3.32)	(2.79)
Income tax expense for the year (A+B+C)	**1,730.22**	**1,396.85**

(b) Deferred tax

The major components of deferred tax (liabilities) arising on account of timing differences for the year ended March 31, 2023:

(Currency : ₹ in lakhs)

Particulars	Net balance March 31, 2022	Recognised in profit or loss	Recognised in OCI	Net balance March 31, 2023
Deferred tax assets				
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	77.11	(20.81)	(3.32)	52.98
Impact of provision for expected credit loss on loans	617.45	(11.97)		605.48
Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	4.98	3.70		8.68
Impact of leases under Ind AS 116	2.92	67.14		70.06
Share based payment	6.21	(1.01)		5.20
Others	-	-		-
EIR impact of financial asssets and liabilities	(39.98)	51.05		11.06
(A)	**668.67**	**88.10**	**(3.32)**	**753.46**
Deferred tax liabilities				
Impact of amortisation of anciallary borrowing cost	120.56	165.58		286.13
EIR impact of financial asssets and liabilities				
Impact of direct assignment and securitisaton transactions	379.46	95.55		475.01
Interest income recognised on stage 3 loans	95.60	17.51		113.11
Others	2.71	65.31		68.03
(B)	**598.33**	**343.94**	**-**	**942.28**
Deferred tax assets (net) (A-B)	**70.34**	**(255.84)**	**(3.32)**	**(188.82)**

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The major components of deferred tax (liabilities) arising on account of timing differences for the year ended March 31, 2022:

(Currency : ₹ in lakhs)

Particulars	Net balance March 31, 2021	Recognised in profit or loss	Recognised in OCI	Net balance March 31, 2022
Deferred tax assets				
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	69.35	10.55	(2.79)	77.11
Impact of provision for expected credit loss on loans	680.46	(63.01)	-	617.45
Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	2.58	2.40	-	4.98
Impact of leases under Ind AS 116	6.71	(3.79)	-	2.92
Share based payment	7.72	(1.52)	-	6.21
Others	-		-	-
(A)	**766.82**	**(55.38)**	**(2.79)**	**708.66**
Deferred tax liabilities				
Impact of amortisation of anciallary borrowing cost	119.00	1.56	-	120.56
EIR impact of financial asssets and liabilities	86.49	(46.51)	-	39.98
Impact of direct assignment and securitisaton transactions	507.77	(128.31)	-	379.46
Interest income recognised on stage 3 loans	74.43	21.17	-	95.60
Others	6.24	(3.53)	-	2.71
(B)	**793.94**	**(155.62)**	**-**	**638.31**
Deferred tax assets (net) (A-B)	**(27.11)**	**100.25**	**(2.79)**	**70.34**

(a) Income tax expense

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
	₹	₹
Profit before tax as per Statement of profit and loss (A)	6,730.73	5,427.29
Applicable income tax rate	25.17%	25.17%
Expected Income Tax Expense (B)	1,693.99	1,365.94
Tax effect of:		
Effect of income exempt from tax	(0.55)	(0.55)
Effect of expenses/provisions not deductible in determining taxable profit	23.31	24.31
Effect of differential tax rate	-	-
Adjustment related to tax of prior years	12.91	10.06
Others	0.56	(2.92)
Income tax expense	**1,730.22**	**1,396.85**

Notes
on Standalone Financial Statements for the year ended March 31, 2023

29 Employee Benefits

a. Defined contribution plan - provident funds

In accordance with Employees' Provident Fund and Miscellaneous Provisions Act, 1952, employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which, both the employee and the Company contribute monthly at a determined rate. These contributions are made to a recognized provident fund administered by Regional Provident Fund Commissioner. The employees contribute 12% of their basic salary and the Company contributes an equal amount.

The Company recognised ₹ 216.75 lakhs (PY: ₹ 165.42 lakhs) for year ended March 31, 2023, for provident fund and other contributions in the Statement of profit and loss.

b. Defined Benefit Plan - Gratuity

The Company has a defined benefit gratuity plan (unfunded). Every employee who has completed five years or more of service is eligible for gratuity on cessation of employment and it is computed at 15 days salary (last drawn salary) for each completed year of service subject to limit of ₹ 20 lakhs as per The Payment of Gratuity Act. 1972.

The following tables summarizes the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the Balance Sheet for the gratuity plan.

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of obligation (A)	154.38	122.20
Fair Value of plan assets (B)	-	-
Present value of obligation (A- B)	**154.38**	**122.20**

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Obligation expected to be settled in the next 12 months	15.02	9.62
Obligation expected to be settled beyond next 12 months	139.37	112.58

Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

(Currency : ₹ in lakhs)

Particulars	Defined Benefit Obligation		Fair Value of plan assets		Net defined benefit (asset) liability	
	March 31, 2023.	March 31, 2022.	March 31, 2023.	March 31, 2022.	March 31, 2023.	March 31, 2022.
Opening balance	122.20	110.45	-	-	122.20	110.45
Current service cost	38.50	27.26	-	-	38.50	27.26
Past service cost	-	-	-	-	-	-
Interest cost (income)	8.87	7.23	-	-	8.87	7.23
Defined benefit cost included in P&L	**47.37**	**34.49**	**-**	**-**	**47.37**	**34.49**

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(Currency : ₹ in lakhs)

Particulars	Defined Benefit Obligation		Fair Value of plan assets		Net defined benefit (asset) liability	
	March 31, 2023.	March 31, 2022.	March 31, 2023.	March 31, 2022.	March 31, 2023.	March 31, 2022.
Other comprehensive income						
Remeasurement loss (gain) due to:						
Demographic assumptions	-	-	-	-	-	-
Financial assumption	(1.89)	(3.69)	-	-	(1.89)	(3.69)
Experience adjustments	(10.87)	(7.38)	-	-	(10.87)	(7.38)
Total remeasurements in OCI	**(12.77)**	**(11.07)**	**-**	**-**	**(12.77)**	**(11.07)**
Others						
Benefits paid	(2.42)	(11.67)	-	-	(2.42)	(11.67)
Closing balance	**154.38**	**122.20**	**-**	**-**	**154.38**	**122.20**

Actuarial assumptions:

The following were the principal actuarial assumptions at the reporting date:

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate	7.51%	7.33%
Salary escalation rate	6.00%	6.00%
Withdrawal/attrition rate (based on categories)	9.00%	9.00%
Mortality rate (as % of IALM (2012-14) Ult. Mortality Table)	100.00%	100.00%
Disability rate	0.00%	0.00%
Expected weighted average remaining working lives of employees	**25.36 years**	**24.90 years**

Notes:

a) The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields / rates available on applicable bonds as on the current valuation date.

b) The salary growth rate indicated above is the Company's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

c) Attrition rate indicated above represents the Company's best estimate of employee turnover in future (other than on account of retirement, death or disablement) determined considering various factors such as nature of business, retention policy, industry factors, past experience, etc.

Sensitivity analysis:

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

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Particulars	As at March 31, 2023		As at March 31, 2022	
	Increase	Decrease	Increase	Decrease
Salary escalation Rate (+/- 1%)	165.19	144.64	130.98	114.20
	7.00%	-6.31%	7.20%	-6.50%
Discount Rate (+/- 1%)	144.60	165.47	114.15	131.33
	-6.34%	7.18%	-6.60%	7.50%
Withdrawal Rate (+/- 1%)	154.54	154.13	122.42	121.90
	0.10%	-0.17%	0.20%	-0.20%

The Sensitivity is performed on the defined benefit obligation at the respective valuation date by modifying one parameter whilst retaining other parameters constant. There are no changes from the previous year to the methods and assumptions underlying the sensitivity analyses.

Expected future contributions

The Best Estimate Contribution for the Company during the next year would be ₹ Nil

Expected cash flow for following years:

Maturity Profile of Defined Benefit Obligations

Year 1	15.12
Year 2	13.52
Year 3	26.88
Year 4	12.57
Year 5	19.90
Year 6	13.51
Year 7	12.26
Year 8	12.33
Year 9	14.05
Year 10	14.41
Year 11+	138.94

The weighted average duration of the defined benefit obligation is 7.77

c. Compensated absences :

The Company provides for accumulated compensated absences as at the balance sheet date using projected unit credit method based on actuarial valuation.

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of unfunded obligation	56.12	184.17
Expenses recognised in the Statement of Profit and Loss	(104.57)	47.07

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on Standalone Financial Statements for the year ended March 31, 2023

30 Earnings per share

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Profit for the year	5,000.51	4,030.44
Weighted average number of equity shares used in calculating basic earnings per share	536.99	516.78
Effect of potential dilutive Equity Shares on account of unexercised employee stock options	0.19	0.23
Weighted average number of equity shares and potential equity shares used in calculating diluted earnings per share	537.18	517.01
Basic earnings per share	**9.31**	**7.80**
Diluted earnings per share	**9.31**	**7.80**

31 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Promoters of the Company. The Company operates only in one Business Segment i.e. lending, since the nature of the loans are exposed to similar risks and return profiles, hence they are collectively operating under a single segment. Accordingly the Company does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

32 Transfer of financial assets

Transfer of financial assets that are not derecognised in their entirety

(i) Securitisations:

The Company uses securitisations as a source of finance. Such transactions generally result in the transfer of contractual cash flows from portfolios of financial assets to holders of issued debt securities. Securitisation has resulted in the continued recognition of the securitised assets.

The table below outlines the carrying amounts and fair values of all financial assets transferred that are not derecognised in their entirety and associated liabilities.

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Carrying amount of transferred assets measured at amortised cost	-	1,195.10
Carrying amount of associated liabilities	-	871.72

The carrying amount of above assets and liabilities is a reasonable approximation of their fair values.

Transfer of financial assets which qualify for derecognition in their entirety

(i) Assignment transaction

The Company has sold loans and advances measured at amortised cost under assignment deals, as a source of finance. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the buyer, the assets have been derecognised from the Company's balance sheet.

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The gain arising on said transactions are recorded upfront by discounting the future cash flows accruing in the form of differential interest on such assigned loan to their present values.

The table below summarises the carrying amount of the Excess Interest Spread (EIS) receivable on above transaction which are derecognised

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Carrying amount of EIS receivable	1,926.33	1,450.27

33 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	23,039.43		23,039.43	3,377.21	-	3,377.21
Bank Balance other than cash and cash equivalents	4280.30	1292.87	5,573.17	1274.79	933.86	2,208.65
Loans	76173.43	134581.08	2,10,754.51	65514.88	90810.52	1,56,325.40
Investments	20,047.82	10,762.73	30,810.55	-	6,252.92	6,252.92
Other Financial assets	1,417.27	834.30	2,251.57	1,173.95	627.01	1,800.96
Sub total	**1,24,958.25**	**1,47,470.98**	**2,72,429.23**	**71,340.83**	**98,624.31**	**1,69,965.14**
Non-financial assets						
Current Tax assets (Net)	372.98		372.98	183.04	-	183.04
Deferred Tax assets (Net)		-	-	-	70.34	70.34
Investment Property		72.14	72.14	-	114.31	114.31
Property, plant and equipment		250.23	250.23	-	260.11	260.11
Right to Use Assets		270.26	270.26	-	10.75	10.75
Intangible assets		156.38	156.38	-	154.42	154.42
Other non-financial assets	0.27	2,878.14	2,878.41	2.39	1,065.03	1,067.42
Sub total	**373.25**	**3,627.16**	**4,000.41**	**185.43**	**1,674.96**	**1,860.39**
Total assets	**1,25,331.50**	**1,51,098.13**	**2,76,429.64**	**71,526.26**	**1,00,299.26**	**1,71,825.53**

Notes

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(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
LIABILITIES AND EQUITY						
LIABILITIES						
Financial liabilities						
Debt Securities	15,385.72	3,452.82	18,838.54	3,699.42	11,487.05	15,186.47
Borrowings (Other than Debt Securities)	81,577.44	86,918.88	1,68,496.32	65,827.60	43,635.24	1,09,462.84
Subordinated Liabilities	8.98	16,336.07	16,345.06	1,537.37	4,466.08	6,003.45
Other Financial liabilities	2,641.02	280.32	2,921.34	1,808.65	221.48	2,030.13
Sub total	**99,613.16**	**1,06,988.10**	**2,06,601.26**	**72,873.04**	**59,809.85**	**1,32,682.89**
Non-Financial liabilities						
Provisions	26.62	183.87	210.50	31.70	274.67	306.37
Deferred tax liabilities (Net)	188.82		188.82	-	-	-
Other non-financial liabilities	179.07		179.07	99.50	-	99.50
Sub total	**394.51**	**183.87**	**578.38**	**131.20**	**274.67**	**405.87**
Total liabilities	**1,00,007.67**	**1,07,171.97**	**2,07,179.64**	**73,004.24**	**60,084.52**	**1,33,088.76**

34 Changes in liabilities arising from financing activities

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	Cash Flows (net)	Others (net)*	As at March 31, 2023
Subordinated liabilities	6,003.44	10,500.00	(158.39)	16,345.05
Debt securities	15,186.48	3,600.00	52.07	18,838.55
Borrowing other than debt securities	1,09,462.84	60,356.30	(1,322.82)	1,68,496.31
	1,30,652.75	**74,456.30**	**(1,429.14)**	**2,03,679.91**

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2021	Cash Flows (net)	Others (net)*	As at March 31, 2022
Subordinated liabilities	5,986.80	-	16.65	6,003.44
Debt securities	33,687.94	(17,950.00)	(551.48)	15,186.48
Borrowing other than debt securities	85,755.90	29,638.55	(5,931.61)	1,09,462.84
	1,25,430.64	**11,688.55**	**(6,466.44)**	**1,30,652.75**

* Others column includes the effect of accrued but not paid interest on borrowing, amortisation of processing fees and cash flows from securitisation etc.

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35 Employee Stock Option Plan (ESOP)

The Company had granted 5,62,860 Equity shares (face value of ₹ 10/- each) under Employee Stock Option Plan 2019 on June 11, 2019 to the employees of IKF Finance Limited. The shares will vest gradually and vesting of these shares is dependent on continued employment with the company.

A. Expenses arising from share-based payment transactions

Total expenses arising from equity - settled share-based payment transaction recognised in profit or loss as part of employee benefit expense for the year ended March 31, 2023 is ₹ (4.00) lakhs (March 31, 2022 - ₹ (6.03) lakhs).

B. Movement during the year

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number	WAEP	Number	WAEP
Outstanding at 1 April	2,06,000.00	120.00	3,56,930.00	120.00
Granted during the year	-		-	
Forfeited during the year	59,200.00	120.00	1,50,930.00	120.00
Exercised during the year	-		-	
Expired during the year	-		-	
Outstanding at 31 March	1,46,800.00	120.00	2,06,000.00	120.00
Exercisable at 31 March	1,02,760.00	120.00	92,700.00	120.00

No Share options granted during the year. No options were vested or exercised during the year.

The weighted average remaining contractual life for the share options outstanding as at March 31, 2023 is 0.15 years (March 31, 2022: 0.58 years).

The weighted average fair value of options granted during the year ending March 31, 2020 was 14.79

C. Fair value of options granted

The weighted average fair value of options granted during the year ending March 31, 2020 was 14.79. The fair value of options was determined using the Black Scholes Model using the following inputs as follows :

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Weighted average fair values at the measurement date	14.79	14.79
Expected volatility (%)	0.36%	0.36%
Risk–free interest rate (%)	4.50%	4.50%
Expected life of share options/SARs (years)	1.30 years to 4.30 years	1.30 years to 4.30 years
Weighted average share price (₹)	120.00	120.00

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

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36 Contingent liabilities and commitments

In the ordinary course of business, the Company faces claims and assertions by various parties. The Company assesses such claims and assertions and monitors the legal environment on an ongoing basis, with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

The Company believes that the outcome of these proceedings will not have a materially adverse effect on the Company's financial position and results of operations.

36.1 Contingent Liability

There are no Contingent Liabilities as on March 31, 2023 (March 31, 2022: ₹ 0.)

36.2 Commitment

There are no commitment as on March 31, 2023 (March 31, 2022: ₹ 0.)

37 Leases

Company as a Lessee

The Company's lease asset classes primarily consist of leases for office spaces. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:(i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) . For these short-term leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

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The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Following are the changes in the carrying value of right of use assets

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening	10.78	24.77
Additions	399.37	4.92
Deletion	-	(0.74)
Depreciation	(139.86)	(18.17)
Closing Balance	**270.29**	**10.78**

The following is the movement in lease liabilities :

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning	11.61	26.68
Additions	380.28	4.80
Finance cost accrued during the period	33.63	2.12
Payment of lease liabilities	(147.12)	(21.99)
Balance at the end	**278.39**	**11.61**

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Less than 3 months	38.51	2.61
Over 3 months & upto 6 months	38.51	2.76
Over 6 months & upto 1 year	77.05	3.18
Over 1 year & upto 3 years	164.28	9.81
Over 3 years	-	6.41

The following are the amounts recognised in statement of profit or loss:

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Depreciation expense of right-of-use assets	139.86	18.17
Interest expense on lease liabilities	33.63	2.12
Expense relating to short-term leases	245.30	200.31
Total amount recognised in profit or loss	**418.79**	**220.60**

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Future Commitments:

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023
Future undiscounted lease payments for which the leases have not yet commenced	-

Extension / Termination Options:

Some of the leases contain extension and termination options. Such options are taken into account in the determination of the lease term only if extension or non-termination can be assumed with reasonable certainty. On this basis, there were no such amounts included in the measurement of lease liabilities as at March 31, 2023.

38 Capital Management

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements iron its regulators and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

39 Analytical Ratios

Particulars	As at March 31, 2023			As at March 31, 2022	% Variance	Reasons for Variance (if above 25%)
	Numerator	Denominator	Ratio	Ratio		
Capital to Risk Weighted Assets Ratio (CRAR)	80,338.70	243322.36	33.02%	24.11%	36.95%	
Tier I CRAR	63,863.99	243322.36	26.25%	21.55%	21.79%	Increase on account of New equity raised during the year
Tier II CRAR	16,474.70	243322.36	6.77%	2.56%	164.62%	Increase on account of new tier II Capital raised during the year
Liquidity Coverage Ratio			NA	NA		

Note: As per the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, liquidity coverage ratio is not applicable on the company.

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40 Fair Value Measurement:

A. Valuation Principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques:

Level 1 - Valuation technique using quoted market price: financial instruments with quoted prices for identical instruments in active markets that Company can access at the measurement date.

Level 2 - Valuation technique using observable inputs: Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life.

Level 3 - Valuation technique with significant unobservable inputs: Those that include one or more unobservable input that is significant to the measurement as whole.

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value

Particulars		Fair Value		Fair Value Hierarchy	Valuation Technique	Key Inputs for Level 2 & Level 3	Significant unobservable input(s) for Level 3
Financial Assets	Category	As at March 31, 2023	As at March 31, 2022				
Investment in Market Linked Debentures	FVTPL	15,960.75	0.00	Level 2	Mark-to-Market of the debt insrument	Valuation received from the rating agency	NA

B. Fair value of financial instrument not measured at fair value:

The table below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non-financial assets and non-financial liabilities.

(Currency : ₹ in lakhs)

Particulars	Level	Carrying value		Fair value	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Financial Assets					
Cash and cash equivalents	1	23,039.43	3,377.21	23,039.43	3,377.21
Bank Balance other than cash and cash equivalents	1	5,573.17	2,208.65	5,573.17	2,208.65
Loans	2	2,10,754.51	1,56,325.40	2,12,021.80	1,61,025.03
Rent and utility deposits	2	239.69	217.70	239.69	217.70
EIS receivable	2	1,926.33	1,450.27	1,926.33	1,450.27
Other financial assets	2	85.55	132.99	85.55	132.99
Investment in debentures	2	4,087.07	-	4,087.07	-
		2,45,705.75	**1,63,712.21**	**2,46,973.05**	**1,68,411.85**

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(Currency : ₹ in lakhs)

Particulars	Level	Carrying value		Fair value	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Financial Liabilities					
Debt securities	2	18,838.54	15,186.47	19,252.78	15,506.33
Borrowings (other than debt securities)	2	1,68,496.32	1,09,462.84	1,68,231.86	1,09,459.96
Subordinated Liabilities	2	16,345.06	6,003.45	16,458.38	6,099.99
Other financial liabilities	2	2,921.34	2,030.13	2,921.34	2,030.13
Total Financial liabilities		**2,06,601.26**	**1,32,682.89**	**2,06,864.36**	**1,33,096.40**

Investment in subsidiary is measured at cost in accordance with Ind AS 27.

Valuation Methodologies of Financial Instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables and, as such, may differ from the techniques and assumptions explained in notes.

Short Term Financial Assets and Liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, bank balance other than cash and cash equivalents, trade receivables, rent and utility deposits and other financial liabilities.

Loans and advances to customers

The fair values of loans are estimated by discounted cash flow models based on contractual cash flows using actual or estimated yields.

Borrowings other than debt securities, Debt securities and Subordinated liabilities

The fair value of issued debt is estimated by a discounted cash flow model incorporating the Company's own credit risk.

EIS receivable

EIS receivable is calculated by discounting the contractual future cash flows. The carrying value closely approximates its fair value.

C. Categories of Financial Instruments :

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023			
	Amortised cost	At Fair Value Through profit or loss	At Deemed Cost	Total
Cash and cash equivalents	23,039.43	-	-	23,039.43
Bank Balance other than included in (a) above	5,573.17	-	-	5,573.17
Loans	2,10,754.51	-	-	2,10,754.51
Investments	4,087.07	15,960.75	10,762.73	30,810.55
Other financial assets	2,251.57	-	-	2,251.57
Total	**2,45,705.75**	**15,960.75**	**10,762.73**	**2,72,429.23**

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(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023			
	Amortised cost	At Fair Value Through profit or loss	At Deemed Cost	Total
Debt securities	18,838.54	-	-	18,838.54
Borrowings (other than debt securities)	1,68,496.32	-	-	1,68,496.32
Subordinated Liabilities	16,345.06	-	-	16,345.06
Other financial liabilities	2,921.34	-	-	2,921.34
Total	**2,06,601.26**	**-**	**-**	**2,06,601.26**

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022			
	Amortised cost	At Fair Value Through profit or loss	At Deemed Cost	Total
Cash and cash equivalents	3,377.21	-	-	3,377.21
Bank Balance other than included in (a) above	2,208.65	-	-	2,208.65
Loans	1,56,325.40	-	-	1,56,325.40
Investments	-	-	6,252.92	6,252.92
Other financial assets	1,800.96	-	-	1,800.96
Total	**1,63,712.22**	**-**	**6,252.92**	**1,69,965.14**
Debt securities	15,186.47	-	-	15,186.47
Borrowings (other than debt securities)	1,09,462.84	-	-	1,09,462.84
Subordinated Liabilities	6,003.45	-	-	6,003.45
Other financial liabilities	2,030.13	-	-	2,030.13
Total	**1,32,682.89**	**-**	**-**	**1,32,682.89**

41 Risk management

Risk is an integral part of the Company's business and sound risk management is critical to the success. As a financial intermediary, the Company is exposed to risks that are particular to its lending and the environment within which it operates and primarily includes credit, liquidity and market risks. The Board of Directors of the Company are responsible for the overall risk management approach and for approving the risk management strategies and principles. The Company has a risk management policy which covers all the risk associated with its assets and liabilities.

41.1 Introduction and Risk Profile

Risk management and mitigation

The Company's risks are measured using a method that reflects both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the ultimate actual loss. The models make use of probabilities derived from historical experience, adjusted to reflect the economic environment, as necessary.

The Company's policy is to measure and monitor the overall risk-bearing capacity in relation to the aggregate risk exposure across all risk types and activities.

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It is the Company's policy to ensure that a robust risk awareness is embedded in its organisational risk culture. Employees are expected to take ownership and be accountable for the risks the Company is exposed to that they decide to take on. The Company's continuous training and development emphasises that employees are made aware of the Company's risk appetite and they are supported in their roles and responsibilities to monitor and keep their exposure to risk within the Company's risk appetite limits.

The Company is generally exposed to credit risk, liquidity risk, market risk, prepayment risk and operational risk.

41.2 Credit Risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical concentrations, and by monitoring exposures in relation to such limits.

Credit risk is monitored by the credit department of the Company. It is their responsibility to review and manage credit risk. Credit risk consists of line credit managers who are responsible for their business lines and manage specific portfolios and experts who support both the line credit manager, as well as the business with tools like credit risk systems, policies, models and reporting.

The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

Impairment assessment

The references below show where the Company's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the summary of significant accounting policies.

Definition of default and cure

The Company considers a financial instrument as defaulted and therefore Stage 3 (credit-impaired) for Expected Credit Loss (ECL) calculations in all cases when the borrower becomes more than 3 months past due on its contractual payments.

The staging criteria used by the Company is as below:

Loans months past due	Stage
Upto 1 month	Stage 1
Between 1 month to 3 months	Stage 2
More than 3 months	Stage 3

The Company considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes past due for more than 3 months on its contractual payments.

It is the Company's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage 3 when the due amount have been paid. The decision whether to classify an asset as Stage 2 or Stage 1 once cured depends on the updated credit grade, at the time of the cure, and whether this indicates there has been a significant increase in credit risk compared to initial recognition.

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Exposure at default (EAD)

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the ability to increase its exposure while approaching default and potential early repayments too.

To calculate the EAD for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12 months ECL.

For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments.

Probability of default (PD)

The Probability of Default is an estimate of the likelihood of default over a given time horizon. To calculate the ECL for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12month ECL. For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments. The Company uses historical information wherever available to determine PD

Loss given Default (LGD)

LGD is the estimated loss that the Company might bear if the borrower defaults. The Company determines its recovery (net present value) by analysing the recovery trends, borrower rating, collateral value and expected proceeds from sale of asset.

LGD Rates have been computed internally based on the discounted recoveries in defaulted accounts that are closed/ written off/ repossessed and upgraded during the year.

When estimating ECLs on a collective basis for a group of similar assets, the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

Significant increase in credit risk

The Company continuously monitors all assets subject to ECLs in order to determine whether an instrument or a portfolio of instruments is subject to 12 month ECL or lifetime ECL. The Company assesses whether there has been an event which could cause a significantly increase in the credit risk of the underlying asset or the customers ability to pay and accordingly change the 12 month ECL to a lifetime ECL.

If contractual payments are more than 30 days past due, the credit risk is deemed to have increased significantly since initial recognition.

Concentration of Credit Risk

Company's loan portfolio is predominantly to finance commercial vehicle loans. The Company manages concentration of risk primarily by geographical region. The following tables show the region-wise concentrations of net terms loans.

(Currency : ₹ in lakhs)

Geography	March 31, 2023.	March 31, 2022.
West	59,658.29	37,808.22
Central	8,709.95	5,531.19
South	1,45,276.32	1,15,969.36
	2,13,644.56	**1,59,308.77**

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Quantitative Information of Collateral

Net value of total term loans to value of collateral is as follows:

As at March 31, 2023	Loan to value			
	Upto 50%	51%-70%	More than 70%	Total
Cars & Muvs	1130.94	23,463.73	12,695.19	37,289.86
Commercial Vehicles	1,578.17	31,736.73	29,246.64	62,561.54
Construction Equipment	4,047.76	17,681.56	23,318.34	45,047.66
Three Wheeler	34.88	10,852.93	1,572.51	12,460.32
Tractor	152.27	2,362.86	408.85	2,923.98
Two Wheeler	894.05	1,080.67	462.34	2,437.06
SME	39,829.78	4,335.27	6,759.09	50,924.14
Total	**47,667.85**	**91,513.75**	**74,462.96**	**2,13,644.56**

As at March 31, 2022	Loan to value			
	Upto 50%	51%-70%	More than 70%	Total
Cars & Muvs	1,224.12	19,288.11	10,382.32	30,894.55
Commercial Vehicles	2,350.49	28,154.20	14,292.21	44,796.91
Construction Equipment	3,477.80	14,367.04	12,146.46	29,991.30
Three Wheeler	48.26	9,201.86	1,808.16	11,058.28
Tractor	203.45	2,018.47	381.49	2,603.41
Two Wheeler	1,139.12	1,041.94	772.97	2,954.04
SME	6,491.94	4,304.85	26,213.51	37,010.29
Total	**14,935.19**	**78,376.45**	**65,997.12**	**1,59,308.77**

41.3 Liquidity Risk

In assessing the Company's liquidity position, consideration shall be given to: (1) present and anticipated asset quality (2) present and future earnings capacity (3) historical funding requirements (4) current liquidity position (5) anticipated future funding needs, and (6) sources of funds. The Company maintains a portfolio of marketable assets that are assumed to be easily liquidated and undrawn cash credit limits which can be used in the event of an unforeseen interruption in cash flow. The Company also enters into securitization deals (direct assignment as well as pass through certificates) of their loan portfolio, the funding from which can be accessed to meet liquidity needs. Net liquid assets consist of cash and short–term bank deposits. Borrowings from banks and financial institutions and issue of Non convertible debentures are considered as important sources of funds to finance lending to customers.

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Analysis of financial assets and liabilities by remaining contractual maturities:

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at March 31, 2023.

(Currency : ₹ in lakhs)

Particulars	Less than 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years	Total
Financial assets						
Cash and cash equivalents	6,239.43	-	16,800.00	-	-	23,039.43
Bank Balance other than included in (a) above	3,587.71	514.95	294.64	1,389.27	-	5,786.57
Loans	24,272.24	27,193.57	52,365.27	1,39,232.39	24,521.28	2,67,584.76
Investments	20,047.82	-	-	-	10,762.73	30,810.55
Other financial assets	521.66	385.06	580.15	692.05	254.36	2,433.27
Total undiscounted financial assets	**54,668.86**	**28,093.58**	**70,040.06**	**1,41,313.70**	**35,538.36**	**3,29,654.57**
Financial liabilities						
Subordinated Liabilities	566.01	571.32	1,137.10	4,539.82	20,644.59	27,458.84
Debt securities	6,310.82	2,983.62	7,116.57	3,732.82	-	20,143.83
Borrowings (other than debt securities)	20,277.82	17,255.58	56,758.18	85,377.77	11,035.39	1,90,704.73
Other financial liabilities	2,470.62	55.10	123.90	279.57	51.21	2,980.40
Total undiscounted financial liabilities	**29,625.26**	**20,865.62**	**65,135.76**	**93,929.97**	**31,731.19**	**2,41,287.80**
Net undiscounted financial assets / (liabilities)	**25,043.60**	**7,227.96**	**4,904.30**	**47,383.73**	**3,807.17**	**88,366.77**

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at March 31, 2022.

(Currency : ₹ in lakhs)

Particulars	Less than 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years	Total
Financial assets						
Cash and cash equivalents	3,377.21	-	-	-	-	3,377.21
Bank Balance other than included in (a) above	267.49	906.32	122.85	999.25	-	2,295.91
Loans	32,748.04	19,308.14	33,438.99	96,340.47	16,332.84	1,98,168.48
Investments	-	-	-	-	6,252.92	6,252.92
Other financial assets	493.84	292.83	440.36	480.51	221.30	1,928.84
Total undiscounted financial assets	**36,886.58**	**20,507.29**	**34,002.20**	**97,820.23**	**22,807.06**	**2,12,023.36**
Financial liabilities						
Subordinated Liabilities	198.70	1,696.45	304.02	1,221.46	5,084.17	8,504.80
Debt securities	1,949.37	377.48	2,640.40	12,296.95	-	17,264.20
Borrowings (other than debt securities)	13,263.27	10,566.57	49,799.03	44,216.10	4,158.98	1,22,003.95
Other financial liabilities	1,723.42	18.60	77.09	275.92	-	2,095.03
Total undiscounted financial liabilities	**17,134.76**	**12,659.10**	**52,820.54**	**58,010.43**	**9,243.15**	**1,49,867.98**
Net undiscounted financial assets / (liabilities)	**19,751.82**	**7,848.19**	**(18,818.34)**	**39,809.80**	**13,563.91**	**62,155.38**

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The table below shows the contractual expiry by maturity of the Company's contingent liabilities and commitments. Each undrawn loan commitment is included in the time band containing the earliest date it can be drawn down.

(Currency : ₹ in lakhs)

Particulars	On demand	Less than 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years
As at March 31, 2023						
Guarantees and counter guarantees	-	-	-	-	-	-
Estimated amount of contracts remaining to be executed on capital account, net of advances	-	-	-	-	-	-
Total commitments	**-**	**-**	**-**	**-**	**-**	**-**
As at March 31, 2022						
Guarantees and counter guarantees	-	-	-	-	-	-
Estimated amount of contracts remaining to be executed on capital account, net of advances	-	-	-	-	-	-
Total commitments	**-**	**-**	**-**	**-**	**-**	**-**

41.4 Market Risk

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity, and other market changes. The objective of market risk management is to avoid excessive exposure of our earnings and equity to loss and reduce our exposure to the volatility inherent in financial instruments. There are broadly two types of market risks: (1) Interest rate risk, and (2) Price risk. The Company has not made investments in quoted equity instruments or other quoted investments and hence is not exposed to Equity price risk. Interest rate risk is discussed below:

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is subject to interest rate risk, primarily since it lends to customers at fixed rates and for maturity periods shorter than the funding sources.

The Company has taken borrowings at floating rates gives rise to interest rate risk. Interest rates are highly sensitive to many factors beyond control, including the monetary policies of the Reserve Bank of India, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. In order to manage interest rate risk, the Company seek to optimize borrowing profile between short-term and long-term loans. The Company adopts funding strategies to ensure diversified resource-raising options to minimize cost and maximize stability of funds. Assets and liabilities are categorized into various time buckets based on their maturities. The Interest Rate Risk is mitigated by availing funds at very competitive rates through diversified borrowings and for different tenors.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the portion of borrowings affected. With all other variables held constant, the profit before taxes affected through the impact on floating rate borrowings are as follows:

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(Currency : ₹ in lakhs)

Impact on Profit before taxes	As at March 31, 2023	As at March 31, 2022
On Floating Rate Borrowings:		
1% increase in interest rates	(1,215.02)	(523.75)
1% decrease in interest rates	1,215.02	523.75

41.5 Prepayment risk

Prepayment risk is the risk that the Company will incur a financial loss because its customers and counterparties repay or request repayment earlier or later than expected, such as fixed rate loans like ours when interest rates fall.

41.6 Operational and business risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

42 Related Party Disclosure

a. Name of related party and nature of relationship:

Enterprises having a significant influence	India Business Excellence Fund -IIA
	Vistra ITCL (india) Limied (formerly known as IL and FS trust Company Limited) (Trustee of Business Excellence Trust -II - India Business Excellence Fund - II)
Subsidiary	IKF Home Finance Limited (formerly known as IKF Housing Finance Private Limited)
Enterprises in which directors are interested	SVR Finance & Leasing Private Limited
Enterprises significantly influenced by Key Management Personnel and their relatives	IKF Infratech Private Limited
Relative of Key Management Personnel	Mrs. D. Vasantha Lakshmi Mr. V. Raghu Ram Mr. Sinha Satyanand Chunduri Mrs. Durga Rani Chunduri
Key Management Personnel (KMP)	Mr V.G.K.Prasad — Chairman Mrs. V. Indira Devi — Whole time Director Mrs. K Vasumathi Devi — Managing Director Mr.Sreepal Gulabchand Jain-Chief Financial Officer(Upto 10th February 2023) Mr. Ch.Sreenivasa Rao - Company Secretary and Chief Financial Officer

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b. Transaction with related parties:

Name of related party	Nature of transaction	For the FY 2022					For the FY 2023			
		As at March 31, 2021	Transaction value for the year ended March 31, 2022	Received During the year	Paid During The year	As at March 31, 2022	Transaction value for the year ended March 31, 2023	Received During the year	Paid During the Year	As at March 31, 2023
Key management personnel										
Mr. V G K Prasad	Rent paid	-	21.60	-	-	-	21.60	-	-	-
	Director's remuneration	-	75.83	-	-	-	84.00	-	-	-
	Director Commission Payable	41.55	51.02	-	41.55	51.02	63.27	-	51.02	63.27
	Rent deposit given	50.00	-	-	-	50.00	-	-	-	50.00
	Advance Received	-	-	-	-	-	-	-	-	-
	Interest paid on advance	-	-	-	-	-	-	-	-	-
	Share Capital (₹ 10/- Paid up)	1587.56*	-	-	-	1974.32*	-	-	-	1985.36*
	Partly paid up shares (₹ 10 Paid Up) **	283.97	-	66.61	-	-	-	-	-	-
	Premium Received on Allotment of Partly Paid up Shares **	1,777.38	-	416.92	-	-	-	-	-	-
Mrs. V Indira Devi	Rent paid	-	48.00	-	-	-	48.00	-	-	-
	Director's remuneration	-	32.50	-	-	-	36.00	-	-	-
	Director Commission Payable	17.68	21.71	-	17.68	21.71	26.92	-	21.71	26.92
	Rent deposit given	38.50	-	-	-	38.50	-	-	-	38.50
	Share Capital (₹ 10/- Paid up)	132.69	-	-	-	164.81	-	-	-	164.81
	Partly paid up shares (₹ 10 Paid Up) **	26.02	-	6.10	-	-	-	-	-	-
	Premium Received on Allotment of Partly Paid up Shares **	162.86	-	38.20	-	-	-	-	-	-
Mrs.K.Vasumathi Devi	Director's remuneration	-	54.17	-	-	-	60.00	-	-	-
	Director Commission Payable	29.17	35.82	-	29.17	35.82	44.42	-	35.82	44.43
	Share Capital (₹ 10/- Paid up)	213.13	-	-	-	264.73	-	-	-	264.73
	Partly paid up shares (₹ 10 Paid Up) **	41.79	-	9.80	-	-	-	-	-	-
	Premium Received on Allotment of Partly Paid up Shares **	261.59	-	61.36	-	-	-	-	-	-
Mr.Sreepal Gulabchand Jain	Salary Paid	-	51.05	-	-	-	55.40	-	-	-
Mr.Ch.Sreenivasa Rao	Salary Paid	-	23.10	-	-	-	25.41	-	-	-
	Staff Loan	-	(10.00)	10.00	-	-	-	-	-	-
	Interest Received		0.04	-	-	-	-			
	ESOP Compensation	-	-	-	-	-	-	-	-	-
Relatives of key management personnel										

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Name of related party	Nature of transaction	For the FY 2022					For the FY 2023			
		As at March 31, 2021	Transaction value for the year ended March 31, 2022	Received During the year	Paid During The year	As at March 31, 2022	Transaction value for the year ended March 31, 2023	Received During the year	Paid During the Year	As at March 31, 2023
Mrs. D Vasantha Lakshmi	Share Capital (₹ 10/- Paid up)	200.61	-		-	249.18	-	-	-	249.18
	Partly paid up shares (₹ 10 Paid Up) **	39.34	-	9.23		-	-	-	-	
	Premium Received on Allotment of Partly Paid up Shares **	246.23		57.76		-	-	-	-	
	Purchase of IKF Home Finance Limited Shares	-	-		-	-	-	-	-	-
Mr. V Raghu Ram	Share Capital (₹ 10/- Paid up)	144.97	-		-	180.07	-	-	-	180.07
	Partly paid up shares (₹ 10 Paid Up) **	28.43	-	6.67	-	-	-	-	-	-
	Premium Received on Allotment of Partly Paid up Shares **	177.93	-	41.74	-	-	-	-	-	
Mr. Sinha Satyanand Chunduri	Share Capital (₹ 10/- Paid up)	11.77	-	-	-	11.77	-	-	-	11.77
Mrs. Durga Rani Chunduri	Share Capital (₹ 10/- Paid up)	149.41	-	-	-	149.41	-	-	-	149.41
IKF Home Finance Limited	Loan given	-	-	-	-	-	-	(400.00)	400.00	-
	Interest Received	-	-	-	-	-	1.42		-	-
	Inter Corporate deposits taken ***	-	-	(48,200.00)	48,200.00	-	-	(27,000.00)	27,000.00	-
	Interest Paid	-	265.90	-	-	-	126.42	-	-	-
	Direct Assignment	3,487.22	-	(704.24)	-	2,782.98	-	(803.10)	-	1,979.88
	Interest Receivable on Direct Assignment	22.85	441.76	(430.15)	-	34.46	313.39	(318.87)	-	28.98
	Investments in equity shares by IKF Finance Ltd.,	4,525.10	-	-	1,727.82	6,252.92	-	-	4,509.81	10,762.73
	Investments in equity shares Refundable				1.75	1.75		(1.75)	-	-
	Service Fee Collected	-	28.89	-	-	-	28.35	-	-	
	Service Fee Paid	-	-	-	-	-	-	-	-	
	Purchase of IKF Home Finance Limited Shares	-	-	-	-	-		-	-	
Enterprises significantly influenced by key management personnel or their relatives										
IKF Infratech Private Limited	Non Convertible Debentures	58.20*	-	-	58.20	-	-	-	-	-

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Name of related party	Nature of transaction	For the FY 2022					For the FY 2023			
		As at March 31, 2021	Transaction value for the year ended March 31, 2022	Received During the year	Paid During The year	As at March 31, 2022	Transaction value for the year ended March 31, 2023	Received During the year	Paid During the Year	As at March 31, 2023
	Interest Paid	1.38	0.76	-	2.14	-	-	-	-	-
Enterprises in which Directors are interested										
SVR Finance & Leasing Private Limited	Trade Advance	-	-	-	-	-	-	-	-	-
	Interest Paid	-	-		-	-	-	-	-	-
Enterprises having a significant influence										
India Business Excellence Fund-IIA	Share Capital (₹ 10/- Paid up)	1,305.16	-	-	-	1,305.16	-	-	-	1,305.16
	Share Premium	-	-	-	-	-	-	-	-	
	Compulsorily Convertible Preference Shares of ₹ 100/- Each (Converted into equity shares during the FY 2018-19)			-						
	Share premium on preference shares	-	-	-	-	-				
Vistra ITCL (India) Limited (formerly known as IL and FS Trust Company Limited) (Trustee of Business Excellence Trust-II - India Business Excellence Fund II)	Share Capital (₹ 10/- Paid up)	780.40	-	-	-	780.40	-	-	-	780.40
	Share premium on preference shares	-	-		-	-				

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(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Short-term employee benefits	395.42	345.20
Post-employment benefits#	-	-
Long-term employee benefits	-	-
Termination benefits	-	-
Employee-share based payment	-	-
Total compensation	**395.42**	**345.20**

#As the provision for gratuity is made for the Company as a whole, the amount pertaining to the Key Management Personnel is not specifically identified and hence is not included above.

* The Increased/Decreased value is relating to purchase of shares/debentures from the public.

** Partly paid shares are full paid and converted to fully paid equity shares .

*** Inter Corporate Deposits taken from IKF Home Finance Ltd are at Interest of 8%

Notes:

(i) Transaction values are excluding taxes and duties.

(ii) Name of the related parties and nature of their relationships where control exists have been disclosed irrespective of whether or not there have been transactions with the Company. In other cases, disclosures have been made only when there have been transactions with those parties.

(iii) Related parties as defined under clause 9 of the Ind AS 24 'Related party disclosures' have been identified based on representations made by key managerial personnel and information available with the Company. All above transactions are in the ordinary course of business

(iv) The Company has not granted loans or advances to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, that is repayable on demand or without specifying any terms or period of repayment for the financial years ended March 31, 2023 and March 31, 2022.

43 Disclosure pursuant to Reserve Bank of India notification DOR (NBFC).CC.PD.No.109 /22.10.106/2019-20 dated 13th March 2020 - Implementation of Indian Accounting Standards:

A comparison between provision required under IRACP and impairment allowances under Ind AS 109:

As at March 31, 2023

(Currency : ₹ in lakhs)

Asset Classification as per RBI Norms	Asset Classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provision required as per IRACP norms*	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard	Stage 1	1,69,430.51	973.33	1,68,457.18	678.69	294.65
	Stage 2	38,155.74	711.90	37,443.83	151.10	560.80
Subtotal for Performing Assets		**2,07,586.24**	**1,685.23**	**2,05,901.01**	**829.79**	**855.45**
Non-Performing Assets (NPA)						
Substandard	Stage 3	2,337.17	716.21	1,620.96	623.18	93.03
Doubtful - upto 1 year	Stage 3	3,721.15	572.00	3,149.15	351.53	220.47

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(Currency : ₹ in lakhs)

Asset Classification as per RBI Norms	Asset Classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provision required as per IRACP norms*	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Doubtful - 1 to 3 years	Stage 3	-	-	-	-	-
Doubtful - more than 3 years	Stage 3	-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**6,058.32**	**1,288.21**	**4,770.11**	**974.71**	**313.50**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal for other items		**-**	**-**	**-**	**-**	**-**
Total	**Stage 1**	**1,69,430.51**	**973.33**	**1,68,457.18**	**678.69**	**294.65**
	Stage 2	**38,155.74**	**711.90**	**37,443.83**	**151.10**	**560.80**
	Stage 3	**6,058.32**	**1,288.21**	**4,770.11**	**974.71**	**313.50**
	Total	**2,13,644.56**	**2,973.44**	**2,10,671.12**	**1,804.50**	**1,168.95**

* Provision required as per IRACP norms is excluding provision on interest income from Stage 3 loans.

44 RBI Disclosures

The following additional information is disclosed in the terms of Master Direction - Non-Banking Financial Company - Systematically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 issued vide Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 01, 2016 as amended.

44.01 Capital to Risk Asset Ratio (CRAR)

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Tier I Capital	63,863.99	35,287.42
Tier II Capital	16,474.70	4,189.64
Total Capital	80,338.70	39,477.07
Total Risk Weighted Assets	2,43,322.36	1,63,803.79
CRAR (%)	33.02%	24.11%
CRAR - Tier I Capital (%)	26.25%	21.55%
CRAR - Tier II Capital (%)	6.77%	2.56%
Amount of subordinated debt raised as Tier - II Capital	16,500.00	6,000.00
Amount raised by issue of perpetual debt Instruments	-	-

"Tier I capital", "Tier II capital", "Owned fund" and Capital adequacy ratio are calculated as defined in Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 and notification RBI/2019-20/170 DO R (NBFC).CC .PD.No.109/22.10.106/2019-20 "Implementation of Indian Accounting Standards" issued by RBI on March 13, 2020 as amended.

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44.02 Investments

(Currency : ₹ in lakhs)

Particulars			As at March 31, 2023	As at March 31, 2022
(a)	**Value of Investments**			
	(I)	Gross value of investments		
		(a) In India	30,810.55	6,252.92
		(a) Outside India	-	-
	(II)	Provisions for Depreciation		
		(a) In India	-	-
		(a) Outside India	-	-
	(III)	Net value of investments		
		(a) In India	30,810.55	6,252.92
		(a) Outside India	-	-
(b)	**Movements of provisions held towards impairment on investments**			
	(I)	Opening balance	-	-
	(II)	Add : Provisions made during the year	-	-
	(III)	Less : Write-off/ Written- back of excess provisions during the year	-	-
	(IV)	Closing balance	-	-

44.03 Derivatives

The Company has not entered into any forward rate agreements, interest rate swaps, and exchange traded interest rate derivatives. Hence, no disclosure is made for the same

44.04 Disclosure Relating to Securitisation for STC Transactions as per Master Direction – Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021 dated September 24, 2021

(Currency : ₹ in lakhs)

Particulars			As at March 31, 2023	As at March 31, 2022
(I)	No of SPEs holding assets for securitisation transactions originated by the originator		-	1.00
(II)	Total amount of securitised assets as per books of the SPEs		-	1,104.05
(III)	Total amount of exposure retained by the originator to comply with MRR as on date of balance sheet			
	(a)	Off-balance sheet exposure towards credit enhancements		
		(i) First Loss	-	-
		(ii) Others	-	-
	(a)	On-balance sheet exposure towards credit enhancements		
		(i) First Loss	-	352.00
		(ii) Others	-	-

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(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(IV) Amount of exposures to securitisation transactions other than MRR		
(a) Off-balance sheet exposure		
(i) Exposure to own securitisations		
(1) First Loss	-	-
(2) Others	-	-
(i) Exposure to third party securitisations		
(1) First Loss	-	-
(2) Others	-	-
(b) On balance sheet exposure		
(i) Exposure to own securitisations		
(1) First Loss	-	232.33
(2) Others	-	-
(i) Exposure to third party securitisations		
(1) First Loss	-	-
(2) Others	-	-
(V) Sale consideration received for the securitised assets	-	2,749.59
Gain/loss on sale on account of securitisation	-	-
(VI) Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	Credit Enhancement, Servicing Agent	Credit Enhancement, Servicing Agent
(VII) Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided. (Credit Enhancement)		
(a) Amount paid	-	-
(b) Repayment received	-	2,349.16
(c) Outstanding amount	-	352.00
(VIII) Average default rate of portfolios observed in the past.		
(a) Vehicle Loans	-	1.97
(b) Others	-	-
(IX) Amount and number of additional/top up loan given on same underlying asset.		
(a) Vehicle Loans	-	-
(b) Others	-	-
(X) Investor complaints (a) Directly/Indirectly received and; (b) Complaints outstanding	-	-

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44.05 Details of financial assets sold to securitisation / reconstruction company for asset reconstruction.

The Company has not sold financial assets to Securitisation / Reconstruction companies for asset reconstruction in the current and previous year

44.06 Details of loans transferred / acquired during the quarter ended March 31, 2023 under RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021

(i) Details of loans not in default transferred / acquired through assignment during the Year ended March 31, 2023

Particulars	Transferred	Acquired
Aggregate amount of loans transferred / acquired (₹ in lakhs)	22575.80	6356.72
Weighted average maturity (in months)	29.31	21.19
Weighted average holding period (in months)	8.39	9.50
Retention of beneficial economic interest by the originator	10.00%	12.01%
Tangible security Coverage	100.00%	100.00%
Rating-wise distribution of rated loans	Not Applicable	Not Applicable

* Represents the total Pool Value

(ii) The Company has not transferred any non-performing assets (NPAs)

(iii) The Company has not transferred any Special Mention Account (SMA) and loan not in default.

(iv) The Company has not acquired any loans not in default through assignment.

(v) The Company has not acquired any stressed loan.

44.07 Value of Imports calculated on CIF basis

The Company has not imported any goods therefore value of import on CIF basis is Nil

44.08 Expenditure in Foreign Currency

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Legal and professional fees	0.51	0.90
Total	**0.51**	**0.90**

44.09 Earnings in Foreign Currency

The Company does has not have any earnings in foreign currency

44.10 Details of credit impaired assets purchased / sold

The Company has not purchased / sold non-performing financial assets in the current and previous year

44.11 Exposure to Real estate sector

The Company has no exposure to the real estate sector directly or indirectly in the current and previous year.

44.12 Exposure to Capital Market

The Company has no exposure to the capital market directly or indirectly in the current and previous year.

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44.13 Financing of Parent Company Product

This disclosure is not applicable as the Company does not have any holding / parent company

44.14 Single Borrower Limit / Group Borrower Limit

The Company has not lent / invested / lent and invested in any borrower / group of borrower in excess of limits prescribed by the RBI.

44.15 Unsecured Advances

The Company has no unsecured advances given against rights, licenses, authorizations etc. during the year and for previous year.

44.16 Registration from Other Financial Sector Regulators

The Company is registered with following other financial sector regulators (Financial regulators as described by Ministry of Finance):

i.	R.B.I.	- B-09.00172
ii.	Ministry of Corporate Affairs	- U65992AP1991PLC012736
iii.	Ministry of Finance (Financial Intelligence Unit)	- FINBF13220

44.17 Penalty

No penalties were imposed by RBI and other regulators during the current year

44.18 Credit Rating

Particulars	As at March 31, 2023	As at March 31, 2022
Nature of borrowing	Rating / Outlook	Rating / Outlook
	CARE	CARE
Long term bank facilities	A (Stable)	A (Stable)
Commercial Paper	-	-
Non - Convertible Debentures	A (Stable)	A (Stable)

Particulars	As at March 31, 2023	As at March 31, 2022
Nature of borrowing	Rating / Outlook	Rating / Outlook
	Brickwork Ratings	Brickwork Ratings
Long term bank facilities	A (Stable)	A (Stable)
Non - Convertible Debentures	A (Stable)	A (Stable)

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44.19 Provisions

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
1. Provisions towards income tax	1,461.47	1,487.04
2. Provisions towards loans	-44.98	-224.16
3. Provisions towards trade receivables	-	-26.21

44.20 Draw down from Reserves:

There has been no draw down from reserves during the year ended March 31, 2023 (previous year: Nil)

44.21 Concentration of Loans

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Total Loans to twenty largest borrowers	27,668.83	17,475.78
Percentage of Loans to twenty largest borrowers to total advances of the NBFC	12.95%	10.97%

44.22 Concentration of All Exposure (including off - balance sheet exposures)

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Total Exposure to twenty largest borrowers / customers	27,668.83	17,576.15
Percentage of exposure to twenty largest borrowers / customers to total exposure of the NBFC on borrowers / customers.	12.95%	10.09%

44.23 Concentration of credit impaired loans

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Total Exposure to top ten credit impaired accounts	1,178.46	674.31

44.24 Sector Wise Credit-Impaired Assets under Ind AS

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
1. Agriculture & allied activities	2.14%	1.24%
2. MSME	-	-
3. Corporate Borrowers	-	-
4. Services	-	-
5. Unsecured Personal Loans	-	-
6. Auto Loans	3.12%	3.01%
7. Others	2.03%	1.76%

Notes

on Standalone Financial Statements for the year ended March 31, 2023

44.25 Movement of Credit-Impaired Loans under Ind AS

(Currency : ₹ in lakhs)

Particulars		As at March 31, 2023	As at March 31, 2022
(I)	Net impaired loss allowance to Net loans (%)	2.26%	1.84%
(II)	Movement of Credit impaired loans under Ind-AS (Gross)		
	(a) Opening Balance	4,338.15	4,275.96
	(b) (Deletion)/Addition during the year	1,720.17	62.19
	(c) Closing balance	6,058.32	4,338.15
(III)	Movement of Net Impaired loss		
	(a) Opening Balance	2,872.82	3,067.95
	(b) (Deletion)/Addition during the year	1,897.29	(195.10)
	(c) Closing balance	4,770.11	2,872.84
(III)	Movement of impairment loss allowance on credit impaired loans		
	(a) Opening Balance	1,465.32	1,208.00
	(b) (Deletion)/Addition during the year	(177.11)	257.31
	(c) Closing balance	1,288.21	1,465.31

44.26 Overseas Assets

The Company does not have any joint venture or subsidiary abroad; hence this disclosure is not applicable.

44.27 Off Balance Sheet SPVs sponsored (which are required to be consolidated as per accounting norms)

The Company has not sponsored any off-Balance Sheet SPV

44.28 Customer Complaints

(Currency : ₹ in lakhs)

Sr. No	Particulars	As at March 31, 2023	As at March 31, 2022
	Complaints received by the Company from its customers		
1	Number of complaints pending at beginning of the year	-	2
2	Number of complaints received during the year	48	13
3	Number of complaints disposed during the year	48	15
	3.1 Of which, number of complaints rejected by the Company - -		
4	Number of complaints pending at the end of the year	-	-
	Maintainable complaints received by the Company from Office of ombudsman		
5	Number of maintainable complaints received by the Company from Office of Ombudsman	4	2
	5.1 Of 5, number of complaints resolved in favour of the Company by office of Ombudsman	4	2
	5.2 Of 5,number of complaints resolved through conciliation/ mediation/ advisories issued by Office of Ombudsman		-
	5.3 Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the Company	-	-
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

Notes

on Standalone Financial Statements for the year ended March 31, 2023

Top five grounds of complaints received by the NBFCs from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Year ended March 31, 2023					
Credit reports related		11	1000%	-	-
Document related		22	450%	-	-
Loan related		9	125%	-	-
Payment related		6	50%	-	-
Others		-	-	-	-
Total		48	269%	-	-
Year ended March 31, 202					
Credit reports related		1	-	-	-
Document related		4	-	-	-
Loan related		4	-	-	-
Payment related		4	-	-	-
Others		-	-	-	-
Total		13	-	-	-

44.29 As required by the RBI Master Direction DNBS. PPD.01/66.15.001/2016-17 dated September 29, 2016 the details of frauds noticed / reported are as below:

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Amount Involved	-	-
Amount Recovered	-	-
Amount Written off/provided	-	-
Balance	-	-

44.30 Transactions with Non-Executive Directors

(Currency : ₹ in lakhs)

Name of Non-Executive Director	Transaction Type	Year ended March 31, 2023	Year ended March 31, 2022
Nageswara Rao Yalamanchili	Payment of Sitting Fees	3.50	1.00
Sunil Rewachand Chandiramani	Payment of Sitting Fees	2.00	-
Gopalakrishna Gurrappa	Payment of Sitting Fees	2.00	-

Notes

on Standalone Financial Statements for the year ended March 31, 2023

44.31 Postponement of Revenue Recognition

Refer note 2.5 Revenue from operations for the circumstances in which revenue recognition has been postponed pending uncertainty of realisation.

44.32 Dues to micro, small and medium enterprises

There are no amounts that need to be disclosed in accordance with the Micro Small and Medium Enterprise Development Act, 2006 (the 'MSMED') pertaining to micro or small enterprises.

For the year ended March 31, 2023, no vendor / supplier has intimated the Company about its status as micro or small enterprises or its registration with the appropriate authority under MSMED

44.33 Disclosure on Resolution Framework – 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses in terms of RBI circular RBI / 2021-22 / 31 DOR. STR. REC.11 /21.04.048 / 2021-22 dated May 5, 2021:

(Currency : ₹ in lakhs)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year **
Personal Loans	-	-	-	-	-
Corporate Persons*	-	-	-	-	-
of which MSMEs	-	-	-	-	-
Others	82.81	-	-	1.66	81.15
Total	**82.81**	**-**	**-**	**1.66**	**81.15**

* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

Disclosures for Reserve Bank of India circular on Resolution Framework for Covid-19 related stress dated August 6, 2020 are not applicable to the Company as none of the borrowers opted for the resolution plan.

44.34 Asset liability management

Maturity pattern of certain items of asset and liabilities - As at March 31, 2023

(Currency : ₹ in lakhs)

Pattern	1 day to 7 days	8 day to 14 days	15 day to 30-31 days	Over 1 month to 2 months	Over 2 months upto 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 to 3 years	Over 3 to 5 years	Over 5 years	Total
Liabilities*											
Borrowings from banks	1,618.57	182.85	1,492.20	2,271.40	8,495.92	11,376.44	45,944.26	61,404.77	9,739.36	-	1,42,525.78
Other Borrowings	279.91	484.30	408.43	787.36	725.44	2,479.97	5,030.38	16,075.54	625.00	-	26,896.33
Market Borrowings	-	-	5,116.25	-	905.82	2,622.63	6,750.00	3,500.00	2,500.00	14,000.00	35,394.70
Assets											
Advances*	2,532.52	800.91	220.49	6,341.17	6,490.64	19,853.22	39,934.49	1,16,682.44	18,356.87	2,515.22	2,13,727.95
Investments	-	-	9,202.03	10,845.80	-	-	-	-	-	10,762.73	30,810.55

Notes
on Standalone Financial Statements for the year ended March 31, 2023

Maturity pattern of certain items of asset and liabilities - As at March 31, 2022

(Currency : ₹ in lakhs)

Pattern	1 day to 7 days	8 day to 14 days	15 day to 30-31 days	Over 1 month to 2 months	Over 2 months upto 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 to 3 years	Over 3 to 5 years	Over 5 years	Total
Liabilities*											
Borrowings from banks	322.18	1,356.58	915.01	2,307.85	7,038.92	9,396.89	39,773.42	34,389.76	3,984.25	-	99,484.87
Other Borrowings	166.67	73.68	278.31	617.54	554.06	1,592.67	2,938.52	5,693.37	-	-	11,914.83
Market Borrowings	22.05	-	108.91	134.36	1,429.90	125.00	1,911.87	11,500.00	4,500.00	-	19,732.08
Assets											
Advances*	6,671.61	2,335.89	8,536.77	4,687.83	4,694.78	13,957.78	24,471.36	79,657.94	12,877.30	1,293.70	1,59,184.95
Investments	-	-	-	-	-	-	-	-	-	**6,252.92**	**6,252.92**

*The amount appearing above for gross loans and borrowings excludes the impact of EIR.

44.35 Disclosure on liquidity risk under RBI circular no. RBI/2019-20/88 DOR.NBFC (PD) CC. No. 102/03.10.001/2019-20 dated November 04, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies as on March 31, 2023.

i) Funding Concentration based on significant counterparty (both deposits and borrowings)

(Currency : ₹ in lakhs)

Sr. No	No of Significant Counterparties	As at March 31, 2023			As at March 31, 2022		
		Amount#	% of total Deposits	% of Total Liabilities*	Amount #	% of total Deposits	% of Total Liabilities*
1	39	2,00,998.87	NA	97.02%	1,27,107.49	NA	95.51%

ii) Top 20 large deposits – Not Applicable

iii) Top 10 Borrowings

As at March 31, 2023			As at March 31, 2022	
Amount #	% of Total	iabilities*	Amount #	% of Total Liabilities*
88,858.07	42.89%	0.00%	83,507.47	62.75%

iv) Funding Concentration based on significant instrument/product

(Currency : ₹ in lakhs)

Sr. No	Name of the instrument	As at March 31, 2023		As at March 31, 2022	
		Amount#	% of Total Liabilities*	Amount #	% of Total Liabilities*
1	Term Loan	1,43,113.79	69.08%	76,193.48	57.25%
2	Non Convertible Debentures	35,000.00	16.89%	14,945.00	11.23%
3	Working capital / short term facilities	26,112.03	12.60%	32,691.04	24.56%
	Total	**2,04,225.82**	**98.57%**	**1,23,829.52**	**93.04%**

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v) Stock Ratios

(Currency : ₹ in lakhs)

Sr. No.	Particulars	31 March, 2023	31 March, 2022
1	Commercial Papers to Total Liabilities	0.00%	0.00%
2	Commercial Papers to Total Assets	0.00%	0.00%
3	NCDs (Original Maturity < 1 year) to Total Liabilities	0.00%	0.00%
4	NCDs (original Maturity < 1 year) to Total Assets	0.00%	0.00%
5	Other Short Term Liabilities # to Total Liabilities*	1.47%	1.97%
6	Other Short Term Liabilities # to Total Assets	1.10%	1.55%

vi) Institutional set-up for liquidity risk management:

The Company has an Asset Liability Management Committee (ALCO), a management level committee to handle liquidity risk management. The ALCO meetings are held at periodic intervals. At the apex level, the Risk Management Committee (RMC), a sub-committee of the Board of Directors of the Company, oversees the liquidity risk management. The RMC subsequently updates the Board of Directors on the same.

Amount does not include accrued but not paid interest on borrowing and amortisation of processing fees.

* Total Liabilities does not include Net Worth.

44.36 Sectoral Exposure

(Currency : ₹ in lakhs)

Sr. No.	Sectors	Current Year			Previous Year		
		Total Exposure	GNPA(In Lacs)	GNPA(%)	Total Exposure	GNPA(In lacs)	GNPA(%)
1	**Agriculture & Allied Activities**	2923.98	62.56	2.14%	2603.41	32.18	1.24%
	Total	**2923.98**	**62.56**	**2.14%**	**2603.41**	**32.18**	**1.24%**
2	**Industry**						
	Others	548.42	0.00	0.00%	309.61	0.00	0.00%
	Total	**548.42**	**0.00**	**0.00%**	**309.61**	**0.00**	**0.00%**
3	**Services**						
	Transport Operators	81929.05	2640.49	3.22%	62767.87	2412.38	3.84%
	NBFC	27079.61	0.00	0.00%	16121.21	0.00	0.00%
	Service - Others	12650.17	699.56	5.53%	10699.74	304.47	2.85%
	Construction Equipment	44570.91	1045.57	2.35%	29957.01	671.30	2.24%
	Others	7603.59	221.54	2.91%	6216.83	176.65	2.84%
	Total	**173833.33**	**4607.16**	**2.65%**	**125762.66**	**3564.80**	**2.83%**
4	**Personal loans**						
	Vehicle/Auto Loans	34077.2	1298.1	3.81%	27728.92	646.02	2.33%
	Others	2345.0	90.5	3.86%	2939.22	95.15	3.24%
	Total	**36422.23**	**1388.59**	**3.81%**	**30668.14**	**741.17**	**2.42%**
	Grand Total	**213727.95**	**6058.32**	**2.83%**	**159343.81**	**4338.15**	**2.72%**

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44.37 Intra Group Exposure

The Company has no exposure to the Intra Group Exposures for the financial years ended March 31,2023 and March 31,2022

44.38 Unhedged Foreign Currency Exposure

The Company does not have any unhedged foreign currency exposures for the financial years ended March 31, 2023 and March 31, 2022

44.39 Breach of Covenant

There were no instances of default or breaches of covenant in respect of loan availed or debt securities issued during the financial years ended March 31, 2023 and March 31, 2022.

44.40 Divergence in Asset Classification and Provisioning

The RBI has neither assessed any additional provisioning requirements in excess of 5 percent of the reported profits before tax and impairment loss on financial instruments for the financial year ended March 31, 2022, nor identified any additional Gross NPAs in excess of 5% of the reported Gross NPAs for the said period.

44.41 Corporate Governance

As per RBI Guidelines, Specific Disclosures relating to Corporate Governance should be disclosed under the Corporate Governance section of the Annual Report

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44.42 Disclosure on related Party Transactions as per the RBI notification No.RBI/2022-23/26DOR.ACC.REC.No.20/21.04.018/2022-23 on Disclosure Requirements Under Scale Based Regulation for NBFCs dated April 19,2022

Related Party/Items	Parent(as per ownership/Control)		Subsidiaries		Associates/Joint venture		Key Management Personnel		Relatives of Key Management Personnel		Others		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Maximum Outstanding during the Year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	10,762.73	6,252.92	-	-	-	-	-	-	-	-	10,762.73	6,252.92
Share Capital	-	-	-	-	-	-	2,414.90	2,403.86	590.43	590.43	2,085.56	2,085.56	5,090.89	5,079.85
Balance Outstanding at the Year End	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	88.50	88.50	-	-	-	-	88.50	88.50
Placement of Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	10,762.73	6,252.92	-	-	-	-	-	-	-	-	10,762.73	6,252.92
Purchase of Fixed / Other Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Fixed / Other Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Paid	-	-	126.42	265.90	-	-	-	-	-	-	-	-	126.42	265.90
Interest Received	-	-	1.42	-	-	-	-	-	-	-	-	-	1.42	-
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent paid	-	-	-	-	-	-	69.60	69.60	-	-	-	-	69.60	69.60
Director's Remuneration	-	-	-	-	-	-	180.00	162.50	-	-	-	-	180.00	162.50
Director's Commission Payable	-	-	-	-	-	-	134.62	108.55	-	-	-	-	134.62	108.55
Share Capital	-	-	-	-	-	-	2,414.90	2,403.86	590.43	590.43	2,085.56	2,085.56	5,090.89	5,079.85
Salary Paid	-	-	-	-	-	-	80.81	74.15	-	-	-	-	80.81	74.15
Service Fee Collected	-	-	28.35	28.89	-	-	-	-	-	-	-	-	28.35	28.89
Direct Assignment	-	-	1,979.88	2,782.98	-	-	-	-	-	-	-	-	1,979.88	2,782.98
Interest Receivable on Direct Assignment	-	-	28.98	34.46	-	-	-	-	-	-	-	-	28.98	34.46

Notes

on Standalone Financial Statements for the year ended March 31, 2023

45 Registration of charges or satisfaction with Registrar of Companies (ROC)

All charges or satisfaction are registered with ROC within the statutory period for the financial years ended March 31, 2023 . No charges or satisfactions are yet to be registered with ROC beyond the statutory period.

46 Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended March 31, 2023 and March 31, 2022.

47 Compliance with approved Scheme(s) of Arrangements

The Board of Directors of the Company did not approve any scheme of Arrangements during the financial year ended March 31, 2023 and March 31, 2022.

48 Utilisation of Borrowed funds and share premium

The Company, as part of its normal business, grants loans and advances, makes investment. These transactions are part of Company's normal non-banking finance business, which is conducted ensuring adherence to all regulatory requirements.

Other than the transactions described above, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has also not received any fund from any parties (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

49 Undisclosed income

There are no transactions not recorded in the books of accounts.

50 Title deeds of Immovable Properties not held in name of the Company

The Company does not possess any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the Company during the financial year ended March 31, 2023 and March 31, 2022.

51 Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual currency during the financial years ended March 31, 2023 and March 31, 2022.

52 Details of Benami Property Held

No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder in the financial years ended March 31, 2023 and March 31, 2022.

53 Wilful Defaulter

The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender in the financial years ended March 31, 2023 and March 31, 2022.

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54 Relationship with Struck off Companies

The company does not have any transactions with companies whose names have been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 in the financial years ended March 31, 2023 and March 31, 2022.

55 Investment in Associates and Structured Entities

The Company does not have any Associates and Structured Entities

56 Note on Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which subsumes the Provident Fund and the Gratuity Act and rules thereunder. The Ministry of Labour and Employment has also released draft rules thereunder on November 13, 2020 and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will evaluate the rules, assess the impact, if any and account for the same once the rules are notified and become effective

57 Previous year's information have been regrouped/reclassified wherever necessary to correspond with current year's classification/disclosure.

As per our report of even date

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

per Suresh Murarka
Partner
Membership No.044739

Place: Mumbai
Date: 30 May 2023

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

V.G.K Prasad
Chairman
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Ch.Sreenivasa Rao
Company Secretary
& Chief Financial Officer
M.No. ACS14723
Place: Vijayawada
Date: 30 May 2023

Notes

on Standalone Financial Statements for the year ended March 31, 2023

Schedule to Balance Sheet

(Currency : INR in lakhs)

Particulars				As at March 31, 2023	
Liabilities side				**Amount outstanding**	**Amount overdue**
(1)	**Loans and advances availed by the non- banking financial company inclusive of interest accrued thereon but not paid :**				
	(a)	Debentures	: Secured	10,125.66	-
			: Unsecured	8,712.88	-
			(other than falling within the meaning of public deposits*)		
	(b)	Deferred Credits		-	-
	(c)	Term Loans		1,42,384.29	-
	(d)	Inter-corporate loans and borrowing		-	-
	(e)	Commercial Paper		-	-
	(f)	Public Deposits*		-	-
	(g)	Other Loans	- Subordinate Debts	16,345.06	-
			- Cash Credit	26,112.03	-
			- Securitization Transaction	-	-
	* Please see Note 1 below				
(2)	**Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :**				
	(a)	In the form of Unsecured debentures		-	-
	(b)	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security		-	-
	(c)	Other public deposits		-	-
	* Please see Note 1 below				
Assets side					**Amount outstanding**
(3)	**Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :**				
	(a)	Secured			2,13,727.95
	(b)	Unsecured			-
(4)	**Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities**				
	(i)	Lease assets including lease rentals under sundry debtors :			
		(a)	Financial lease		-
		(b)	Operating lease		-
	(ii)	Stock on hire including hire charges under sundry debtors :			
		(a)	Assets on hire		-
		(b)	Repossessed Assets		-
	(iii)	Other loans counting towards asset financing activities			
		(a)	Loans where assets have been repossessed		-
		(b)	Loans other than (a) above		-

Notes

on Standalone Financial Statements for the year ended March 31, 2023

(Currency : INR in lakhs)

Assets side			Amount outstanding
(5)	**Break-up of Investments**		
	Current Investments		
	1.	Quoted	
	(i)	Shares	
		(a) Equity	-
		(b) Preference	-
	(ii)	Debentures and Bonds	20,047.82
	(iii)	Units of mutual funds	-
	(iv)	Government Securities	-
	(v)	Others (please specify)	-
	2.	Unquoted	
	(i)	Shares	
		(a) Equity	-
		(b) Preference	-
	(ii)	Debentures and Bonds	-
	(iii)	Units of mutual funds	-
	(iv)	Government Securities	-
	(v)	Others (please specify)	-
	Long Term investments		
	1.	Quoted	
	(i)	Share	
		(a) Equity	-
		(b) Preference	-
	(ii)	Debentures and Bonds	-
	(iii)	Units of mutual funds	-
	(iv)	Government Securities	-
	(v)	Others (please specify)	-
	2.	Unquoted	
	(i)	Shares	
		(a) Equity	10,762.73
		(b) Preference	-
	(ii)	Debentures and Bonds	-
	(iii)	Units of mutual funds	-
	(iv)	Government Securities	-
	(v)	Others (please specify)	-

Notes

on Standalone Financial Statements for the year ended March 31, 2023

(6) Borrower group-wise classification of assets financed as in (3) and (4) above :
Please see Note 2 below

(Currency : INR in lakhs)

Category			Amount net of provisions	
			Secured	Unsecured
1.	Related Parties **			
	(a)	Subsidiaries	-	-
	(b)	Companies in the same group	-	-
	(c)	Other related parties	-	-
2.	Other than related parties		2,13,727.95	-
Total			**2,13,727.95**	**-**

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) : Please see note 3 below

Category			Market Value / Break up or fair value or NAV
1.	Related Parties **		
	(a)	Subsidiaries	10,762.73
	(b)	Companies in the same group	-
	(c)	Other related parties	-
2.	Other than related parties		-
Total			**10,762.73**
** As per Accounting Standard of ICAI (Please see Note 3)			

(8) Other information

Particulars			Amount
(i)	Gross Non-Performing Assets		
	(a)	Related parties	-
	(b)	Other than related parties	6,058.32
(ii)	Net Non-Performing Assets		
	(a)	Related parties	-
	(b)	Other than related parties	4,770.11
(iii)	Assets acquired in satisfaction of debt		66.01

Notes :

1. As defined in point xxvii of paragraph 3 of Chapter II of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank)Directions, 2016.
2. Provisioning norms shall be applicable as prescribed in Indian Accounting Standards by MCA.
3. All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above.

Independent Auditor's Report

To the Members of
IKF Finance Limited

Report on the Audit of Consolidated financial statements

We have audited the accompanying consolidated financial statements of IKF FINANCE LIMITED (the "Company") and its subsidiary (the Company and its subsidiary together referred to as the "Group") which comprise the Consolidated Balance Sheet as at March 31, 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements, give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023 and their consolidated profit, their consolidated total comprehensive income, their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SA), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the consolidated financial statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India ("ICAI"} together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the year ended March 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit Matters	How our audit addressed the key audit matter
Impairment of Financial Instruments (expected credit Losses) has been described in Note 2.4.c, 2.6.f and 6 of the financial statements.	
Management estimates impairment provision using Expected Credit loss model for the loan exposure as per the Board approved policy which is in line with Ind AS and the Regulations. Measurement of loan impairment involves application of significant judgement by the management. The most significant judgements are: • Timely identification and classification of the impaired loans, including classification of assets to stage 1, 2, or 3 using criteria in accordance with Ind AS 109 which also include considering the impact of RBI's regulatory circulars, • The segmentation of financial assets when their ECL is assessed on a collective basis, • Determination of probability of defaults (PD) and loss given defaults (LGD) based on the default history of loans, subsequent recoveries made and other relevant factors and • Assessment of qualitative factors having an impact on the credit risk.	• We evaluated the design and operating effectiveness of controls across the processes relevant to ECL, including the judgements and estimates. • We tested the completeness of loans and advances included in the Expected Credit Loss calculations as of March 31, 2023 by reconciling it with the balances as per loan balance register and loan commitment report as on that date. • We tested assets in stage 1, 2 and 3 on sample basis to verify that they were allocated to the appropriate stage. • Tested samples to ascertain the completeness and accuracy of the input data used for determining the PD and LGD rates and agreed the data with underlying books of accounts and records. • For samples of exposure, we tested the appropriateness of determining EAD, PD and LGD. • We performed an overall assessment of the ECL provision levels at each stage including management's assessment and provision on account of Company's portfolio, risk profile, credit risk management practices. • We assessed the adequacy and appropriateness of disclosures in compliance with the Ind AS 107 in relation to ECL especially in relation to judgements used in estimation of ECL provision.

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the consolidated financial statements

The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Boards of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of

the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Boards of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Boards of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

  We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical

requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The consolidated financial statement include the audited financial statement of one subsidiary, whose financial statement reflect Group's share of total assets (before consolidation adjustments) of ₹ 68,343.67 lakhs as at 31 March 2023, Group's share of total revenue (before consolidation adjustments) of ₹ 8,878.54 lakhs, Group's share of total net profit after tax (before consolidation adjustments) of ₹ 1,071.61 lakhs and Group's share of net cash outflow (before consolidation adjustments) of ₹ 1509.27 lakhs for the year ended on that date, as considered in the consolidated annual financial statement, which have been audited by their other independent auditor. The independent auditor's reports on financial statement of the subsidiary have been furnished to us by the management. Our opinion on the consolidated financial statement, in so far as it relates to the amounts and disclosures included in respect of this entity, is based solely on the reports of such auditor and the procedures performed by us are as stated in paragraph above.

Our opinion on the consolidated financial statements, and our report on other legal and regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the management.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors of the Company as on March 31, 2023 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Company and its subsidiary companies incorporated in India.

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Group does not have any pending litigations which would impact financial position of the company and its subsidiary;

ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

iv. (a) The respective Managements of the Holding Company and its subsidiary which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiary to or in any other person or entity, outside the Group, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Holding Company and its subsidiary which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiary from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

v. The Group has not declared or paid any dividend during the year and has not proposed final dividend for the year.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable with effect from April 1, 2023 to the Holding Company and its subsidiary, which are companies incorporated in India, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiary included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For **SGCO & CO. LLP**
Chartered Accountants
Firm Reg. No.:- 112081W/W100184

Suresh Murarka
Partner
Membership No. :- 044739
UDIN :- 23044739BGUNPB1074

Place :- Mumbai
Date :- 30-05-2023

Annexure "A" to the Independent Auditor's Report

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to Consolidated Financial Statements of IKF FINANCE Limited (hereinafter referred to as the "Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the " Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with reference to these consolidated financial statements

A Company's Internal financial control over financial reporting with reference to these consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purpose in accordance with generally accepted accounting principles. A company's Internal financial control over financial reporting with reference to these consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transaction are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting Principles, and that receipts and expenditure of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisitions,

use or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these consolidated financial statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the guidance note on audit of Internal financial controls over financial reporting issued by the Institute of Chartered Accountants of India.

For **SGCO & CO. LLP**
Chartered Accountants
Firm Reg. No.:- 112081W/W100184

Suresh Murarka
Partner
Membership No. :- 044739
UDIN :- 23044739BGUNPB1074

Place :- Mumbai
Date :- 30-05-2023

Consolidated Balance Sheet

as at March 31, 2023

(Currency : ₹ in lakhs)

Particulars	Note No	As at March 31, 2023	As at March 31, 2022
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	3	27,817.26	9,664.31
(b) Bank Balance other than included in (a) above	4	6,098.78	2,533.65
(c) Loans	5	2,68,920.04	1,89,210.12
(d) Investments	7	21,247.83	-
(e) Other financial assets	6	4,759.15	3,221.75
		3,28,843.06	**2,04,629.83**
(2) Non-financial assets			
(a) Current Tax Assets (Net)		400.55	200.95
(b) Deferred Tax Assets (Net)	29	-	70.34
(c) Investment Property	10	72.14	114.31
(d) Property, Plant and Equipment	9	363.00	343.00
(e) Right of use asset	9	313.23	19.67
(f) Intangible assets	11	236.22	175.97
(g) Goodwill		774.47	774.47
(h) Other non-financial assets	8	3,387.49	1,080.22
		5,547.10	**2,778.93**
Total assets		**3,34,390.16**	**2,07,408.76**
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial liabilities			
(a) Derivative financial instruments		5.40	58.68
(b) Payables			
(i) Trade payables and other payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(II) total outstanding dues of creditors other than micro enterprises and small enterprises	12	113.02	7.09
(c) Debt securities	13	26,640.67	23,807.91
(d) Borrowings (other than debt securities)	14	2,13,081.79	1,32,139.07
(e) Subordinated Liabilities	15	16,345.06	6,003.45
(f) Other financial liabilities	16	4,026.93	3,103.00
		2,60,212.87	**1,65,119.20**
(2) Non-financial liabilities			
(a) Provisions	17	261.90	345.34
(b) Deferred tax liabilities (Net)	29	464.37	165.35
(c) Other non-financial liabilities	18	263.49	157.27
		989.76	**667.96**
EQUITY			
(a) Equity share capital	19	6,457.51	5,265.91
(b) Other equity	20	65,945.19	35,780.90
(c) Non- Controlling Interest		784.84	574.79
		3,34,390.16	**2,07,408.76**
Total liabilities and equity			

Significant accounting policies and key accounting estimates and judgments 2

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

per Suresh Murarka
Partner
Membership No.044739

Place: Mumbai
Date: 30 May 2023

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

V.G.K Prasad
Chairman
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Ch.Sreenivasa Rao
Company Secretary
& Chief Financial Officer
M.No. ACS14723

Place: Vijayawada
Date: 30 May 2023

Consolidated Statement of Profit and Loss

for the year ended March 31, 2023

(Currency : ₹ in lakhs)

Particulars		Note No	Year ended March 31, 2023	Year ended March 31, 2022
Revenue From operations				
(i)	Interest income	21	36,553.47	26,301.60
(ii)	Fees and commission income	22	890.61	660.15
(I)	**Total revenue from operations**		**37,444.08**	**26,961.75**
(II)	Other income	23	400.63	207.95
(III)	**Total income (I + II)**		**37,844.71**	**27,169.70**
Expenses				
(i)	Finance costs	24.1	19,217.55	13,617.93
(ii)	Net loss on fair value changes	24.2	-	3.35
(iii)	Impairment on financial instruments	25	628.21	513.01
(iv)	Employee benefits expenses	26	7,027.13	4,650.46
(v)	Depreciation, amortization and impairment	27	341.66	190.23
(vi)	Others expenses	28	2,381.82	1,356.29
(IV)	**Total expenses**		**29,596.37**	**20,331.27**
(V)	**Profit before tax (III - IV)**		**8,248.34**	**6,838.43**
(VI)	**Tax Expense:**			
	(1) Current Tax	29	1,717.24	1,740.28
	(2) Deferred Tax	29	366.23	(24.92)
	(3) Adjustment of tax relating to earlier periods	29	12.91	10.06
			2,096.38	**1,725.42**
(VII)	**Profit for the period (V-VI)**		**6,151.96**	**5,113.01**
(VIII)	**Other comprehensive income**			
	(A) Items that will not be reclassified to profit or loss (specify items and amounts)			
	(a) Remeasurements of the defined benefit plans	30	17.82	12.80
	Impact of changes in fair value of Financial Instruments		53.28	
	Income tax relating to items that will not be reclassified to profit or loss		(3.13)	(3.22)
	Other comprehensive income / (loss)		**67.97**	**9.58**
(IX)	**Total comprehensive income for the period (VII + VIII)**		**6,219.93**	**5,122.59**
	Attributable to:			
	Owners of the Company		**6,133.80**	**5,047.32**
	Non-controlling interest		**86.15**	**75.24**
(X)	**Earnings per share (equity share, par value of ₹10 each)**			
	Basic	31	11.46	9.89
	Diluted	31	11.45	9.89

Significant accounting policies and key accounting estimates and judgments 2

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

per Suresh Murarka
Partner
Membership No.044739

Place: Mumbai
Date: 30 May 2023

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

V.G.K Prasad
Chairman
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Ch.Sreenivasa Rao
Company Secretary
& Chief Financial Officer
M.No. ACS14723

Place: Vijayawada
Date: 30 May 2023

Consolidated Cash Flow statement

for the year ended March 31, 2023

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	8,248.34	6,838.43
Adjustments for:		
Depreciation, amortisation and impairment	341.66	190.23
Interest Income	(36,553.47)	(26,301.60)
Interest expenses	19,217.55	13,617.93
Impairment on financial instrument	628.21	513.01
Net loss on fair value changes	-	3.35
Share based payment expense	(4.00)	(6.03)
Provision for expenses	2.25	6.60
Employee benefit expenses	(31.35)	94.59
Rental income on Investment property	(7.63)	(7.63)
(Profit)/ Loss on sale of property, plant and equipment	1.14	(0.07)
(Profit)/ Loss on sale of immovable Property	3.15	6.10
Cash generated from / (used in) operations before working capital changes and adjustments for interest received and interest paid	**(8,154.16)**	**(5,045.08)**
Adjustments for changes in Working Capital :		
Decrease / (Increase) in trade receivable	-	(12.47)
Decrease / (Increase) in loans	(79,896.38)	(38,117.26)
Decrease / (Increase) in bank balances other than cash and cash equivalents	(3,565.14)	1,631.18
Decrease / (Increase) in other financial assets	(297.93)	(5,403.68)
Decrease / (Increase) in other non-financial assets	(2,307.26)	(678.52)
(Decrease) / Increase in trade payables	105.93	(16.43)
(Decrease) / Increase in other financial liabilities	626.06	(458.46)
(Decrease) / Increase in provisions	33.69	(30.08)
(Decrease) / Increase in other non-financial liabilities	106.22	8.51
Interest received	33,600.98	31,293.07
Interest paid	(19,393.29)	(13,450.44)
	(79,141.28)	**(30,279.66)**
Income tax paid (net of refunds)	(1,929.74)	(1,805.25)
Derivative financial instruments	45.27	
NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES	**(81,025.75)**	**(32,084.92)**
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(131.47)	(114.86)
Purchase of Investment property	-	(224.11)
Rental income on Investment property	7.63	7.63
Proceeds from sale of property, plant and equipment	0.82	0.08
Proceeds from sale of Investment property	38.85	110.00
Purchase of intangible assets	(137.38)	(37.27)
Purchase of investments in market instruments	(21,247.83)	
NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES	**(21,469.37)**	**(258.54)**

Consolidated Cash Flow statement

for the year ended March 31, 2023

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
CASH FROM FINANCING ACTIVITIES		
Proceeds from issue of equity shares (including securities premium)	25,506.83	714.39
Amount received from debt securities	7,000.00	8,000.00
Repayment of debt securities	(4,249.92)	(26,783.33)
Amount received from borrowings other than debt securities	1,39,390.00	77,180.00
Repayment of borrowings other than debt securities	(57,339.83)	(31,541.19)
Amount received from subordinated Liabilities	14,000.00	-
Repayment of subordinated debt	(3,500.00)	-
Payment of principal portion of lease liabilities	(123.03)	(31.05)
Payment of interest on lease liabilities	(36.00)	(3.79)
NET CASH GENERATED FROM / (USED IN) FROM FINANCING ACTIVITIES	**1,20,648.04**	**27,535.03**
Net Increase / (Decrease) in Cash and Cash Equivalents	**18,152.91**	**(4,808.43)**
Cash and Cash Equivalents at the beginning of Year	9,664.31	14,474.42
Cash and Cash Equivalents at the end of the Year	27,817.26	9,664.31

The above Cash Flow Statement has been prepared under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows'.

As per our report of even date

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

per Suresh Murarka
Partner
Membership No.044739

Place: Mumbai
Date: 30 May 2023

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

V.G.K Prasad
Chairman
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Ch.Sreenivasa Rao
Company Secretary
& Chief Financial Officer
M.No. ACS14723
Place: Vijayawada
Date: 30 May 2023

Consolidated Statement of Changes in Equity

for the year ended March 31, 2023

A. Equity share capital

Current Reporting Period

(Currency : ₹ in lakhs)

Particulars	Balance at the beginning of the current reporting period As at March 31, 2022	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period As at March 31, 2023
Issued, Subscribed and paid up - fully paid (Equity shares of ₹10 each, Fully paid-up)	5,265.91	-	5,265.91	1,191.60	6,457.51

Previous Reporting Period

(Currency : ₹ in lakhs)

Particulars	Balance at the beginning of the current reporting period As at March 31, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period As at March 31, 2022
Issued, Subscribed and paid up - fully paid (Equity shares of ₹10 each, Fully paid-up)	4,747.94	-	4,747.94	517.97	5,265.91
Issued, Subscribed and paid up - partly paid	419.55	-	419.55	(419.55)	-

B. Other equity

(Currency : ₹ in lakhs)

Particulars	Reserves and Surplus						Total
	Statutory Reserve	Capital Reserve	Securities Premium	General Reserve	Share based payment Reserve	Retained Earnings	
Balance at April 01, 2021	**4,685.86**	**32.50**	**9,960.39**	**1,019.93**	**30.65**	**14,439.99**	**30,169.33**
Prior Period items	-	-	-	-	-	9.59	9.59
Restated Balance at the beginning of the reporting period	4,685.86	32.50	9,960.39	1,019.93	30.65	14,449.58	30,178.92
Profit for the year	-	-	-	-	-	5,037.79	5,037.79
Other comprehensive income for the year	-	-	-	-	-	9.58	9.58
Total comprehensive income for the year (net of tax)	-	-	-	-	-	5,047.37	5,047.37
Transfer to Statutory Reserve	1,056.19	-	-	-	-	(1,056.19)	-
Transfer to General Reserve	-	-	-	201.52	-	(201.52)	-

Consolidated Statement of Changes in Equity

for the year ended March 31, 2023

(Currency : ₹ in lakhs)

Particulars	Reserves and Surplus						Total
	Statutory Reserve	Capital Reserve	Securities Premium	General Reserve	Share based payment Reserve	Retained Earnings	
Transfer to Hedge Reserve	-	-	-	-	-	(55.33)	(55.33)
Issue of equity shares	-	-	615.97	-	-	-	615.97
Share based payment expense	-	-	-	-	(6.03)	-	(6.03)
Balance at March 31, 2022	**5,742.05**	**32.50**	**10,576.37**	**1,221.45**	**24.62**	**18,183.91**	**35,780.90**
Prior Period items	-	-	-	-	-	(280.75)	(280.75)
Restated Balance at the beginning of the reporting period	5,742.05	32.50	10,576.37	1,221.45	24.62	17,903.16	35,500.16
Profit for the year	-	-	-	-	-	6,065.83	6,065.83
Other comprehensive income for the year	-	-	-	-	-	28.09	28.09
Total comprehensive income for the year (net of tax)	-	-	-	-	-	6,093.92	6,093.92
Transfer to Statutory Reserve	1,268.00	-	-	-	-	(1,268.00)	-
Transfer to General Reserve	-	-	-	250.03	-	(250.03)	-
Transfer to Hedge Reserve						39.87	39.87
Issue of equity shares	-	-	24,315.23	-	-	-	24,315.23
Share based payment expense	-	-	-	-	(4.00)	-	(4.00)
Balance at March 31, 2023	**7,010.06**	**32.50**	**34,891.60**	**1,471.48**	**20.63**	**22,518.92**	**65,945.19**

As per our report of even date

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

per Suresh Murarka
Partner
Membership No.044739

Place: Mumbai
Date: 30 May 2023

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

V.G.K Prasad
Chairman
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Ch.Sreenivasa Rao
Company Secretary
& Chief Financial Officer
M.No. ACS14723
Place: Vijayawada
Date: 30 May 2023

Notes

on Consolidated Financial Statements for the year ended March 31, 2023

1 Group Information

IKF Finance Limited ('the Company' or 'the Holding Company') is a public company domiciled in India and incorporated under the provision of the Companies Act, 1956. The Company was registered as a non-deposit accepting Non-Banking Financial Company ('NBFC-ND') with the Reserve Bank of India ('RBI') and classified as a Non-Banking Financial Company-Asset Finance Company ('NBFC-AFC') with effect from May 12, 2014.The Company provides finance for commercial vehicles, construction equipment and other loans.

The consolidated financial statements relates to the Company and its subsidiary company IKF Home Finance Limited (IIKFHF) ("together hereinafter referred to as "Group").

1.1 Basis of Consolidation

i. The financial statements of the subsidiary company used in the consolidation are drawn up to the same reporting date as of the Company i.e. year ended March 31, 2023 and are prepared based on the accounting policies consistent with those used by the Company.

ii. Notes to these consolidated financial statements are intended to serve as a means of informative disclosure and a guide to better understanding of the consolidated position of the companies. Recognising this purpose, the Company has disclosed only such notes from the individual financial statements, which fairly present the needed disclosures. The accounting policies, notes and disclosures made by the parent are best viewed in its standalone financial statements.

The consolidated financial statements have been prepared on the following basis:

a. The financial statements of the Company and its subsidiary company has been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. The intra-group balances and intra-group transactions have been fully eliminated except where losses are realized.

b. The excess of cost to the Company of its investments in the subsidiary company over its share of equity of the subsidiary company, at the dates on which the investments in the subsidiary company is made, is recognized as 'Goodwill' being an asset in the consolidated financial statements. Alternatively, where the share of equity in the subsidiary company as on the date of investment is in excess of cost of investment of the Company, it is recognized as 'Capital Reserve' and shown under the head 'Reserves and Surplus', in the consolidated financial statements.

c. Minority interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit / loss for the year of the subsidiaries attributable to minority interest is identified and adjusted against the profit after tax of the Group to arrive at the income attributable to shareholders of the Company.

d. Goodwill arising on consolidation is not amortized but tested for impairment.

Subsidiary Considered in preparation of these consolidated financial statements are as under:

Name of the subsidiary	Country of in corporation	Proportion of ownership
IKF Home Finance Limited	India	92.37%

2 Significant Accounting Policies

2.1 Basis of preparation

The financial statements for the year ended March 31, 2023 have been prepared by the Group in accordance with Indian Accounting Standards ("Ind AS") notified by the Ministry of Corporate Affairs, Government of India under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016, as amended from time to time, in this regard. Any application guidance/ clarifications/ directions issued by RBI or

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on Consolidated Financial Statements for the year ended March 31, 2023

other regulators are implemented as and when they are issued/ applicable.

2.2 Presentation of Financial Statements

The financial statements are presented as per Division III of the Schedule III to the Companies Act 2013 as amended from time to time, for Non-Banking Financial Companies ('NBFCs') that are required to comply with Ind-AS. The Statement of Cash Flows has been presented as per the requirements of Ind-AS 7 Statement of Cash Flows. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non–current) is presented in Note

34 – Maturity analysis of assets and liabilities.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Group and/or its counterparties

2.3 Basis of Measurement

The financial statements have been prepared under the historical cost convention on the accrual basis except for certain financial instruments, plan assets of defined benefit plans and share based payment plans, which are measured at fair values at the end of each reporting period as explained in the accounting policies below. All amounts disclosed in the financial statements and notes have been rounded off to the nearest ₹ Lakhs in compliance with Schedule III of the Act, unless otherwise stated.

2.4 Significant accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) at the date of the financial statements and the reported amounts of revenues and expenses for the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual results could differ from these estimates. Any revisions to accounting estimates are recognized prospectively in the current and future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Key sources of estimation of uncertainty at the date of financial statements, which may cause a material adjustment to the carrying amount of assets and liabilities within the next financial year are included in the following notes:

a. Business model assessment

Classification and measurement of financial assets depends on the results of the solely payments of principal and interest (SPPI) and the business model test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

b. Effective Interest Rate (EIR) method

The Group recognizes interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loans given / taken.

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This estimation, by nature, requires an element of judgement regarding the expected behaviour and lifecycle of the instruments, as well as expected changes to other fee income/expense that are integral parts of the instrument.

c. Impairment of loans portfolio

The measurement of impairment losses on loan assets requires judgement, in estimating the amount and timing of future cash flows and recoverability of collateral values while determining the impairment losses and assessing a significant increase in credit risk.

The Group's Expected Credit Loss (ECL) calculation is the output of a complex model with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL model that are considered accounting judgements and estimates include:

- PD calculation includes historical data, benchmarking, assumptions and expectations of future conditions.
- The Group's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life-time expected credit loss and the qualitative assessment.
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs

It is the Group's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

The impairment loss on loans and advances is disclosed in more detail in Note 5-Loans and Note 41- Risk Management.

d. Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

e. Fair value measurement:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

f. Operating Leases

Group as a lessee:

The Group has applied Ind AS 116 using the partial retrospective approach.

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right to use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any

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on Consolidated Financial Statements for the year ended March 31, 2023

accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short term lease

The Group has elected not to recognise right of use asset and lease liabilities for short term leases of property that has lease term of 12 months or less. The Group recognises lease payment associated with these leases as an expense on a straight line basis over lease term.

g. Share based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

2.5 Revenue recognition

a. Interest Income on loans

Interest income is recorded using effective interest rate (EIR) method for all financial assets measured at amortised cost and at fair value through other comprehensive (FVOCI) income.

EIR is the rate that exactly discounts the estimated future cash flows through the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset except for credit impaired asset.

The calculation of the effective interest rate includes transaction costs and fees (loan processing fees, commission paid to direct selling agents and other premiums or discounts) that are an integral part of the contract. Transaction costs include incremental costs that are directly attributable to the acquisition of financial asset.

When a financial asset becomes credit-impaired, the Group calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial asset cures and is no longer credit- impaired, the Group reverts to calculating interest income on a gross basis.

b. Rental Income

Rental income arising from operating leases is recognised on a straight-line basis over the lease term. In cases where the increase is in line with expected general inflation rental income is recognised as per the contractual terms.

Operating leases are leases where the Group does not transfer substantially all of the risk and benefits of ownership of the asset.

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on Consolidated Financial Statements for the year ended March 31, 2023

c. Interest income on fixed deposits

Interest on fixed deposits is recognised on a time proportion basis taking into account the amount outstanding and the applicable rate.

d. Other income

Other charges including application fees (penal interest, cheque bouncing charges, etc.) are recognised on realization basis.

2.6 Financial instruments

Financial assets and financial liabilities are recognised in the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Recognised financial assets and financial liabilities are initially measured at transaction price, which equates fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

A financial asset and a financial liability are offset and presented on net basis in the balance sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

a. Classification and measurement of Financial assets

Based on the business model, the contractual characteristics of the financial assets and specific elections where appropriate, the Group classifies and measures financial assets in the following categories:

- Amortised cost
- Fair value through other comprehensive income ('FVOCI')
- Fair value through profit and loss ('FVTPL')

Financial assets at amortised cost

Financial assets are measured at amortised cost using the effective interest rate (EIR) if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement and based on the assessment of the business model as asset held to collect contractual cash flows and SPPI, such financial assets are subsequently measured at amortised cost using effective interest rate ('EIR') method. Interest income and impairment expenses are recognised in statement of profit and loss. Any gain or loss on derecognition is also recognised in statement of profit and loss.

The EIR method is a method of calculating the amortised cost of a financial instrument and of allocating interest over the relevant period. The EIR is the rate that exactly discounts estimated future cash flows (including all fees paid or received that form an integral part of the EIR, transaction costs and other premiums or discounts) through the expected life of the instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

The Group records loans at amortised cost.

Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to sole payments of principal and interest on the principal amount outstanding and by selling financial assets.

Movements in the carrying amount of such financial assets are recognised in Other Comprehensive Income ('OCI'), except dividend income and

Notes

on Consolidated Financial Statements for the year ended March 31, 2023

interest income which is recognised in statement of profit and loss. Equity instruments at FVOCI are not subject to an impairment assessment.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

b. Financial Liabilities

Financial liabilities are measured at amortised cost. The carrying amounts are determined based on the EIR method. Interest expense is recognised in statement of profit and loss. Any gain or loss on de-recognition of financial liabilities is also recognised in statement of profit and loss.

c. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group is recognised at the proceeds received, net of directly attributable transaction costs.

d. Reclassification

Financial assets are not reclassified subsequent to their initial recognition, apart from the exceptional circumstances in which the Group acquires, disposes of, or terminates a business line or in the period the Group changes its business model for managing financial assets. Financial liabilities are not reclassified.

e. De-recognition of financial assets and financial liabilities

i. Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Group also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Group has transferred the financial asset if, and only if, either:

i. The Group has transferred its contractual rights to receive cash flows from the financial asset, or

ii. It retains the rights to the cash flows but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement.

Pass-through arrangements are transactions whereby the Group retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

i. The Group has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.

ii. The Group cannot sell or pledge the original asset other than as security to the eventual recipients

The Group has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Group is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

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on Consolidated Financial Statements for the year ended March 31, 2023

A transfer only qualifies for derecognition if either:

i. The Group has transferred substantially all the risks and rewards of the asset, or

ii. The Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

The Group considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Group has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Group's continuing involvement, in which case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

ii. Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying value of the original financial liability and the new financial liability with modified terms is recognised in statement of profit and loss.

f. Impairment of Financial Assets

The Group recognises impairment allowances for Expected Credit Loss (ECL) on all the financial assets that are not measured at FVTPL:

The ECL provision is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss.

The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on financial assets that are possible within the 12 months after the reporting date.

The Group performs an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Group categorises its loans into three stages as described below:

For non-impaired financial instruments

- Stage 1 is comprised of all non-impaired financial instruments which have not experienced a significant increase in credit risk (SICR) since initial recognition. A 12-month ECL provision is made for stage 1 financial instruments. In assessing whether credit risk has increased significantly, the Group compares the risk of a default occurring on the financial instrument as at the reporting date, with the risk of a default occurring on the financial instrument as at the date of initial recognition.

- Stage 2 is comprised of all non-impaired financial instruments which have experienced a SICR since initial recognition. The Group recognises lifetime ECL for stage 2 financial instruments. In subsequent reporting periods, if the credit risk of the

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on Consolidated Financial Statements for the year ended March 31, 2023

financial instrument improves such that there is no longer a SICR since initial recognition, then entities shall revert to recognizing 12 months of ECL.

For impaired financial instruments:

Financial instruments are classified as stage 3 when there is objective evidence of impairment as a result of one or more loss events that have occurred after initial recognition with a negative impact on the estimated future cash flows of a loan or a portfolio of loans. The Group recognises lifetime ECL for impaired financial instruments.

The calculation of ECLs

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

Probability of Default (PD) -

The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognized and is still in the portfolio. The concept of PD is further explained in Note 41- Risk Management.

Exposure at Default - The Exposure at Default is an estimate of the exposure at a future default date, considering expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

Loss Given Default – The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive.

Collateral Valuation

To mitigate its credit risks on financial assets, the Group seeks to use collateral, where possible. The collateral comes in various forms, such as movable and immovable assets, guarantees, etc. However, the fair value of collateral affects the calculation of ECLs. To the extent possible, the Group uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using other methodologies. Non-financial collateral, such as vehicles, is valued based on data provided by third parties or management judgements.

Collateral repossessed

In its normal course of business whenever default occurs, the Group may take possession of properties or other assets in its retail portfolio and generally disposes such assets through auction, to settle outstanding debt. Any surplus funds are returned to the customers/obligors. As a result of this practice, assets under legal repossession processes are not recorded on the balance sheet.

Write-offs

Loans are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when it is determined that the customer does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

g. Derivative Financial Instruments

A derivative is a financial instrument or other contract with all of the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign

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exchange rate, index of prices or rates, credit rating or credit index, or, other variable, provided that , in the case of a non-financial variable, it is not specific to a party to the contract (i.e. underlying)

- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts expected to have a similar response to changes in market factors.
- It is settled at future date.
- The Company enters into derivative transactions with various counterparties to hedge its foreign currency risks and interest rate risks. Derivative transaction consists of hedging of foreign exchange transactions, which includes interest rate and currency swaps, interest rate options and forwards. The Company undertakes derivative transactions for hedging on-balance sheet liabilities.

Hedge Accounting:

Initial Recognition and subsequent remeasurement:

The group uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains and losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

h. Determination of fair value

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, the Group measures certain categories of financial instruments (as explained in Note 40- Fair Value Measurement) at fair value on each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1 financial instruments - Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Group has access to at the measurement date. The Group considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity

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of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2 financial instruments - Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Group will classify the instruments as Level 3.

Level 3 financial instruments - Those that include one or more unobservable input that is significant to the measurement as whole.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. No such instances of transfers between levels of the fair value hierarchy were recorded during the reporting period.

2.7 Property, plant and equipment

Property, plant and equipment are carried at cost of acquisition less accumulated depreciation and accumulated impairment loss (if any). The total cost of the asset comprises the purchase price, taxes, duties, freight (net of rebates and discounts) and any other directly attributable costs of bringing the assets to their working condition for their intended use. Borrowing costs directly attributable to acquisition of those assets which necessarily take a substantial period of time to get ready for their intended use are capitalised. Advances paid towards the acquisition of assets outstanding at each balance sheet date are disclosed as other non-financial assets. The cost of assets not ready for their intended use at each balance sheet date is disclosed as capital work-in-progress.

Depreciation is provided on a straight-line method, over the estimated useful life of each asset as prescribed in Schedule II of the Companies Act, 2013 as follows:

Asset	Useful Life
Building	60 years
Office Equipment	5 years
Furniture and Fixture*	10 years
Computers	3 years
Vehicles (Car, Lorry, Bus)	8 years
Vehicles (Bike, Moped, Cycle)	10 years
Servers	6 years

* Useful life for Furniture and Fixture for IKF Home Finance Limited is 5 Years. For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuers the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

An item of property, plant and equipment, is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment, is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.8 Intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Cost comprise the purchase price and any attributable cost of bringing the asset to its working condition for its intended use

Intangible assets are amortised on a straight line basis over their estimated useful life.

The estimated useful life of intangible assets are as follows:

Asset	Useful Life
Software	6 years

2.9 Impairment of non-financial assets

Assessment is done at each balance sheet date as to whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of

the recoverable amount of the asset/cash generating unit is made. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, the recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting years may no longer exist or may have decreased.

2.10 Employee benefits

Defined Contribution Plan:

The Group has a defined contribution plan for post-employment benefits in the form of Provident Fund. Under the Provident Fund Plan, the Group contributes to a Government administered provident fund / recognized provident fund on behalf of the employees. The Group has no further obligation beyond making the contributions.

The Group's contributions to the above Plan are charged to the Statement of Profit and Loss.

Defined Benefit Plan:

The Group provides for gratuity to all employees. The benefit is in the form of lump sum payments to vested employees on resignation, retirement, or death while in employment or on termination of employment of an amount equivalent to 15 days basic salary payable for each completed year of service as required under 'The Payment of Gratuity Act, 1972'. Vesting occurs upon completion of five years of service.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non- routine settlements; and
- Net interest expense or income

An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Other Employee Benefits:

The employees of the Group are entitled to compensated absence and deferred compensation as per the policy of the Group, the liability in respect of which is provided, based on an actuarial valuation carried out by an independent actuary as at the year end. The actuarial valuation method used by the independent actuary for measuring the liability is the Projected Unit Credit Method.

Actuarial gains and losses comprise experience adjustments and the effects of changes in the actuarial assumptions are recognized immediately in the Statement of Profit and Loss in the year in which they arise.

Accumulated compensated absences, which are expected to be availed or encashed within 12 months

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from the end of the year are treated as short term employee benefits. Unutilised leave balance that accrues to employees as at the year end is charged to the Statement of Profit and Loss on an undiscounted basis.

2.11 Income Taxes

Income-tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income-tax expense is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in equity or in OCI.

(a) Current tax

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961, enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax assets and liabilities are offset only if, the Group:

- has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(b) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are reviewed at each reporting date and based on management's judgement, are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if the Group:

- has a legally enforceable right to set off current tax assets against current tax liabilities; and
- the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

2.12 Provision and contingencies

A provision is recognised when the Group has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost.

A contract is considered as onerous when the expected economic benefits to be derived by the Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed

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by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the financial statements.

2.13 Earnings per share

The Group reports basic and diluted earnings per share in accordance with Indian Accounting Standard 33 – "Earnings Per Share". Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share reflects the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by weighted average number of equity shares considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all potential equity shares.

2.14 Cash and cash equivalent

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

2.15 Statement of cash flows

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash future, any deferrals or accruals of past or future operating cash receipts or payments and item of expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

2.16 Share based payments

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting year, based on the Group`s estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting year, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve.

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3 Cash and cash equivalents

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	231.31	107.03
Balances with banks in current accounts	27,585.95	9,557.28
Total	**27,817.25**	**9,664.31**

4 Bank balance other than cash and cash equivalents

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks to the extent held as margin money*	6,098.78	2,533.65
Total	**6,098.78**	**2,533.65**

* Represent margin money deposits placed to avail term loans from banks, financial institutions and as cash collateral in connection with securitisation transactions.

3 Cash and cash equivalents

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Term loans	2,72,327.28	1,92,822.33
(ii) Others (ICD)	200.00	-
(iii) Staff loans	83.39	35.04
Total	**2,72,610.68**	**1,92,857.37**
Less: Impairment loss allowance	3,690.63	3,647.26
Total - Net of impairment loss allowance	**2,68,920.04**	**1,89,210.12**
(i) Secured by tangible assets*	2,72,327.28	1,92,822.33
(i) Secured by intangible assets	-	-
(ii) Covered by Bank/ Government Guarantees	-	-
(iii) Unsecured	283.39	35.04
Total	**2,72,610.68**	**1,92,857.37**
Less: Impairment loss allowance	3,690.63	3,647.26
Total - Net of impairment loss allowance	**2,68,920.04**	**1,89,210.12**
(i) Public sectors		-
(ii) Others	2,72,610.68	1,92,857.37
Total	**2,72,610.68**	**1,92,857.37**
Less: Impairment loss allowance	3,690.63	3,647.26
Total - Net of impairment loss allowance	**2,68,920.04**	**1,89,210.12**
(i) Loans in India	2,72,610.68	1,92,857.37
(ii) Loans outside India		
Total	**2,72,610.68**	**1,92,857.37**
Less: Impairment loss allowance	3,690.63	3,647.26
Total - Net of impairment loss allowance	**2,68,920.04**	**1,89,210.12**

*Secured against hypothecation of automobiles, book debts, equitable mortgage of immovable property etc.

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5.1 The table below discloses credit quality and the maximum exposure to credit risk based on the company's year end stage classification. The numbers presented are gross of impairment loss allowance:

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Term loans		
Stage I	2,26,752.91	1,61,721.80
Stage II	38,975.34	26,443.87
Stage III	6,599.03	4,656.66
Total	**2,72,327.28**	**1,92,822.33**

5.2 Gross movement of loans for the year ended March 31, 2023:-

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount as at April 1, 2022				
Term loans	1,61,721.80	26,443.87	4,656.66	1,92,822.34
Staff loans	35.04	-	-	35.04
New loans originated during the year				-
Term loans	1,53,415.19	8,116.97	768.52	1,62,300.68
Staff loans	48.80	-	-	48.80
Inter-stage movements:				
-Term loans				
Transfers to Stage 1	2,078.91	(2,051.41)	(27.50)	-
Transfers to Stage 2	(21,860.72)	21,887.11	(26.39)	-
Transfers to Stage 3	(1,735.52)	(1,626.22)	3,361.74	-
Interest on stage 3 loans	-	-	147.66	147.66
Amounts written off				
Term loans	(123.40)	(27.92)	(343.48)	(494.82)
Staff loans	-	-	-	-
Assets derecognised or repaid (excluding write offs)				
Term loans	(66,743.35)	(13,767.06)	(1,938.16)	(82,448.58)
Staff loans	(0.45)	-	-	(0.45)
Gross carrying amount as at March 31, 2023				
Term loans	**2,26,752.91**	**38,975.35**	**6,599.03**	**2,72,327.28**
Staff loans	**83.39**	**-**	**-**	**83.38**
Others (ICD)	**200.00**	**-**	**-**	**200.00**

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5.3 Gross movement of loans for the year ended March 31, 2022:-

(Currency : ₹ in lakhs)

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount as at April 1, 2021				
Term loans	**1,00,018.78**	**58,131.52**	**4,454.88**	**1,62,605.17**
Staff loans	**49.69**	**-**	**-**	**49.69**
New loans originated during the year				-
Term loans	99,110.41	2,811.58	104.45	1,02,026.44
Staff loans	6.35	-	-	-
Inter-stage movements:				
-Term loans				
Transfers to Stage 1	17,773.41	(17,658.73)	(114.68)	-
Transfers to Stage 2	(9,592.88)	9,668.04	(75.16)	-
Transfers to Stage 3	(637.07)	(1,753.03)	2,390.10	-
Interest on stage 3 loans	-	-	113.81	113.81
Amounts written off				
Term loans	(48.00)	(103.66)	(584.28)	(735.96)
Staff loans	-	-	-	-
Assets derecognised or repaid (excluding write offs)				
Term loans	(44,902.85)	(24,651.85)	(1,632.43)	(71,187.13)
Staff loans	(21.00)	-	-	(21.00)
Gross carrying amount as at March 31, 2022				
Term loans	**1,61,721.80**	**26,443.87**	**4,656.66**	**1,92,822.33**
Staff loans	**35.04**	**-**	**-**	**35.04**

5.4 ECL movement of term loans during the year ended March 31, 2023:-

(Currency : ₹ in lakhs)

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount as at April 1, 2022	**1,344.50**	**703.95**	**1,598.80**	**3,647.25**
New loans originated during the year	983.77	152.21	97.30	1,233.27
Inter-stage movements:				
Transfers to Stage 1	49.92	(46.26)	(3.66)	-
Transfers to Stage 2	(317.01)	335.15	(18.14)	-
Transfers to Stage 3	(58.54)	(79.27)	137.81	-
Amounts written off	(4.80)	(4.38)	(320.19)	(329.37)
Assets derecognised or repaid (excluding write offs)	(580.69)	(280.08)	0.24	(860.53)
Gross carrying amount as at March 31, 2023	**1,417.16**	**781.31**	**1,492.17**	**3,690.63**

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5.5 ECL movement of term loans during the year ended March 31, 2022:-

(Currency : ₹ in lakhs)

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount as at April 1, 2021	**1,023.56**	**1,582.69**	**1,263.94**	**4,165.29**
New loans originated during the year	861.26	72.22	39.11	972.60
Inter-stage movements:				
Transfers to Stage 1	659.50	(627.85)	(31.64)	-
Transfers to Stage 2	(189.15)	229.21	(40.06)	-
Transfers to Stage 3	(46.96)	(80.56)	127.51	-
Amounts written off	(1.49)	(14.10)	(395.79)	(411.38)
Assets derecognised or repaid (excluding write offs)	(962.22)	(457.66)	635.73	(784.14)
Gross carrying amount as at March 31, 2022	**1,344.50**	**703.95**	**1,598.80**	**3,647.25**

6 Other Financial Assets

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Rent and utility deposit	373.95	299.17
Excess Interest Spread (EIS) Receivables	3,972.47	2,719.59
Other -unsecured, considered good	412.74	202.99
Total	**4,759.16**	**3,221.75**

7 Investments

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Investment in Equity instruments		
- Subsidiary (at cost)		
IKF Home finance limited*	-	-
(March 31,2023:5,74,04,177 Equity shares of ₹ 10 each fully paid ; March 31, 2022: 3,76,14,747 Equity shares of ₹ 10 each, fully paid & 1,97,89,430 Equity shares of ₹ 2.77, partly paid)		
Investment in Debt instruments		
- Market Linked Debentures (at Fair Value through Profit or loss)	17,160.75	
- Debentures (at Amortised Cost)	4,087.07	
Total (A)	**21,247.83**	**-**
(i) Investments in India	21,247.83	-
(ii) Investments outside India		-
Total (B)	**21,247.83**	**-**

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8 Other Non-Financial Assets

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Prepaid expenses	360.57	168.34
Advances to employees	0.67	7.04
GST input credit	523.41	404.84
Other -unsecured, considered good	2,502.84	500.00
Total	**3,387.50**	**1,080.22**

9 Property, plant and equipment

(Currency : ₹ in lakhs)

Particulars	Leasehold Improvements	Furniture and Fixtures	Computer & Printer	Office equipment	Vehicles	Total	Right to Use Assets
Gross carrying amount							
As at March 31, 2021	**29.13**	**288.24**	**116.73**	**28.44**	**111.34**	**573.88**	**187.50**
Additions	-	32.55	82.16	0.16	-	114.86	4.91
Disposals	-	-	(0.25)	-	-	(0.25)	(1.67)
As at March 31, 2022	**29.13**	**320.79**	**198.64**	**28.60**	**111.34**	**688.50**	**190.74**
Additions	-	22.68	97.29	11.50	-	131.47	457.34
Disposals	-	(2.47)	(27.70)	(0.54)	-	(30.71)	(22.89)
As at March 31, 2023	**29.13**	**341.00**	**268.24**	**39.55**	**111.34**	**789.26**	**625.18**
Accumulated depreciation and impairment:							
As at March 31, 2021	**10.61**	**104.49**	**85.55**	**12.21**	**41.60**	**254.46**	**141.81**
Depreciation for the year	2.95	40.37	28.69	3.98	15.25	91.24	30.19
Disposals	-	-	(0.20)	-	-	(0.20)	(0.93)
As at March 31, 2022	**13.55**	**144.85**	**114.05**	**16.19**	**56.85**	**345.49**	**171.07**
Depreciation for the year	2.94	38.15	48.33	5.31	14.78	109.50	154.86
Disposals	-	(1.96)	(26.31)	(0.48)	-	(28.75)	(13.97)
As at March 31, 2023	**16.49**	**181.02**	**136.06**	**21.02**	**71.63**	**426.24**	**311.96**
Net book value							
As at March 31, 2021	18.52	183.75	31.18	16.23	69.74	319.41	45.68
As at March 31, 2022	15.58	175.94	84.60	12.41	54.49	343.00	19.67
As at March 31, 2023	12.64	159.98	132.18	18.53	39.71	363.02	313.21

Note: The Company has not revalued any of its property, plant and equipment during the years ended March 31, 2023 and March 31, 2022. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/ reversals is nil.

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10 Investment Property

(Currency : ₹ in lakhs)

Particulars	Buildings	Land	Total
Gross carrying amount			
As at March 31, 2021	**6.98**	**-**	**6.98**
Additions	-	224.11	224.11
Disposals	-	(116.10)	(116.10)
As at March 31, 2022	**6.98**	**108.01**	**114.99**
Additions	-	-	-
Disposals	-	(42.00)	(42.00)
As at March 31, 2023	**6.98**	**66.01**	**72.99**
As at March 31, 2021	**0.51**	**-**	**0.51**
Depreciation for the year	0.17	-	0.17
Disposals	-	-	-
As at March 31, 2022	**0.68**	**-**	**0.68**
Depreciation for the year	0.17	-	0.17
Disposals	-	-	-
As at March 31, 2023	**0.85**	**-**	**0.85**
Net book value			
As at March 31, 2021	6.47	-	6.47
As at March 31, 2022	6.30	108.01	114.31
As at March 31, 2023	6.13	66.01	72.14

(i) Amounts recognised in Statement of Profit and Loss for Investment Property

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Rental Income	7.63	7.63
Direct operating expense from property that generated rental income		-
Profit from investment properties before depreciation	**7.63**	**7.63**
Depreciation	0.17	0.17
Profit from investment properties	**7.46**	**7.46**

(ii) Contractual obligations

The Company has no contractual obligations to purchase, construct or develop investment property. However, the responsibility for its repairs, maintenance or enhancements is with the Company.

(iii) Fair value

The fair valuation of investment property as at March 31, 2023 is ₹ 394.18 lakhs(PY: ₹ 389.65 lakhs)

(iv) Pledged details

Investment property pledged in favor of consortium leader central bank for cash credit facility.

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(v) Estimation of fair value

The fair values of investment property is determined by guidance value given by the local government of the area where the investment properties are located.

(vi) Revaluation

The Company has not revalued any of its investment property during the years ended March 31, 2023 and March 31, 2022. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/ reversals is nil.

11 Intangible assets

(Currency : ₹ in lakhs)

Particulars	Computer software
Gross carrying amount	
As at March 31, 2021	**366.63**
Additions	37.27
Disposal	-
As at March 31, 2022	**403.90**
Additions	137.39
Disposal	-
As at March 31, 2023	**541.29**
Accumulated amortisation and impairment	
As at March 31, 2021	**159.30**
Amortisation for the year	68.64
Disposal	-
As at March 31, 2022	**227.93**
Amortisation for the year	77.14
Disposal	-
As at March 31, 2023	**305.07**
Net book value	
As at March 31, 2021	207.33
As at March 31, 2022	175.97
As at March 31, 2023	236.22

Note: The Company has not revalued any of its intangible assets during the years ended March 31, 2023 and March 31, 2022. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is nil.

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12 Trade Payables

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of :		
(i) total outstanding dues of micro enterprises and small enterprises; (refer note 12.1 below)	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	113.02	7.09
Total	113.02	7.09

12.1 Disclosure relating to Micro, Small and Medium Enterprises Development Act, 2006 is as follows:

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Principal amount remaining unpaid to any supplier	-	-
(ii) Interest due thereon remaining unpaid to any supplier	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-
Total	**-**	**-**

12.2 Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

12.3 Trade Payable aging schedule

As at Mar 31, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled	Less than 1 year	1-2 years	2-3 years	More Than 3 Years	
(i) MSME	-	-	-	-	-	-
(ii) Others	51.52	61.51	-	-	-	113.02
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	**51.52**	**61.51**	**-**	**-**	**-**	**113.02**

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As at Mar 31, 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled	Less than 1 year	1-2 years	2-3 years	More Than 3 Years	
(i) MSME	-	-	-	-	-	-
(ii) Others	-	7.09	-	-	-	7.09
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	**-**	**7.09**	**-**	**-**	**-**	**7.09**

13 Debt Securities

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
At amortised cost		
Secured		
Non convertible debentures	17,927.79	19,991.02
Unsecured		
Other non convertible debentures	8,712.88	3,816.89
Total		
Debt Securities:		
Within India	26,640.67	23,807.90
Outside India		-
Total	**26,640.67**	**23,807.91**

Nature of security

Non convertible debentures (secured)

Non convertible debentures are secured by an exclusive charge by way of hypothecation of specific loan receivable created out of the loan proceeds and mortgage of personal properties of directors in addition to their personal guarantees.

The Company has utilised the funds raised from banks and financial institutions for the specific purpose for which they were borrowed.

The Company has borrowed funds from banks and financial institutions on the basis of security of current assets. It has filed quarterly returns or statements of current assets with banks and financial institutions and the said returns/statements are in agreement with books of accounts.

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Terms of repayment of Debt securities as on March 31, 2023

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Monthly repayment schedule								
1-7 Years	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Quarterly repayment schedule								
1-5 Years	9.01%-10.00%	-	-	-	-	-	-	-
	10.01%-11.00%	4.00	3,500.00	4.00	3,500.00	-	-	7,000.00
	11.01%-12.00%	-	-	-	-	-	-	-
	12.01%-12.50%	0	0	-	-	-	-	-
Yearly repayment schedule								
1-5 Years	8.51%-9.50%	-	-	-	-	-	-	-
	9.51%-10.50%	1	833.33	-	-	-	-	833.33
	10.51%-11.50%	-	-	-	-	-	-	-
	11.51%-12.50%	-	-	-	-	-	-	-
Bullet repayment schedule								
1-7 Years	8.51%-9.50%	1	5,000	-	-	-	-	5,000.00
	9.51%-10.50%	2	6,500	-	1,000	-	-	7,500.00
	10.51%-11.50%	-	-	-	5,500	-	-	5,500.00
	11.51%-12.50%	-	-	-	-	-	-	-
Total			**15,833.33**	**-**	**10,000.00**	**-**	**-**	**25,833.33**
Add : Interest accrued but not due								862.81
Less : Unamortized Finance Cost								(55.48)
Total Amortized Cost			**15,833.33**		**10,000.00**		**-**	**26,640.67**

Terms of repayment of Debt securities as on March 31, 2022

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Monthly repayment schedule								
1-7 Years	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Quarterly repayment schedule								
1-5 Years	9.01%-10.00%	0	-	-	-	-	-	-
	10.01%-11.00%	-	-	-	-	-	-	-
	11.01%-12.00%	-	-	-	-	-	-	-
	12.01%-12.50%	5	650.00	-	-	-	-	650.00

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Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Yearly repayment schedule								
1-5 Years	8.51%-9.50%	-	-	-	-	-	-	-
	9.51%-10.50%	1	833.33	1	833.33	-	-	1,666.67
	10.51%-11.50%	-	-	-	-	-	-	-
	11.51%-12.50%	-	-	-	-	-	-	-
Bullet repayment schedule								
1-7 Years	8.51%-9.50%	1	1,250.00	1	5,000.00	-	-	6,250.00
	9.51%-10.50%	1.00	1,500.00	5	7,500.00	-	-	9,000.00
	10.51%-11.50%	0	-	4	5,500.00	-	-	5,500.00
	11.51%-12.50%	-	-	-	-	-	-	-
Total			**4,233.33**	**-**	**18,833.33**	**-**	**-**	**23,066.67**
Add : Interest accrued but not due								832.59
Less : Unamortized Finance Cost								(91.35)
Total Amortized Cost			**4,233.33**		**18,833.33**		**-**	**23,807.91**

14 Borrowings (other than debt securities)

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
At amortised cost		
Term loans (Secured)		
from banks	1,42,720.69	74,327.96
from non banking financial companies	26,757.56	10,993.61
from financial institutions	14,876.15	9,426.44
From National Housing Bank (NHB)	2,213.06	3,088.86
Term loans (Un Secured)		
from other parties	-	-
Loans repayable on demand (Secured):		
Cash credit from Bank	26,514.32	33,430.48
Associated liabilities in respect of securitisation transactions	-	871.72
Total	**2,13,081.79**	**1,32,139.07**
Borrowings:		
Within India	2,13,081.79	1,32,139.07
Outside India		
Total	**2,13,081.79**	**1,32,139.07**

Nature of security

Term loans (secured)

Term Loans from bank, financial institutions and NBFCs are secured by an exclusive charge by way of hypothecation of specific loan receivable created out of the loan proceeds and cash collateral by way of fixed deposits and mortgage of personal properties of directors in addition to their personal guarantees.

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Loans repayable on demand (Secured)

These loans are secured against the first pari passu charge on current assets, book debts and receivables including loans & advances of the Company as per the agreement. Further, the loan has been guaranteed by personal guarantee of director/ promoter to the extent of ₹ 332.20 Cr (March 31, 2022: ₹ 342.20 Cr).

The Company has utilised the funds raised from banks and financial institutions for the specific purpose for which they were borrowed.

The Company has borrowed funds from banks and financial institutions on the basis of security of current assets. It has filed quarterly returns or statements of current assets with banks and financial institutions and the said returns/statements are in agreement with books of accounts.

Terms of repayment of borrowings (other than debt) as on March 31, 2023

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Monthly repayment schedule								
1-10 Years	5.00%-6.00%	-	-	-	-	-	-	-
	6.01%-7.00%	-	-	-	-	-	-	-
	7.01%-8.00%	-	-	-	-	-	-	-
	8.01%-9.00%	83	6,074.90	148	9,778.96	21	577	16,430.78
	9.01%-10.50%	287	25,588.15	465	48,105.12	9	572	74,265.12
	10.51%-11.50%	48	3,262.97	86	5,025.87	18	208	8,497.17
	11.51%-12.50%	15	998.71	21	1,145.85	-	-	2,144.56
	12.51%-13.50%	12	252.40	21	367.02	-	-	619.41
Quarterly repayment schedule								
1-5 Years	6.00%-7.00%	-	-	-	-	-	-	-
	7.01%-8.00%	16	2,335.20	55	4,236.30	9	92.80	6,664.30
	8.01%-9.00%	37	6,136.44	85	10,274.12	9	44.00	16,454.56
	9.01%-10.50%	74	15,311.06	160	30,251.00	36	1,481.56	47,043.62
	10.51%-11.50%	21	4,850.47	64	9,959.81	9	758.46	15,568.73
	11.51%-12.50%	-	-	-	-	-	-	-
Bullet repayment schedule								
1-14 Years	5.00%-6.00%							-
	9.51%-10.50%							-
	10.51%-11.50%							-
	11.51%-12.50%							-
	>13.50%							-
Repayable on Demand	**9.01%-10.50%**			**-**	**-**	**-**	**-**	**-**
			64,810.28		**1,19,144.05**		**3,733.93**	**1,87,688.25**
Add : Interest accrued but not due								235.23
Less : Unamortized Finance Cost								(1,356.02)
Total Amortized Cost			**64,810.28**	**-**	**1,19,144.05**	**-**	**3,733.93**	**1,86,567.47**

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Terms of repayment of borrowings (other than debt) as on March 31, 2022

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Monthly repayment schedule								
1-7 Years	5.00%-6.00%	1	245.00	-	-	-	-	245.00
	6.01%-7.00%	4	5,335.00	-	-	-	-	5,335.00
	7.01%-8.00%	12	930.71	11	869.33	-	-	1,800.04
	8.01%-9.00%	195	9,083.68	422	19,554.25	-	-	28,637.92
	9.01%-10.50%	135	2,699.58	214	3,940.44	-	-	6,640.02
	10.51%-11.50%	23	1,098.13	28	1,166.67	-	-	2,264.80
	11.51%-12.50%	28	1,692.40	-	-	-	-	1,692.40
Quarterly repayment schedule								
1-5 Years	6.00%-7.00%	12	227.40	64	1,208.59	17.00	427.80	1,863.79
	7.01%-8.00%	6	216.00	25	770.95	-	-	986.95
	8.01%-9.00%	51	10,639.05	109	22,993.69	8.00	1,571.43	35,204.16
	9.01%-10.50%	19	3,916.72	44	7,314.36	11.00	366.35	11,597.43
	10.51%-11.50%	19	1,318.24	19	796.59	-	-	2,114.82
	11.51%-12.50%	-	-	-	-	-	-	-
Bullet repayment schedule								
1-14 Years	5.00%-6.00%	-	-	-	-	-	-	-
	9.51%-10.50%	-	-	-	-	-	-	-
	10.51%-11.50%	-	-	-	-	-	-	-
	11.51%-12.50%	-	-	-	-	-	-	-
	>13.50%	-	-	-	-	-	-	-
Repayable on Demand	**9.01%-10.50%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
			37,401.90		**58,614.86**		**2,365.58**	**98,382.34**
Add : Interest accrued but not due								166.92
Less : Unamortized Finance Cost								(712.39)
Total Amortized Cost			**37,401.90**	**-**	**58,614.86**	**-**	**2,365.58**	**97,836.87**

15 Subordinated Liabilities

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured - At amortised cost		
Non convertible debentures (Tier-II)	16,345.06	4,505.22
Indian rupee loan from banks (Tier-II)	-	1,498.23
Total	**16,345.06**	**6,003.46**
Subordinated Liabilities:		
Within India	16,345.06	6,003.46
Outside India	-	-
Total	**16,345.06**	**6,003.45**

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Terms of repayment of subordinated liabilities as on March 31, 2023

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Bullet repayment schedule								
1-7 Years	11.51%-12.50%							-
	>13.50%			1	2,500.00	1	14,000.00	16,500.00
Total					**2,500.00**		**14,000.00**	**16,500.00**
Add : Interest accrued but not due								8.98
Less : Unamortized Finance Cost								(163.92)
Total Amortized Cost					**2,500.00**		**14,000.00**	**16,345.06**

Terms of repayment of subordinated liabilities as on March 31, 2022

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Bullet repayment schedule								
1-7 Years	11.51%-12.50%	1.00	1,500.00	2	4,500.00			6,000.00
	>13.50%							-
Total					**4,500.00**		**-**	**6,000.00**
Add : Interest accrued but not due								37.37
Less : Unamortized Finance Cost								(33.92)
Total Amortized Cost					**4,500.00**		**-**	**6,003.44**

16 Other financial liabilities

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Lease Liabilities	322.30	20.09
Employee benefits payable	441.36	237.92
Expenses payable	26.79	4.45
Other Payables	811.12	832.20
Deposit from franchisees	431.47	341.41
Payable towards securitisation / assignment transactions	1,993.87	1,666.93
Total	**4,026.92**	**3,103.00**

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17 Provisions

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for gratuity	205.77	150.63
Provision for leave benefits	56.12	194.71
Total	**261.89**	**345.34**

18 Other non-financial liabilities

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory dues payable	263.49	157.27
Total	**263.49**	**157.27**

19. Equity share capital

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number	Amount	Number	Amount
Authorised Capital				
Equity shares of ₹ 10 each	8,00,00,000	8,000.00	6,00,00,000	6,000.00
Preference shares of ₹ 100 each	25,00,000	2,500.00	25,00,000	2,500.00
	8,25,00,000	**10,500.00**	**6,25,00,000**	**8,500.00**
Issued, subscribed and fully paid-up shares				
Equity Shares of ₹ 10 each fully paid up	6,45,75,050	6,457.51	4,74,79,379	4,747.94
Coverted from Partly Paid to Fully Paid Equity Shares	-	-	51,79,688	517.97
	6,45,75,050	**6,457.51**	**5,26,59,067**	**5,265.91**
Issued, subscribed and fully paid-up shares				
Equity Shares of ₹ 10 each, Fully paid up ₹ 10 per share	-	-	51,79,688	517.97
Converted to Fully Paid Equity Shares	-	-	(51,79,688)	(517.97)
	-	-	-	-
Total	**6,45,75,050**	**6,457.51**	**5,26,59,067**	**5,265.91**

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A. Reconciliation of number of shares

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number	Amount	Number	Amount
Fully paid equity share of ₹ 10 each				
At the beginning of the year	5,26,59,067	5,265.91	4,74,79,379	4,747.94
Shares issued during the year	1,19,15,983	1,191.60	-	-
Coverted from Partly Paid to Fully Paid Equity Shares	-	-	51,79,688	517.97
Outstanding at the end of the year	**6,45,75,050**	**6,457.51**	**5,26,59,067.00**	**5,265.91**
Partly paid up equity share of ₹ 10 each, partly paid up ₹ 10 per share				
At the beginning of the year	-	-	51,79,688	419.55
Amount called/Issued during the year	-	-	-	98.41
Converted to Fully Paid Equity Shares	-	-	-51,79,688	(517.97)
Outstanding at the end of the year	**-**	**-**	**-**	**-**

Notes:

B. Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share fully paid up. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend if and when proposed by the Board of Directors will be subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, if any, in proportion to the number of equity shares held by the shareholder.

C. Details of shareholder(s) holding more than 5% of equity shares in the Company:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number	Amount	Number	Amount
Equity shares of ₹ 10 each fully paid up				
Vupputuri Gopala Kishan Prasad	1,98,53,581	30.74%	1,97,43,156	37.49%
India Business Excellence Fund-IIA	1,30,51,546	20.21%	1,30,51,546	24.78%
Vistra ITCL (India) Limited (formerly known as IL and FS Trust Company Limited) (Trustee of Business Excellence Trust-II - India Business Excellence Fund II)	78,04,018	12.09%	78,04,018	14.82%
Koganti Vasumathi Devi	26,47,266	4.10%	26,47,266	5.03%
Accion Digital Transformation Fund, LP	55,81,395	8.64%	-	0.00%

As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

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D. Shareholding of Promotors

Shares held by promoters at the end of the year	As at March 31, 2023			As at March 31, 2022		
	No. of Shares	% of Total Shares	% Change during the year	No. of Shares	% of Total Shares	% Change during the year
a. Equity shares of ₹ 10 each fully paid up *						
Vupputuri Gopala Kishan Prasad	1,98,53,581	30.74%	0.56%	1,97,43,156	37.49%	24.36%
Vupputuri Indira Devi	16,48,142	2.55%	0.00%	16,48,142	3.13%	24.21%
Koganti Vasumathi Devi	26,47,266	4.10%	0.00%	26,47,266	5.03%	24.21%
Devineni Vasantha Lakshmi	24,91,794	3.86%	0.00%	24,91,794	4.73%	24.21%
Vupputuri Raghu Ram	18,00,670	2.79%	0.00%	18,00,670	3.42%	24.21%
Durga Rani Chunduri	14,94,100	2.31%	0.00%	14,94,100	2.84%	0.00%
Sinha Satyanand Chunduri	1,17,700	0.18%	0.00%	1,17,700	0.22%	0.00%
b. Equity shares of ₹ 10 each partly paid up ₹ 8.10 per share in March 2021 *						
Vupputuri Gopala Kishan Prasad	-	0.00%	-100%	-	0.00%	-100.00%
Vupputuri Indira Devi	-	0.00%	-100%	-	0.00%	-100.00%
Koganti Vasumathi Devi	-	0.00%	-100%	-	0.00%	-100.00%
Devineni Vasantha Lakshmi	-	0.00%	-100%	-	0.00%	-100.00%
Vupputuri Raghu Ram	-	0.00%	-100%	-	0.00%	-100.00%

* Partly paid shares are full paid and converted to fully paid equity shares.

E. Aggregate number of equity shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Equity shares of ₹ 10 each, fully paid up, allotted on conversion of 19,53,125/- 0.01% Compulsorily convertible preference share of ₹ 100 each, Fully paid-up	-	-	-		195

20. Other equity

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Capital reserve	32.50	32.50
Securities premium reserve	34,891.60	10,576.37
Share Based Payment reserve	20.63	24.62
Statutory Reserve under section 45-IC of the Reserve Bank of India Act, 1934	5,993.60	4,993.50
Statutory Reserve U/s 29C of NHB Act	978.47	710.57
Provision U/s 36(viia) Income tax Act, 1961	37.98	37.98
General reserve	1,471.49	1,221.46
Retained earnings	22,518.93	18,183.90
Total	**65,945.19**	**35,780.90**

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Nature and purpose of reserve

a. Capital reserve

This reserve was created to record the excess carrying value of optionally convertible debentures provided through securities premium. The excess value is recorded by reversing the capital reserve with corresponding debit to debentures.

b. Securities premium reserve

The securities premium reserve is used to record the premium received on issue of shares. The reserve cab be utilised only for limited purpose such as issuance of bonus shares in accordance with provision of the Companies Act, 2013.

c. Statutory reserve

Reserves created under Section 45IC of The Reserve Bank of India Act, 1934

d. Share based payment reserve

The share based payment reserve is used to recognise the grant date fair value of options issued to employees of the Company and its subsidiaries under stock option schemes of the Company.

e. Retained earnings

Retained earnings represents surplus / accumulated earnings of the Company and are available for distribution to shareholders.

f. General Reserve

It is a free reserve which is created by appropriation from profits of the current year and/or undistributed profits of previous years, before declaration of dividend duly complying with any regulations in this regard.

g. Statutory Reserve U/s 29C of NHB Act

Section 29C (i) of The National Housing Bank Act, 1987 defines that every housing finance institution which is a Company shall create a reserve fund and transfer therein a sum not less than twenty percent of its net profit every year as disclosed in the statement of profit and loss before any dividend is declared. Accordingly Company has transferred ₹202.65/- lakhs for the year ended Mar 31, 2023 to the Reserve in terms of Section 29C of the National Housing Bank ("NHB") Act, 1987.

h. Provision U/s 36(viia) Income tax Act, 1961

Reserves created under U/s 36(viia) Income tax Act, 1961

B. Movement in Other equity

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
I. Capital Reserve		
Opening balance	32.50	32.50
Add : Share issued during the year	-	-
	32.50	**32.50**
II. Securities premium reserve		
Opening balance	10,576.37	9,960.39
Add : Premium received on issue of securities	24,315.23	615.97
	34,891.60	**10,576.37**

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(Currency : ₹ in lakhs)

Particulars		As at March 31, 2023	As at March 31, 2022
III.	**Share Based Payment reserve**		
	Opening balance	24.62	30.65
	Add : During the year	(4.00)	(6.03)
		20.63	**24.62**
IV.	**Statutory Reserve under section 45-IC of the Reserve Bank of India Act, 1934**		
	Opening balance	4,993.50	4,187.41
	Add : Transfer from retained earnings	1,000.10	806.09
		5,993.60	**4,993.50**
V.	**Statutory Reserve U/s 29C of NHB Act**		
	Opening balance	724.23	474.12
	Add : Transfer from retained earnings	267.90	250.11
		992.13	**724.23**
VI.	**Provision U/s 36(viia) Income tax Act, 1961**		
	Opening balance	37.98	37.98
	Add : Transfer from retained earnings		-
		37.98	**37.98**
VII.	**General Reserve**		
	Opening balance	1,221.46	1,019.94
	Add : Transfer from retained earnings	250.03	201.52
		1,471.49	**1,221.46**
VIII.	**Retained earnings**		
	Opening balance	18,183.90	14,440.00
	Add : Prior Period items	(280.75)	9.60
	Add : Profit for the year	6,065.83	5,037.77
	Add : Other comprehensive income	28.10	9.58
	Appropriations:		
	Transfer to Statutory Reserve u/s 45-IC of the Reserve Bank of India Act, 1934	(1,000.10)	(806.09)
	Transfer to Statutory NHB Reserve	(267.90)	(250.11)
	Transfer to Hedge Reserve	39.87	(55.33)
	Transfer to General reserve	(250.03)	(201.52)
		22,518.93	**18,183.90**
Total		**22,518.93**	**18,183.90**

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21 Interest income

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
On financial assets measured at amortised cost		
Interest on loans	35,769.67	26,146.27
Interest on deposits with banks	177.42	155.33
Interest on investment in debentures	606.38	-
Total	**36,553.47**	**26,301.60**

22 Fees and commission income

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Other fees and charges	890.61	660.15
Total	**890.61**	**660.15**

23 Other income

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Rental income	7.63	7.63
Miscellaneous Income	393.01	200.33
Total	**400.64**	**207.96**

24.1 Finance costs

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
On financial liabilities measured at amortised cost		
Interest on deposits	50.07	70.16
Interest on borrowings	15,142.76	8,919.18
Interest on debentures	1,354.17	2,788.96
Interest on subordinated liabilities	1,506.21	731.13
Interest on ICD	-	-
Interest on lease liabilities	36.00	3.79
Interest on securitisation	99.70	475.13
Interest on Income tax	-	-
Bank Charges	21.29	12.96
Other finance cost	1,007.32	616.61
Total	**19,217.53**	**13,617.93**

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24.2Net loss on fair value changes

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Net loss on fair value changes	-	3.35
Total	**-**	**3.35**

25 Impairment on financial instruments

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
On financial instruments measured at amortised cost		
Loans	43.38	(222.93)
Trade receivables	-	(26.21)
Bad debts and write offs	584.83	762.15
Total	**628.21**	**513.01**

26 Employee benefits expenses

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries and wages	6,586.19	4,233.65
Contribution to provident and other funds	329.63	231.42
Share based payment to employees	(4.00)	(6.03)
Staff welfare expenses	146.65	96.83
Gratuity	73.23	47.52
Leave encashment	(104.57)	47.07
Total	**7,027.13**	**4,650.46**

27 Depreciation, amortization and impairment

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation on property, plant and equipment	264.36	121.43
Depreciation on investment property	0.17	0.17
Amortization of intangible assets	77.13	68.63
Total	**341.65**	**190.23**

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28 Other expenses

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Rent	420.81	241.29
Communication cost	126.90	70.79
Travelling and conveyance	285.90	142.23
Rates and taxes	524.10	274.65
Insurance	36.19	14.57
Commission and Brokerage	118.57	39.64
Repairs and maintenance	84.14	73.33
Printing and stationary	51.37	32.82
Payment to auditors (Refer Note 28.1)	29.38	35.57
Advertisement, publicity and sales promotion expenses	11.49	3.36
Operation Cost	141.63	69.18
Legal and professional fees	388.55	222.48
Corporate social responsibility (Refer Note 28.2)	115.66	111.78
Director sitting fees	11.40	1.00
Loss on sale of property, plant and equipment	1.91	-
Loss on sale of Investment Property	3.15	6.10
Miscellaneous expenses	30.68	17.51
Total	**2,381.84**	**1,356.29**

28.1 Payment to the auditors:

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Auditor's remuneration		
- Audit fees	28.00	24.60
In other capacity	-	-
- Certification services	1.20	10.91
Other of pocket expenses	0.18	0.06
Total	**29.38**	**35.57**

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28.2 Corporate social responsibility:

(Currency : ₹ in lakhs)

Particulars		Year ended March 31, 2023	Year ended March 31, 2022
a)	Amount required to be spent by the company during the year	114.47	104.07
b)	Amount of expenditure incurred		
	i) Construction/acquisition of any asset	-	-
	ii) On purposes other than (i) above	115.56	111.78
c)	Shortfall at the end of the year	-	-
d)	Total of previous years shortfall	-	-
e)	Net Shortfall	-	
f)	Reason for shortfall	NA	NA
g)	Nature of CSR activities	Disaster relief, Sanitation and Hygiene.	Disaster relief, Sanitation and Hygiene.
h)	Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	-	-
i)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	-	-

29 Income tax

(a) Income tax expense

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
	₹	₹
Current tax		
Current tax on profits for the year	1,717.24	1,740.28
Adjustment for current tax of the prior periods	12.91	10.06
Subtotal (A)	**1,730.14**	**1,750.34**
Deferred tax		
Decrease/(Increase) in deferred tax assets	(237.76)	65.58
(Decrease)/Increase in deferred tax liabilities	600.49	(93.72)
Subtotal (B)	**362.72**	**(28.15)**
Deferred tax asset/ (liability) relating to items recognised in other Comprehensive Income (C)	(3.32)	(3.24)
Income tax expense for the year (A+B-C)	**2,096.18**	**1,725.44**

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(b) Deferred tax

The major components of deferred tax (liabilities) arising on account of timing differences for the year ended March 31, 2023:

(Currency : ₹ in lakhs)

Particulars	Net balance March 31, 2022	Recognised in profit or loss	Recognised in OCI	Net balance March 31, 2023
Deferred tax assets				
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	86.24	(24.58)	(3.32)	58.33
Impact of provision for expected credit loss on loans	775.72	10.27		785.99
Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	10.72	4.09		14.81
Impact of leases under Ind AS 116	2.82	67.14		69.96
EIR impact of financial asssets and liabilities	37.40	178.54		215.94
Share based payment	6.20	(1.01)		5.19
Others	-	-		-
(A)				
Deferred tax liabilities				
Impact of amortisation of anciallary borrowing cost	120.56	165.58		286.13
EIR impact of financial asssets and liabilities	39.98	256.90		296.88
Impact of direct assignment and securitisaton transactions	747.75	95.55		843.30
Interest income recognised on stage 3 loans	103.07	17.51		120.57
Others	2.71	64.96		67.68
(B)	**1,014.06**	**600.49**	**-**	**1,614.56**
Deferred tax assets (net) (A-B)	**(94.98)**	**(366.05)**	**(3.32)**	**(464.34)**

The major components of deferred tax (liabilities) arising on account of timing differences for the year ended March 31, 2022:

(Currency : ₹ in lakhs)

Particulars	Net balance March 31, 2021	Recognised in profit or loss	Recognised in OCI	Net balance March 31, 2022
Deferred tax assets				
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	75.63	13.83	(3.22)	86.24
Impact of provision for expected credit loss on loans	838.42	(62.70)		775.72
Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	2.02	8.70		10.72

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on Consolidated Financial Statements for the year ended March 31, 2023

(Currency : ₹ in lakhs)

Particulars	Net balance March 31, 2021	Recognised in profit or loss	Recognised in OCI	Net balance March 31, 2022
Impact of leases under Ind AS 116	7.04	(4.22)		2.82
EIR impact of financial asssets and liabilities	60.29	(22.89)		37.40
Share based payment	7.72	(1.52)		6.20
Others	-	-		-
(A)	**991.12**	**(68.80)**	**(3.22)**	**919.10**
Deferred tax liabilities				
Impact of amortisation of anciallary borrowing cost	119.00	1.56		120.56
Remeasurement of defined benefit plan		-		-
EIR impact of financial asssets and liabilities	86.49	(46.51)		39.98
Impact of direct assignment and securitisaton transactions	821.63	(73.88)		747.75
Interest income recognised on stage 3 loans	74.43	28.64		103.07
Others	6.24	(3.53)		2.71
(B)	**1,107.79**	**(93.72)**	**-**	**1,014.07**
Deferred tax assets (net) (A-B)	**(116.67)**	**24.92**	**(3.22)**	**(94.98)**

(c) Reconciliation of effective tax rate

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
	₹	₹
Profit before tax as per Statement of profit and loss (A)	8,248.34	6,838.43
Applicable income tax rate	25.17%	25.17%
Expected Income Tax Expense (B)	2,075.94	1,721.10
Tax effect of:		
Effect of income exempt from tax	(0.55)	(0.55)
Effect of expenses/provisions not deductible in determining taxable profit	57.95	61.95
Effect of differential tax rate	-	-
Adjustment related to tax of prior years	12.91	10.06
Others	(49.89)	(67.15)
Income tax expense	**2,096.38**	**1,725.42**

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30 Employee Benefits

a. Defined contribution plan - provident funds

In accordance with Employees' Provident Fund and Miscellaneous Provisions Act, 1952, employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which, both the employee and the Company contribute monthly at a determined rate. These contributions are made to a recognized provident fund administered by Regional Provident Fund Commissioner. The employees contribute 12% of their basic salary and the Company contributes an equal amount.

The Company recognised ₹ 329.63 lakhs (PY: ₹ 231.42 lakhs) for year ended March 31, 2023, for provident fund and other contributions in the Statement of profit and loss.

b. Defined Benefit Plan - Gratuity

The Company has a defined benefit gratuity plan (unfunded). Every employee who has completed five years or more of service is eligible for gratuity on cessation of employment and it is computed at 15 days salary (last drawn salary) for each completed year of service subject to limit of ₹ 20 lakhs as per The Payment of Gratuity Act. 1972.

The following tables summarizes the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the Balance Sheet for the gratuity plan.

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of obligation (A)	205.78	152.37
Fair Value of plan assets (B)	-	-
Present value of obligation (A- B)	**205.78**	**152.37**

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Obligation expected to be settled in the next 12 months	16.72	10.64
Obligation expected to be settled beyond next 12 months	189.06	141.73

Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

(Currency : ₹ in lakhs)

Particulars	Defined Benefit Obligation		Fair Value of plan assets		Net defined benefit (asset) liability	
	March 31, 2023.	March 31, 2022.	March 31, 2023.	March 31, 2022.	March 31, 2023.	March 31, 2022.
Opening balance	152.37	127.59	-	-	152.37	127.59
Current service cost	62.11	40.84	-	-	62.11	40.84
Past service cost	-	-	-	-	-	-
Interest cost (income)	11.13	8.41	-	-	11.13	8.41
Defined benefit cost included in P&L	**73.23**	**49.26**	**-**	**-**	**73.24**	**49.26**

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(Currency : ₹ in lakhs)

Particulars	Defined Benefit Obligation		Fair Value of plan assets		Net defined benefit (asset) liability	
	March 31, 2023.	March 31, 2022.	March 31, 2023.	March 31, 2022.	March 31, 2023.	March 31, 2022.
Other comprehensive income						
Remeasurement loss (gain) due to:						
Demographic assumptions	-	-	-	-	-	-
Financial assumption	(2.04)	(5.39)	-	-	(2.04)	(5.39)
Experience adjustments	(15.37)	(7.41)	-	-	(15.37)	(7.41)
Total remeasurements in OCI	**(17.41)**	**(12.80)**	**-**	**-**	**(17.41)**	**(12.80)**
Others						
Benefits paid	(2.42)	(11.67)	-	-	(2.42)	(11.67)
Closing balance	**205.79**	**152.38**	**-**	**-**	**205.79**	**152.38**

Actuarial assumptions:

The following were the principal actuarial assumptions at the reporting date:

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
IKF FINANCE LIMITED		
Discount rate	7.51%	7.33%
Salary escalation rate	6.00%	6.00%
Withdrawal/attrition rate (based on categories)	9.00%	9.00%
Mortality rate (as % of IALM (2012-14) Ult. Mortality Table)	100.00%	100.00%
Disability rate	0.00%	0.00%
Expected weighted average remaining working lives of employees	**25.36 years**	**24.90 years**
IKF HOME FINANCE LIMITED		
Discount rate	7.50%	7.47%
Salary escalation rate	5.00%	5.00%
Withdrawal/attrition rate (based on categories)	5.95%	5.95%
Mortality rate (as % of IALM (2012-14) Ult. Mortality Table)	100.00%	100.00%
Disability rate	0.00%	0.00%
Expected weighted average remaining working lives of employees	**24.79 years**	**25.08 years**

Notes:

a) The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields / rates available on applicable bonds as on the current valuation date.

b) The salary growth rate indicated above is the Company's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

c) Attrition rate indicated above represents the Company's best estimate of employee turnover in future (other than on account of retirement, death or disablement) determined considering various factors such as nature of business, retention policy, industry factors, past experience, etc.

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Sensitivity analysis:

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	As at March 31, 2023		As at March 31, 2022	
	Increase	Decrease	Increase	Decrease
Salary escalation Rate (+/- 1%)	222.27	191.08	164.50	141.45
IKF Finance	7.00%	-6.31%	7.20%	-6.50%
IKF Home Finance	11.06%	-9.64%	11.10%	-9.70%
Discount Rate (+/- 1%)	191.41	222.18	141.61	164.64
IKF Finance	-6.34%	7.18%	-6.60%	7.50%
IKF Home Finance	-8.90%	10.36%	-9.00%	10.40%
Withdrawal Rate (+/- 1%)	205.94	205.40	152.67	151.93
IKF Finance	0.10%	-0.17%	0.20%	-0.20%
IKF Home Finance	0.03%	-0.23%	0.20%	-0.50%

The Sensitivity is performed on the defined benefit obligation at the respective valuation date by modifying one parameter whilst retaining other parameters constant. There are no changes from the previous year to the methods and assumptions underlying the sensitivity analyses.

Expected future contributions

The Best Estimate Contribution for the Company during the next year would be ₹ Nil

Expected cash flow for following years:

Maturity Profile of Defined Benefit Obligations

Year 1	16.82
Year 2	15.57
Year 3	33.91
Year 4	15.92
Year 5	24.15
Year 6	17.49
Year 7	16.21
Year 8	16.43
Year 9	17.91
Year 10	18.72
Year 11+	225.84

The weighted average duration of the defined benefit obligation for IKF Finance is 7.77 (for IKF Home Finance is 10.83)

c. Compensated absences :

The Company provides for accumulated compensated absences as at the balance sheet date using projected unit credit method based on actuarial valuation.

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of unfunded obligation	56.12	194.71
Expenses recognised in the Statement of Profit and Loss	(104.57)	47.07

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31 Earnings per share

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Profit for the year	6,151.96	5,113.01
Weighted average number of equity shares used in calculating basic earnings per share	536.99	516.78
Effect of potential dilutive Equity Shares on account of unexercised employee stock options	0.19	0.23
Weighted average number of equity shares and potential equity shares used in calculating diluted earnings per share	537.18	517.01
Basic earnings per share	**11.46**	**9.89**
Diluted earnings per share	**11.45**	**9.89**

32 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Promoters of the Company. The Company operates only in one Business Segment i.e. lending, since the nature of the loans are exposed to similar risks and return profiles, hence they are collectively operating under a single segment. Accordingly the Company does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

33 Transfer of financial assets

Transfer of financial assets that are not derecognised in their entirety

(i) Securitisations:

The Company uses securitisations as a source of finance. Such transactions generally result in the transfer of contractual cash flows from portfolios of financial assets to holders of issued debt securities. Securitisation has resulted in the continued recognition of the securitised assets.

The table below outlines the carrying amounts and fair values of all financial assets transferred that are not derecognised in their entirety and associated liabilities.

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Carrying amount of transferred assets measured at amortised cost	-	1,195.10
Carrying amount of associated liabilities	-	871.72

The carrying amount of above assets and liabilities is a reasonable approximation of their fair values.

Transfer of financial assets which qualify for derecognition in their entirety

(i) Assignment transaction

The Company has sold loans and advances measured at amortised cost under assignment deals, as a source of finance. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the buyer, the assets have been derecognised from the Company's balance sheet.

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The gain arising on said transactions are recorded upfront by discounting the future cash flows accruing in the form of differential interest on such assigned loan to their present values.

The table below summarises the carrying amount of the Excess Interest Spread (EIS) receivable on above transaction which are derecognised.

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Carrying amount of EIS receivable	3,972.47	2,719.59

34 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	27,817.26	-	27,817.26	9,664.31	-	9,664.31
Bank Balance other than cash and cash equivalents	4,280.30	1,818.49	6,098.79	1,274.79	1,258.86	2,533.65
Receivables	-	-	-	-	-	-
(I) Trade receivables	-	-	-	28.35	-	28.35
(II) Other receivables	-	-	-	-	-	-
Loans	78,156.11	1,90,763.93	2,68,920.04	66,585.00	1,22,602.27	1,89,187.27
Investments	20,047.82	-	20,047.82	-	1,727.82	1,727.82
Other Financial assets	1,422.84	3,239.08	4,661.93	942.76	2,166.56	3,109.33
Sub total	**1,31,724.33**	**1,95,821.50**	**3,27,545.84**	**78,495.22**	**1,27,755.50**	**2,06,250.73**
Non-financial assets						
Current Tax assets (Net)	372.98	27.57	400.55	183.04	17.91	200.95
Deferred Tax assets (Net)	-	-	-	-	70.34	70.34
Investment Property	-	72.14	72.14	-	114.31	114.31
Property, plant and equipment	-	363.00	363.00	-	343.00	343.00
Right to Use Assets	-	313.23	313.23	-	19.67	19.67
Other intangible assets	-	236.22	236.22	-	175.97	175.97
Other non-financial assets	9.35	3,475.36	3,484.71	10.55	1,069.67	1,080.22
Sub total	**382.33**	**4,487.52**	**4,869.85**	**193.59**	**1,810.86**	**2,004.46**
Total assets	**1,32,106.66**	**2,00,309.02**	**3,32,415.70**	**78,688.81**	**1,29,566.37**	**2,08,255.18**
LIABILITIES AND EQUITY						
LIABILITIES						
Financial liabilities						
Derivative Financial Instruments	5.40	-	5.40	58.68	-	58.68

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(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Payables						
(I) Trade payables and Other payables						
(i) total outstanding dues of creditors of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	113.02	-	113.02	8.84	-	8.84
Debt Securities	23,187.85	3,452.82	26,640.67	4,532.76	19,275.16	23,807.92
Borrowings (Other than Debt Securities)	91,456.86	1,21,624.93	2,13,081.79	72,002.86	60,136.21	1,32,139.08
Subordinated Liabilities	8.98	16,336.07	16,345.06	1,537.37	4,466.08	6,003.45
Other Financial liabilities	5,188.59	280.32	5,468.91	2,850.19	229.96	3,080.15
Sub total	**1,19,960.69**	**1,41,694.15**	**2,61,654.84**	**80,990.70**	**84,107.42**	**1,65,098.11**
Non-Financial liabilities						
Current tax liabilities (Net)	-	-	-	-	-	-
Provisions	26.72	235.17	261.89	31.80	313.55	345.34
Deferred tax liabilities (Net)	188.82	275.55	464.37	-	165.35	165.35
Other non-financial liabilities	674.25	-	674.25	157.27	-	157.27
Sub total	**889.78**	**510.72**	**1,400.50**	**189.07**	**478.89**	**667.96**
Total liabilities	**1,20,850.48**	**1,42,204.87**	**2,63,055.35**	**81,179.77**	**84,586.31**	**1,65,766.07**

35 Changes in liabilities arising from financing activities

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	Cash Flows (net)	Others (net)*	As at March 31, 2023
Subordinated liabilities	6,003.45	10,500.00	(158.39)	16,345.06
Debt securities	23,807.92	2,750.08	82.68	26,640.68
Borrowing other than debt securities	1,32,139.07	82,050.17	(1,107.57)	2,13,081.67
	1,61,950.44	**95,300.24**	**(1,183.28)**	**2,56,067.40**

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2021	Cash Flows (net)	Others (net)*	As at March 31, 2022
Subordinated liabilities	5,986.80	-	16.65	6,003.45
Debt securities	43,210.76	(17,950.00)	(1,452.85)	23,807.92
Borrowing other than debt securities	92,148.70	50,018.55	(10,028.18)	1,32,139.07
	1,41,346.25	**32,068.55**	**(11,464.38)**	**1,61,950.44**

* Others column includes the effect of accrued but not paid interest on borrowing, amortisation of processing fees and cash flows from securitisation etc.

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36 Employee Stock Option Plan (ESOP)

The Company had granted 5,62,860 Equity shares (face value of ₹ 10/- each) under Employee Stock Option Plan 2019 on June 11, 2019 to the employees of IKF Finance Limited. The shares will vest gradually and vesting of these shares is dependent on continued employment with the company.

A. Expenses arising from share-based payment transactions

Total expenses arising from equity - settled share-based payment transaction recognised in profit or loss as part of employee benefit expense for the year ended March 31, 2023 is ₹ (4.00) lakhs (March 31, 2022 - ₹ (6.03) lakhs).

B. Movement during the year

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number	WAEP	Number	WAEP
Outstanding at 1 April	2,06,000.00	120.00	3,56,930.00	120.00
Granted during the year	-		-	
Forfeited during the year	59,200.00	120.00	1,50,930.00	120.00
Exercised during the year	-		-	
Expired during the year	-		-	
Outstanding at 31 March	1,46,800.00	120.00	2,06,000.00	120.00
Exercisable at 31 March	1,02,760.00	120.00	92,700.00	120.00

No Share options granted during the year. No options were vested or exercised during the year.

The weighted average remaining contractual life for the share options outstanding as at March 31, 2023 is 0.15 years (March 31, 2022: 0.58 years).

The weighted average fair value of options granted during the year ending March 31, 2020 was 14.79

C. Fair value of options granted

The weighted average fair value of options granted during the year ending March 31, 2020 was 14.79. The fair value of options was determined using the Black Scholes Model using the following inputs as follows :

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Weighted average fair values at the measurement date	14.79	14.79
Expected volatility (%)	0.36%	0.36%
Risk–free interest rate (%)	4.50%	4.50%
Expected life of share options/SARs (years)	1.30 years to 4.30 years	1.30 years to 4.30 years
Weighted average share price (₹)	120.00	120.00

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

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37 Contingent liabilities and commitments

In the ordinary course of business, the Company faces claims and assertions by various parties. The Company assesses such claims and assertions and monitors the legal environment on an ongoing basis, with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

The Company believes that the outcome of these proceedings will not have a materially adverse effect on the Company's financial position and results of operations.

36.1 Contingent Liability

There are no Contingent Liabilities as on March 31, 2023 (March 31, 2022: ₹ 0.)

36.2 Commitment

There are no commitment as on March 31, 2023 (March 31, 2022: ₹ 0.)

38 Leases

Company as a Lessee

The Company's lease asset classes primarily consist of leases for office spaces. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:(i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) . For these short-term leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

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The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Following are the changes in the carrying value of right of use assets

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening	19.66	45.68
Additions	457.34	4.89
Deletion	(8.92)	(0.74)
Depreciation	(154.86)	(30.19)
Closing Balance	**313.21**	**19.66**

The following is the movement in lease liabilities :

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning	20.09	48.89
Additions	428.95	4.80
Finance cost accrued during the period	36.00	3.79
Payment of lease liabilities	(162.74)	(37.38)
Balance at the end	**322.30**	**20.09**

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Less than 3 months	44.40	3.74
Over 3 months & upto 6 months	44.56	3.93
Over 6 months & upto 1 year	88.98	5.69
Over 1 year & upto 3 years	177.42	14.72
Over 3 years	6.89	6.41

The following are the amounts recognised in statement of profit or loss:

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Depreciation expense of right-of-use assets	154.86	30.19
Interest expense on lease liabilities	36.00	3.79
Expense relating to short-term leases	420.81	241.29
Total amount recognised in profit or loss	**611.66**	**275.27**

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Future Commitments:

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023
Future undiscounted lease payments for which the leases have not yet commenced	-

Extension / Termination Options:

Some of the leases contain extension and termination options. Such options are taken into account in the determination of the lease term only if extension or non-termination can be assumed with reasonable certainty. On this basis, there were no such amounts included in the measurement of lease liabilities as at March 31, 2023.

39 Capital Management

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximise the shareholder value. The Group monitors capital in accordance with the capital adequacy ratio prescribed by the Reserve Bank of India ("RBI")/ National Housing Bank ("NHB") as applicable.

40 Fair Value Measurement:

A. Valuation Principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques:

Level 1 - Valuation technique using quoted market price: financial instruments with quoted prices for identical instruments in active markets that Company can access at the measurement date.

Level 2 - Valuation technique using observable inputs: Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life.

Level 3 - Valuation technique with significant unobservable inputs: Those that include one or more unobservable input that is significant to the measurement as whole.

Particulars		Fair Value		Fair Value Hierarchy	Valuation Technique	Key Inputs for Level 2 & Level 3	Significant unobservable input(s) for Level 3
Financial Assets	Category	As at March 31, 2023	As at March 31, 2022				
Investment in Mutual Funds	FVTPL	1,200.00	0.00	Level 1	Mark-to-Market of the unit	NAV of the unit	NA
Investment in Market Linked Debentures	FVTPL	15,960.75	0.00	Level 2	Mark-to-Market of the debt insrument	Valuation received from the rating agency	NA

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B. Fair value of financial instrument not measured at fair value:

The table below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non-financial assets and non-financial liabilities.

(Currency : ₹ in lakhs)

Particulars	Level	Carrying value		Fair value	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Financial Assets					
Cash and cash equivalents	1	27,817.26	9,664.31	27,817.26	9,664.31
Bank Balance other than cash and cash equivalents	1	6,098.78	2,533.65	6,098.78	2,533.65
Trade receivables	2	-	-0.01	-	-0.01
Loans	2	2,68,920.04	1,89,210.12	2,70,187.33	1,93,909.76
Rent and utility deposits	2	373.95	299.17	373.95	299.17
EIS receivable	2	3,972.47	2,719.59	3,972.47	2,719.59
Other financial assets	2	412.74	203.00	412.74	203.00
Investment in debentures	2	4,087.07	-	4,087.07	-
		3,11,682.32	**2,04,629.83**	**3,12,949.61**	**2,09,329.47**
Financial Liabilities					
Derivative financial instruments	2	5.40	58.68	5.40	58.68
Trade Payables	2	113.02	7.09	113.02	7.09
Debt securities	2	26,640.67	23,807.91	27,054.91	24,127.77
Borrowings (other than debt securities)	2	2,13,081.79	1,32,139.07	2,12,817.33	1,32,136.20
Subordinated Liabilities	2	16,345.06	6,003.45	16,458.38	6,099.99
Other financial liabilities	2	4,026.93	3,103.00	3,616.17	3,103.00
Total Financial liabilities		**2,60,212.87**	**1,65,119.20**	**2,60,065.22**	**1,65,532.71**

Valuation Methodologies of Financial Instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables and, as such, may differ from the techniques and assumptions explained in notes.

Short Term Financial Assets and Liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, bank balance other than cash and cash equivalents, trade receivables, rent and utility deposits and other financial liabilities.

Loans and advances to customers

The fair values of loans are estimated by discounted cash flow models based on contractual cash flows using actual or estimated yields.

Borrowings other than debt securities, Debt securities and Subordinated liabilities

The fair value of issued debt is estimated by a discounted cash flow model incorporating the Company's own credit risk.

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EIS receivable

EIS receivable is calculated by discounting the contractual future cash flows. The carrying value closely approximates its fair value.

C. Categories of Financial Instruments :

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023			
	Amortised cost	At Fair Value Through profit or loss	At Deemed Cost	Total
Cash and cash equivalents	27,817.26	-	-	27,817.26
Bank Balance other than included in (a) above	6,098.78	-	-	6,098.78
Loans	2,68,920.04	-	-	2,68,920.04
Investments	4,087.07	17,160.75	-	21,247.83
Other financial assets	4,759.15	-	-	4,759.15
Total	**3,11,682.31**	**17,160.75**	**-**	**3,28,843.06**
Derivative financial instruments	5.40	-	-	5.40
Trade Payables	113.02	-	-	113.02
Debt securities	26,640.67	-	-	26,640.67
Borrowings (other than debt securities)	2,13,081.79	-	-	2,13,081.79
Subordinated Liabilities	16,345.06	-	-	16,345.06
Other financial liabilities	4,026.93	-	-	4,026.93
Total	**2,60,212.88**	**-**	**-**	**2,60,212.88**

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022			
	Amortised cost	At Fair Value Through profit or loss	At Deemed Cost	Total
Cash and cash equivalents	9,664.31			9,664.31
Bank Balance other than included in (a) above	2,533.65	-	-	2,533.65
Receivables		-	-	-
(I) Trade receivables	0.00	-	-	-
(II) Other receivables		-	-	-
Loans	1,89,210.12	-	-	1,89,210.12
Investments	0.00	-	-	-
Other financial assets	3,221.75	-	-	3,221.75
Total	**2,04,629.83**	**-**	**-**	**2,04,629.83**
Derivative financial instruments	58.68	-	-	58.68
Trade Payables	7.09	-	-	7.09
Debt securities	23,807.91	-	-	23,807.91
Borrowings (other than debt securities)	1,32,139.07	-	-	1,32,139.07
Subordinated Liabilities	6,003.45	-	-	6,003.45
Other financial liabilities	3,103.00	-	-	3,103.00
Total	**1,65,119.19**	**-**	**-**	**1,65,119.19**

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41 Risk management

Risk is an integral part of the Company's business and sound risk management is critical to the success. As a financial intermediary, the Company is exposed to risks that are particular to its lending and the environment within which it operates and primarily includes credit, liquidity and market risks. The Board of Directors of the Company are responsible for the overall risk management approach and for approving the risk management strategies and principles. The Company has a risk management policy which covers all the risk associated with its assets and liabilities.

41.1 Introduction and Risk Profile

Risk management and mitigation

The Company's risks are measured using a method that reflects both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the ultimate actual loss. The models make use of probabilities derived from historical experience, adjusted to reflect the economic environment, as necessary.

The Company's policy is to measure and monitor the overall risk-bearing capacity in relation to the aggregate risk exposure across all risk types and activities.

It is the Company's policy to ensure that a robust risk awareness is embedded in its organisational risk culture. Employees are expected to take ownership and be accountable for the risks the Company is exposed to that they decide to take on. The Company's continuous training and development emphasises that employees are made aware of the Company's risk appetite and they are supported in their roles and responsibilities to monitor and keep their exposure to risk within the Company's risk appetite limits.

The Company is generally exposed to credit risk, liquidity risk, market risk, prepayment risk and operational risk.

41.2 Credit Risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical concentrations, and by monitoring exposures in relation to such limits.

Credit risk is monitored by the credit department of the Company. It is their responsibility to review and manage credit risk. Credit risk consists of line credit managers who are responsible for their business lines and manage specific portfolios and experts who support both the line credit manager, as well as the business with tools like credit risk systems, policies, models and reporting.

The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

Impairment assessment

The references below show where the Company's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the summary of significant accounting policies.

Definition of default and cure

The Company considers a financial instrument as defaulted and therefore Stage 3 (credit-impaired) for Expected Credit Loss (ECL) calculations in all cases when the borrower becomes more than 3 months past due on its contractual payments.

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The staging criteria used by the Company is as below:

Loans months past due	Stage
Upto 1 month	Stage 1
Between 1 month to 3 months	Stage 2
More than 3 months	Stage 3

The Company considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes past due for more than 3 months on its contractual payments.

It is the Company's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage 3 when the due amount have been paid. The decision whether to classify an asset as Stage 2 or Stage 1 once cured depends on the updated credit grade, at the time of the cure, and whether this indicates there has been a significant increase in credit risk compared to initial recognition.

Exposure at default (EAD)

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the ability to increase its exposure while approaching default and potential early repayments too.

To calculate the EAD for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12 months ECL.

For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments.

Probability of default (PD)

The Probability of Default is an estimate of the likelihood of default over a given time horizon. To calculate the ECL for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12month ECL. For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments. The Company uses historical information wherever available to determine PD

Loss given Default (LGD)

LGD is the estimated loss that the Company might bear if the borrower defaults. The Company determines its recovery (net present value) by analysing the recovery trends, borrower rating, collateral value and expected proceeds from sale of asset.

LGD Rates have been computed internally based on the discounted recoveries in defaulted accounts that are closed/ written off/ repossessed and upgraded during the year.

When estimating ECLs on a collective basis for a group of similar assets, the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

Significant increase in credit risk

The Company continuously monitors all assets subject to ECLs in order to determine whether an instrument or a portfolio of instruments is subject to 12 month ECL or lifetime ECL. The Company assesses whether there has been an event which could cause a significantly increase in the credit risk of the underlying asset or the customers ability to pay and accordingly change the 12 month ECL to a lifetime ECL.

If contractual payments are more than 30 days past due, the credit risk is deemed to have increased significantly since initial recognition.

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Concentration of Credit Risk

Company's loan portfolio is predominantly to finance commercial vehicle loans. The Company manages concentration of risk primarily by geographical region. The following tables show the region-wise concentrations of net terms loans.

(Currency : ₹ in lakhs)

Geography	March 31, 2023.	March 31, 2022.
West	73,780.55	45,578.55
Central	8,709.95	5,531.19
South	1,89,758.74	1,41,712.59
	2,72,249.24	**1,92,822.33**

Quantitative Information of Collateral

Net value of total term loans to value of collateral is as follows:

As at March 31, 2023	Loan to value			
	Upto 50%	51%-70%	More than 70%	Total
Cars & Muvs	1,130.94	23,463.73	12,695.19	37,289.86
Commercial Vehicles	1,578.17	31,736.73	29,246.64	62,561.54
Construction Equipment	4,047.76	17,681.56	23,318.34	45,047.66
Three Wheeler	34.88	10,852.93	1,572.51	12,460.32
Tractor	152.27	2,362.86	408.85	2,923.98
Two Wheeler	894.05	1,080.67	462.34	2,437.06
SME	39,829.78	4,335.27	6,759.09	50,924.14
Home Loans	21,327.21	11,401.02	8,194.21	40,922.43
Loans Against Property	13,607.70	4,074.53	-	17,682.24
Total	**82,602.75**	**1,06,989.31**	**82,657.18**	**2,72,249.24**

As at March 31, 2022	Loan to value			
	Upto 50%	51%-70%	More than 70%	Total
Cars & Muvs	1,224.12	19,288.11	10,382.32	30,894.55
Commercial Vehicles	2,350.49	28,154.20	14,292.21	44,796.91
Construction Equipment	3,477.80	14,367.04	12,146.46	29,991.30
Three Wheeler	48.26	9,201.86	1,808.16	11,058.28
Tractor	203.45	2,018.47	381.49	2,603.41
Two Wheeler	1,139.12	1,041.94	772.97	2,954.04
SME	6,491.94	4,304.85	26,213.51	37,010.29
Home Loans	13,260.53	7,638.60	5,661.22	26,560.35
Loans Against Property	5,066.76	1,886.45	-	6,953.21
Total	**33,262.49**	**87,901.51**	**71,658.33**	**1,92,822.33**

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41.3 Liquidity Risk

In assessing the Company's liquidity position, consideration shall be given to: (1) present and anticipated asset quality (2) present and future earnings capacity (3) historical funding requirements (4) current liquidity position (5) anticipated future funding needs, and (6) sources of funds. The Company maintains a portfolio of marketable assets that are assumed to be easily liquidated and undrawn cash credit limits which can be used in the event of an unforeseen interruption in cash flow. The Company also enters into securitization deals (direct assignment as well as pass through certificates) of their loan portfolio, the funding from which can be accessed to meet liquidity needs. Net liquid assets consist of cash and short–term bank deposits. Borrowings from banks and financial institutions and issue of Non convertible debentures are considered as important sources of funds to finance lending to customers.

Analysis of financial assets and liabilities by remaining contractual maturities:

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at March 31, 2023.

(Currency : ₹ in lakhs)

Particulars	Less than 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years	Total
Financial assets						
Cash and cash equivalents	11,017.27	-	16,800.00	-	-	27,817.27
Bank Balance other than included in (a) above	3,587.71	514.95	294.64	1,389.27	525.62	6,312.19
Trade receivables	-	-	-	-	-	-
Loans	24,748.10	27,675.19	53,390.47	1,44,237.01	75,699.50	3,25,750.28
Investments	21,247.82	-	-	-	10,762.73	32,010.55
Other financial assets	905.46	405.27	623.18	902.09	2,402.13	5,238.12
Total undiscounted financial assets	**61,506.36**	**28,595.41**	**71,108.28**	**1,46,528.36**	**89,389.97**	**3,97,128.39**
Financial liabilities						
Derivative Financial Instruments	5.40	-	-	-	-	5.40
Trade payables	113.05	-	-	-	-	113.05
Other payables	-	-	-	-	-	-
Subordinated Liabilities	566.01	571.32	1,137.10	4,539.82	20,644.59	27,458.84
Debt securities	11,087.95	6,008.61	7,116.57	3,732.82	-	27,945.95
Borrowings (other than debt securities)	22,596.67	19,715.81	61,807.80	1,03,433.13	27,736.79	2,35,290.19
Deposits	-	-	-	-	-	-
Other financial liabilities	2,697.91	60.50	534.65	279.57	102.60	3,675.23
Total undiscounted financial liabilities	**37,066.98**	**26,356.24**	**70,596.13**	**1,11,985.33**	**48,483.99**	**2,94,488.65**
Net undiscounted financial assets / (liabilities)	**24,439.38**	**2,239.17**	**512.15**	**34,543.03**	**40,905.99**	**1,02,639.74**

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The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at March 31, 2022.

(Currency : ₹ in lakhs)

Particulars	Less than 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years	Total
Financial assets						
Cash and cash equivalents	9,664.31	-	-	-	-	9,664.31
Bank Balance other than included in (a) above	267.49	906.32	122.85	999.25	325.00	2,620.91
Trade receivables	28.35	-	-	-	-	28.35
Loans	33,001.98	19,577.19	34,008.99	99,087.66	45,377.40	2,31,053.21
Investments	-	-	-	-	6,252.92	6,252.92
Other financial assets	548.52	304.80	465.72	507.25	1,690.74	3,517.03
Total undiscounted financial assets	**43,510.65**	**20,788.31**	**34,597.56**	**1,00,594.16**	**53,646.06**	**2,53,136.73**
Financial liabilities						
Derivative Financial Instruments	58.68	-	-	-	-	58.68
Trade payables	8.84	-	-	-	-	8.84
Other payables	-	-	-	-	-	-
Subordinated Liabilities	198.70	1,696.45	304.02	1,221.46	5,084.17	8,504.80
Debt securities	1,949.37	1,210.81	2,640.40	20,085.06	-	25,885.64
Borrowings (other than debt securities)	14,925.73	11,994.62	52,883.78	54,335.51	10,540.54	1,44,680.17
Deposits	-	-	-	-	-	-
Other financial liabilities	2,787.82	18.60	77.09	275.92	8.48	3,167.89
Total undiscounted financial liabilities	**19,929.14**	**14,920.48**	**55,905.29**	**75,917.95**	**15,633.18**	**1,82,306.03**
Net undiscounted financial assets / (liabilities)	**23,581.51**	**5,867.83**	**(21,307.73)**	**24,676.21**	**38,012.87**	**70,830.70**

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The table below shows the contractual expiry by maturity of the Company's contingent liabilities and commitments. Each undrawn loan commitment is included in the time band containing the earliest date it can be drawn down.

(Currency : ₹ in lakhs)

Particulars	On demand	Less than 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years
As at March 31, 2023						
Guarantees and counter guarantees	-	-	-	-	-	-
Estimated amount of contracts remaining to be executed on capital account, net of advances	-	-	-	-	-	-
Total commitments	**-**	**-**	**-**	**-**	**-**	**-**
As at March 31, 2022						
Guarantees and counter guarantees	-	-	-	-	-	-
Estimated amount of contracts remaining to be executed on capital account, net of advances	-	-	-	-	-	-
Total commitments	**-**	**-**	**-**	**-**	**-**	**-**

41.4 Market Risk

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity, and other market changes. The objective of market risk management is to avoid excessive exposure of our earnings and equity to loss and reduce our exposure to the volatility inherent in financial instruments. There are broadly two types of market risks: (1) Interest rate risk, and (2) Price risk. The Company has not made investments in quoted equity instruments or other quoted investments and hence is not exposed to Equity price risk. Interest rate risk is discussed below:

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is subject to interest rate risk, primarily since it lends to customers at fixed rates and for maturity periods shorter than the funding sources.

The Company has taken borrowings at floating rates gives rise to interest rate risk. Interest rates are highly sensitive to many factors beyond control, including the monetary policies of the Reserve Bank of India, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. In order to manage interest rate risk, the Company seek to optimize borrowing profile between short-term and long-term loans. The Company adopts funding strategies to ensure diversified resource-raising options to minimize cost and maximize stability of funds. Assets and liabilities are categorized into various time buckets based on their maturities. The Interest Rate Risk is mitigated by availing funds at very competitive rates through diversified borrowings and for different tenors.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the portion of borrowings affected. With all other variables held constant, the profit before taxes affected through the impact on floating rate borrowings are as follows:

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(Currency : ₹ in lakhs)

Impact on Profit before taxes	As at March 31, 2023	As at March 31, 2022
On Floating Rate Borrowings:		
1% increase in interest rates	(1,642.26)	(550.43)
1% decrease in interest rates	1,642.26	550.22

41.5 Prepayment risk

Prepayment risk is the risk that the Company will incur a financial loss because its customers and counterparties repay or request repayment earlier or later than expected, such as fixed rate loans like ours when interest rates fall.

41.6 Operational and business risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

41.7 Currency Risk

The Company is exposed to currency risk on account of its borrowings in foreign currency. The fluctuation currency of the Company is Indian Rupee. The Company uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date.

The Company does not use derivative financial instruments for trading or speculative purposes.

Following are the forward contracts to hedge the foreign exchange rate as March 31, 2023 and March 31, 2022

Particulars	purpose	Currency	Cross Currency	As at March 31, 2023	As at March 31, 2022
Forward Conracts	Term Loan	USD	₹	-53	3

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42 Related Party Disclosure

a. Name of related party and nature of relationship:

Enterprises having a significant influence	India Business Excellence Fund -IIA
	Vistra ITCL (india) Limied (formerly known as IL and FS trust Company Limited) (Trustee of Business Excellence Trust -II - India Business Excellence Fund - II)
Subsidiary	IKF Home Finance Limited (formerly known as IKF Housing Finance Private Limited)
Enterprises in which directors are interested	SVR Finance & Leasing Private Limited
Enterprises significantly influenced by Key Management Personnel and their relatives	IKF Infratech Private Limited
Relative of Key Management Personnel	Mrs. D. Vasantha Lakshmi - Managing Director (IKF Home Finance Limited) Mr. V. Raghu Ram Mr. Sinha Satyanand Chunduri Mrs. Durga Rani Chunduri
Key Management Personnel (KMP)	Mr V.G.K.Prasad — Chairman Mrs. V. Indira Devi — Whole time Director Mrs. K Vasumathi Devi — Managing Director Mr.Sreepal Gulabchand Jain-Chief Financial Officer(Upto 10th February 2023) Mr. Ch.Sreenivasa Rao - Company Secretary Mr. Vishal Kumar Joshi- Company Secretary (IKF Home Finance Limited) Mr. Aravind J - Chief Financial Officer (10th February 2023 to Present) (IKF Home Finance Limited)

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b. Transaction with related parties:

Name of related party	Nature of transaction	For the FY 2022					For the FY 2023			
		As at March 31, 2021	Transaction value for the year ended March 31, 2022	Received During the year	Paid During The year	As at March 31, 2022	Transaction value for the year ended March 31, 2023	Received During the year	Paid During the Year	As at March 31, 2023
Key management personnel										
Mr. V G K Prasad	Rent paid	-	21.60	-	-	-	21.60	-	-	-
	Director's remuneration	-	75.83	-	-	-	84.00	-	-	-
	Director Commission Payable	41.55	51.02	-	41.55	51.02	63.27	-	51.02	63.27
	Rent deposit given	50.00	-	-	-	50.00	-	-	-	50.00
	Advance Received	-	-	-	-	-	-	-	-	-
	Interest paid on advance	-	-	-	-	-	-	-	-	-
	Share Capital (₹ 10/- Paid up)	1587.56*	-	-	-	1974.32*	-	-	-	1985.36*
	Partly paid up shares (₹ 10 Paid Up) **	283.97	-	66.61	-	-	-	-	-	-
	Premium on partly paid up shares **	1,777.38	-	416.92	-	-	-	-	-	-
	Share Capital (₹ 10/- Paid up) in IKF Home Finance***	0.00	-	-	-	0.00	-	-	-	0.00
	Partly paid up shares (₹ 5.00 Paid Up) in IKF Home Finance	236.89	-	-	-	236.89	-	-	-	-
	Partly paid up shares (₹ 6.77 Paid Up) in IKF Home Finance	-	-	-	-	-	-	83.86	-	320.75
	Unsecured Loan in IKF Home Finance	119.19	-	-	119.19	-	-	-	119.19	-
Mrs. V Indira Devi	Rent paid	-	48.00	-	-	-	48.00	-	-	-
	Director's remuneration	-	32.50	-	-	-	36.00	-	-	-
	Director Commission Payable	17.68	21.71	-	17.68	21.71	26.92	-	21.71	26.92
	Rent deposit given	38.50	-	-	-	38.50	-	-	-	38.50
	Share Capital (₹ 10/- Paid up)	132.69	-	-	-	164.81	-	-	-	164.81
	Partly paid up shares (₹ 10 Paid Up) **	26.02	-	6.10	-	-	-	-	-	-
	Premium Received on Allotment of Partly Paid up Shares **	162.86	-	38.20	-	-	-	-	-	-
	Share Capital (₹ 10/- Paid up) in IKF Home Finance***	0.00	-	-	-	0.00	-	-	-	0.00
	Partly paid up shares (₹ 5.00 Paid Up) in IKF Home Finance	21.71	-	-	-	21.71	-	-	-	-
	Partly paid up shares (₹ 6.77 Paid Up) in IKF Home Finance	-	-	-	-	-	-	7.68	-	29.39
	Unsecured Loan in IKF Home Finance	10.92	-	-	10.92	-	-	-	-	10.92

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Name of related party	Nature of transaction	For the FY 2022					For the FY 2023			
		As at March 31, 2021	Transaction value for the year ended March 31, 2022	Received During the year	Paid During The year	As at March 31, 2022	Transaction value for the year ended March 31, 2023	Received During the year	Paid During the Year	As at March 31, 2023
Mrs.K.Vasumathi Devi	Director's remuneration	-	54.17	-	-	-	60.00	-	-	-
	Director Commission Payable	29.17	35.82	-	-	64.99	44.42	-	-	109.42
	Share Capital (₹ 10/- Paid up)	213.13	-	-	-	264.73	-	-	-	264.73
	Partly paid up shares (₹ 10 Paid Up) **	41.79	-	9.80	-	-	-	9.80	-	-
	Premium Received on Allotment of Partly Paid up Shares **	261.59	-	61.36	-	-	-	61.36	-	-
	Share Capital (₹ 10/- Paid up) in IKF Home Finance***	0.00	-	-	-	0.00	-	-	-	0.00
	Partly paid up shares (₹ 5.00 Paid Up) in IKF Home Finance	34.87	-	-	-	34.87	-	-	-	-
	Partly paid up shares (₹ 6.77 Paid Up) in IKF Home Finance	-	-	-	-	-	-	12.34	-	47.21
	Unsecured Loan in IKF Home Finance	17.55	-	-	17.55	-	-	-	-	-
Mr.Sreepal Gulabchand Jain	Salary Paid	-	51.05	-	-	-	55.40	-	-	-
Mr. Vishal Kumar Joshi	Salary Paid	-	8.24	-	-	-	34.49	-	-	-
Mr.Ch.Sreenivasa Rao	Salary Paid	-	23.10	-	-	-	25.41	-	-	-
	Staff Loan	-	-10.00	10.00	-	-	-	-	-	-
	Interest Received		0.04			-	-	-	-	-
Relatives of key management personnel										
Mrs. D Vasantha Lakshmi	Share Capital (₹ 10/- Paid up)	200.61	-	-	-	249.18	-	-	-	249.18
	Partly paid up shares (₹ 10 Paid Up) **	39.34	-	9.23	-	-	-	-	-	-
	Premium Received on Allotment of Partly Paid up Shares **	246.23	-	57.76	-	-	-	-	-	-
	Share Capital (₹ 10/- Paid up) in IKF Home Finance***	0.00	-	-	-	0.00	-	-	-	0.00
	Partly paid up shares (₹ 5.00 Paid Up) in IKF Home Finance	32.82	-	-	-	32.82	-	-	-	-
	Partly paid up shares (₹ 6.77 Paid Up) in IKF Home Finance	-	-	-	-	-	-	11.62	-	44.44
	Director's remuneration in IKF Home Finance	-	78.93	-	-	-	86.58	-	-	-
	Unsecured Loan in IKF Home Finance	16.50		-	16.50	-		-	-	-

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Name of related party	Nature of transaction	For the FY 2022					For the FY 2023			
		As at March 31, 2021	Transaction value for the year ended March 31, 2022	Received During the year	Paid During The year	As at March 31, 2022	Transaction value for the year ended March 31, 2023	Received During the year	Paid During the Year	As at March 31, 2023
Mr. V Raghu Ram	Share Capital (₹ 10/- Paid up)	144.97	-		-	180.07	-	-	-	180.07
	Partly paid up shares (₹ 10 Paid Up) **	28.43	-	6.67	-	-	-	-	-	-
	Premium Received on Allotment of Partly Paid up Shares **	177.93	-	41.74	-	-	-	-	-	-
	Share Capital (₹ 10/- Paid up) in IKF Home Finance***	0.00	-	-	-	0.00	-	-	-	0.00
	Partly paid up shares (₹ 5.00 Paid Up) in IKF Home Finance	23.72	-	-	-	23.72	-	-	-	-
	Partly paid up shares (₹ 6.77 Paid Up) in IKF Home Finance	-	-	-	-	-	-	8.40	-	32.11
	Unsecured Loan in IKF Home Finance	11.93	-	-	11.93	-	-	-	-	-
Mr. Sinha Satyanand Chunduri	Share Capital (₹ 10/- Paid up)	11.77	-	-	-	11.77	-	-	-	11.77
Mrs. Durga Rani Chunduri	Share Capital (₹ 10/- Paid up)	149.41	-	-	-	149.41	-	-	-	149.41
Subsidiary										
Enterprises significantly influenced by key management personnel or their relatives										
IKF Infratech Private Limited	Non Convertible Debentures	58.20*		-	58.20	-	-	-	-	-
	Interest Paid	1.38	0.76	-	2.14	-	-	-	-	-
Enterprises in which Directors are interested										
SVR Finance & Leasing Private Limited	Trade Advance	-	-	-	-	-	-	-	-	-
	Interest Paid	-	-		-	-	-	-	-	-
Enterprises having a significant influence										
India Business Excellence Fund-IIA	Share Capital (₹ 10/- Paid up)	1,305.16	-	-	-	1,305.16	-	-	-	1,305.16
	Share Premium	-	-	-	-	-	-	-	-	
	Compulsorily Convertible Preference Shares of ₹ 100/- Each (Converted into equity shares during the FY 2018-19)			-						
	Share premium on preference shares		-	-	-	-				
Vistra ITCL (India) Limited (formerly known as IL and FS Trust Company Limited) (Trustee of Business Excellence Trust-II - India Business Excellence Fund II)	Share Capital (₹ 10/- Paid up)	780.40	-	-	-	780.40	-	-	-	780.40
	Share Premium	-	-	-	-	-	-	-	-	-
	Compulsorily Convertible Preference Shares of ₹ 100/- Each (Converted into equity shares during the FY 2018-19)									
	Share premium on preference shares		-		-	-				

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(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Short-term employee benefits	516.49	456.37
Post-employment benefits#	-	-
Long-term employee benefits	-	-
Termination benefits	-	-
Employee-share based payment	-	-
Total compensation	**516.49**	**456.37**

#As the provision for gratuity is made for the Company as a whole, the amount pertaining to the Key Management Personnel is not specifically identified and hence is not included above.

* The Increased/Decreased value is relating to purchase of shares/debentures from the public.

** Partly paid shares are full paid and converted to fully paid equity shares .

*** Since the amounts are in lakhs, ₹10 subscribed by promoters is shown as zero

Notes:

(i) Transaction values are excluding taxes and duties.

(ii) Name of the related parties and nature of their relationships where control exists have been disclosed irrespective of whether or not there have been transactions with the Company. In other cases, disclosures have been made only when there have been transactions with those parties.

(iii) Related parties as defined under clause 9 of the Ind AS 24 'Related party disclosures' have been identified based on representations made by key managerial personnel and information available with the Company. All above transactions are in the ordinary course of business

(iv) The Company has not granted loans or advances to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, that is repayable on demand or without specifying any terms or period of repayment for the financial years ended March 31, 2023 and March 31, 2022.

43 Value of Imports calculated on CIF basis

The Company has not imported any goods therefore value of import on CIF basis is Nil

44 Expenditure in Foreign Currency

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Legal and professional fees	0.51	0.90
Total	**0.51**	**0.90**

45 Earnings in Foreign Currency

The Company does has not have any earnings in foreign currency

46 Penalty

No penalties were imposed by RBI and other regulators during the current year

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47 Draw down from Reserves:

There has been no draw down from reserves during the year ended March 31, 2023 (previous year: Nil)

48 Postponement of Revenue Recognition

Refer note 2.5 Revenue from operations for the circumstances in which revenue recognition has been postponed pending uncertainty of realisation.

49 Dues to micro, small and medium enterprises

There are no amounts that need to be disclosed in accordance with the Micro Small and Medium Enterprise Development Act, 2006 (the 'MSMED') pertaining to micro or small enterprises.

For the year ended March 31, 2023, no vendor / supplier has intimated the Company about its status as micro or small enterprises or its registration with the appropriate authority under MSMED.

50 Disclosure on Resolution Framework – 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses in terms of RBI circular RBI / 2021-22 / 31 DOR. STR. REC.11 /21.04.048 / 2021-22 dated May 5, 2021:

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year **
Personal Loans #	704.87	-	-	85.29	619.57
Corporate Persons*	-	-	-	-	-
of which MSMEs	-	-	-	-	-
Others	82.81	-	-	1.66	81.15
Total	**787.68**	**-**	**-**	**86.95**	**700.72**

* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

** In case of loan in "others" category, Customer has paid scheduled installment and interest amount of ₹ 1.5 lakhs was added to outstanding amount

pertains to Home loans and Loan Against Property of IKF Home Finance Limited

Disclosures for Reserve Bank of India circular on Resolution Framework for Covid-19 related stress dated August 6, 2020 are not applicable to the Company as none of the borrowers opted for the resolution plan.

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51 Registration of charges or satisfaction with Registrar of Companies (ROC)

All charges or satisfaction are registered with ROC within the statutory period for the financial years ended March 31, 2023. No charges or satisfactions are yet to be registered with ROC beyond the statutory period.

52 Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended March 31, 2023 and March 31, 2022.

53 Compliance with approved Scheme(s) of Arrangements

The Board of Directors of the Company did not approve any scheme of Arrangements during the financial year ended March 31, 2023 and March 31, 2022.

54 Utilisation of Borrowed funds and share premium

The Company, as part of its normal business, grants loans and advances, makes investment. These transactions are part of Company's normal non-banking finance business, which is conducted ensuring adherence to all regulatory requirements.

Other than the transactions described above, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has also not received any fund from any parties (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

55 Undisclosed income

There are no transactions not recorded in the books of accounts.

56 Title deeds of Immovable Properties not held in name of the Company

The Company does not possess any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the Company during the financial year ended March 31, 2023 and March 31, 2022.

57 Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual currency during the financial years ended March 31, 2023 and March 31, 2022.

58 Details of Benami Property Held

No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder in the financial years ended March 31, 2023 and March 31, 2022.

59 Wilful Defaulter

The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender in the financial years ended March 31, 2023 and March 31, 2022.

Notes

on Consolidated Financial Statements for the year ended March 31, 2023

60 Relationship with Struck off Companies

The company does not have any transactions with companies whose names have been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 in the financial years ended March 31, 2023 and March 31, 2022.

61 Investment in Associates and Structured Entities

The Company does not have any Associates and Structured Entities

62 Note on Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which subsumes the Provident Fund and the Gratuity Act and rules thereunder. The Ministry of Labour and Employment has also released draft rules thereunder on November 13, 2020 and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will evaluate the rules, assess the impact, if any and account for the same once the rules are notified and become effective

63 Previous year's information have been regrouped/reclassified wherever necessary to correspond with current year's classification/disclosure.

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

per Suresh Murarka
Partner
Membership No.044739

Place: Mumbai
Date: 30 May 2023

V.G.K Prasad
Chairman
DIN: 01817992

Ch.Sreenivasa Rao
Company Secretary
& Chief Financial Officer
M.No. ACS14723

Place: Vijayawada
Date: 30 May 2023

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Notes

on Consolidated Financial Statements for the year ended March 31, 2023

Additional information as required by paragraph 2 of the general instructions for preparation of Consolidated Financial statements to schedule III to the Companies Act, 2013.

Name of the entity in the Group	Net Asset, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated net assets	Amount (₹ in lakhs)	As % of Consolidated profit or loss	Amount (₹ in lakhs)	As % of consolidated other comprehensive income	Amount (₹ in lakhs)	As % of total comprehensive income	Amount (₹ in lakhs)
1	2	3	4	5	6	7	8	9
Parent								
IKF Finance Limited	94.62%	69,249.99	81.28%	5,000.51	14.51%	9.86	80.55%	5,010.37
Subsidiaries								
Indian								
IKF Home Finance Limited	4.31%	3,152.71	16.02%	985.46	85.50%	58.11	16.78%	1,043.57
Foreign	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Minority Interest in all subsidiaries	1.07%	784.84	1.40%	86.15	-	-	1.39%	86.15
Inter-company eliminations and consolidation adjustments	-	-	1.30%	79.86	-	-	1.28%	79.86
Associates (Investment as per the equity method)								
Indian	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Foreign	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Joint Ventures (as per proportionate consolidation / investment as per the equity method)								
Indian	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Foreign	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Total	**100.00%**	**73,187.53**	**100.00%**	**6,151.98**	**100.01%**	**67.98**	**100.00%**	**6,219.96**

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

per Suresh Murarka
Partner
Membership No.044739

Place: Mumbai
Date: 30 May 2023

V.G.K Prasad
Chairman
DIN: 01817992

Ch.Sreenivasa Rao
Company Secretary
& Chief Financial Officer
M.No. ACS14723

Place: Vijayawada
Date: 30 May 2023

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

IKF FINANCE

"LEGACY THAT INSPIRES, TECHNOLOGY THAT DELIVERS"

Registered Office

40-1-144, Corporate Centre,
M G Road, Vijayawada - 520 010
Email: contact@ikffinance.com
Tel.: 91+866+2474644, 2474633, 5561188
Fax: 91+866+2485755

Corporate Office

Plot no's – 30/A, Survey No - 83/1
11th Floor, My Home Twitza,
APIIC Hyderabad Knowledge City,
Raidurg (Panmaqtha) Village, Serilingampally Mandal,
Ranga Reddy District, Hyderabad - 500 081.
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Concept, Content & Design wp (info@wyatt.co.in)

IKF FINANCE

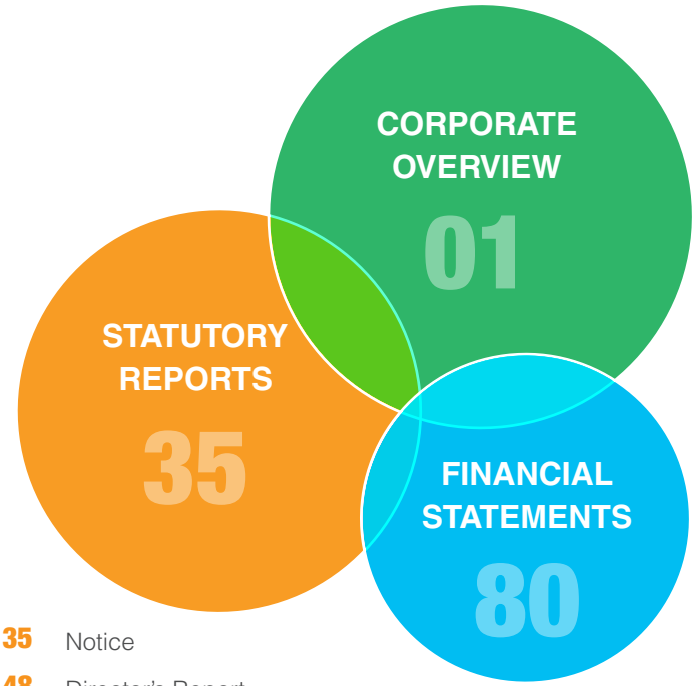
"LEGACY THAT INSPIRES, TECHNOLOGY THAT DELIVERS"

Steady Strong Secure

ANNUAL REPORT **2023-24**

IKF Finance Limited

What's Inside



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To view this report online, please visit:
https://www.ikffinance.com/investors.php#headingOne

Steady Strong Secure

Amidst the rapidly evolving financial landscape, we strive to progress with strength and stability to meet the dynamic requirements of the customers while maintaining a secure foundation for their financial well-being. Recognizing the pivotal role of NBFCs to drive the economic momentum of the country, we are dedicated to creating lasting impact on our customer's lives, specially through bridging the credit gap for the financially underserved.

Our journey has been one of building a legacy rooted in efficiency and excellence. Over three decades of continuous efforts, we have positioned ourselves as one of the prominent NBFC players in the country, recognized not only for our expansive asset financing portfolio but also for our commitment to customer satisfaction. With 72,585 satisfied customers, our services have been acknowledged for the value they bring, enabling us to make a tangible difference in the lives of those we serve. This satisfaction is reflection beyond our past performance but a testament to the robust growth trajectory we continue to pursue.

In FY 2023-24, our assets under management crossed the significant AUM ₹ 3,775 crore mark, reflecting a stellar growth of 53.97% in FY 2023-24 on y-o-y basis. This achievement is a result of our continuous efforts to uphold the trust placed in us by our customers and partners. Our organized team, dedicated to realizing long-term objectives, has played a crucial role in elevating IKF Finance as a preferred partner for socio-economic growth. Our performance over the years has remained consistent, underpinned by efficient operating practices and a clear vision for the future.

What sets IKF Finance apart is the unique platform we have created for our stakeholders, where value enhancement is at the core of our operations. This commitment to continuous value returns has earned us a valuable reputation among our lending partners and diverse mix of borrowers. Our adoption of modern technology, combined with strong financial policies, an innovation-centric mindset, and robust risk management practices, ensures that we remain at the forefront of the finance sector. As we continue to integrate advanced technology, secure sensitive customer information, and offer tailored services, we stand ready to navigate the future with confidence, supported by our deep industry knowledge and a well-capitalized bench.

About IKF Finance

A legacy of creating value

IKF Finance, with a 30+ year legacy in asset financing, is a reputable Non-Banking Finance Company (NBFC) in India. We specialize in providing diverse and innovative financial solutions to accommodate the needs of financially underserved customers. Committed to excellence, we leverage technology to scale an agile business and drive financial inclusion.

At IKF Finance, we strategically focus on addressing the unique needs of self-employed individuals often underserved by traditional avenues.

Founded in 1991, we initially catered to serve the financial needs of small road transport operators. Expanding our portfolio to align with evolving financial aspirations, our diverse and customized offerings include loans for commercial vehicles, cars, MUVs, three-wheelers, tractors, and construction equipment, secured MSME loans and housing loans.

Guided by our skilled and dynamic leadership and being well capitalized, we continue to prioritize customer-centricity, delivering enduring stakeholder value. We have built a commendable reputation and successful relationships with over 72,585 borrowers and 40+ lending partners

Additionally, leveraging advanced digital technology helps drive operational excellence, high asset quality and simplify customer journeys, gaining a competitive edge.

With a stronghold in Southern India, we have expanded into Western and Central India with our extensive distribution network spread across 9 states and 165 branch locations.

Vision

To be one among the premier league of asset financing NBFCs by focusing on customer service and maintaining long-standing and fruitful relationships with all our stakeholders, be it lenders, shareholders, debenture holders, customers or business associates

Mission

To build strong, profitable relationships with a broad spectrum of stakeholders

Core Values

- Ethical business practices
- Business prudence
- Dedication
- Transparency
- Excellence in customer service

Pillars of growth

Unwavering commitment to

- Dedicated customer service
- Transparent business practices
- Cohesive team
- Secure financial policies
- Loyal customer base

At a glance

33
Years of operations

CARE "A" Stable
Credit rating

72,585
Active customers

9 States
Presence across

1,501
No. of employees

5,846
Active women customers

165
No. of Branches

FY 2023-24 report card

~ ₹ 3,775 Cr.
Assets under management

₹ 2,676 Cr.
Disbursement

₹ 77 Cr.
PAT

₹ 881 Cr.
Net worth

26.51%
CRAR

2.35%
Gross NPA

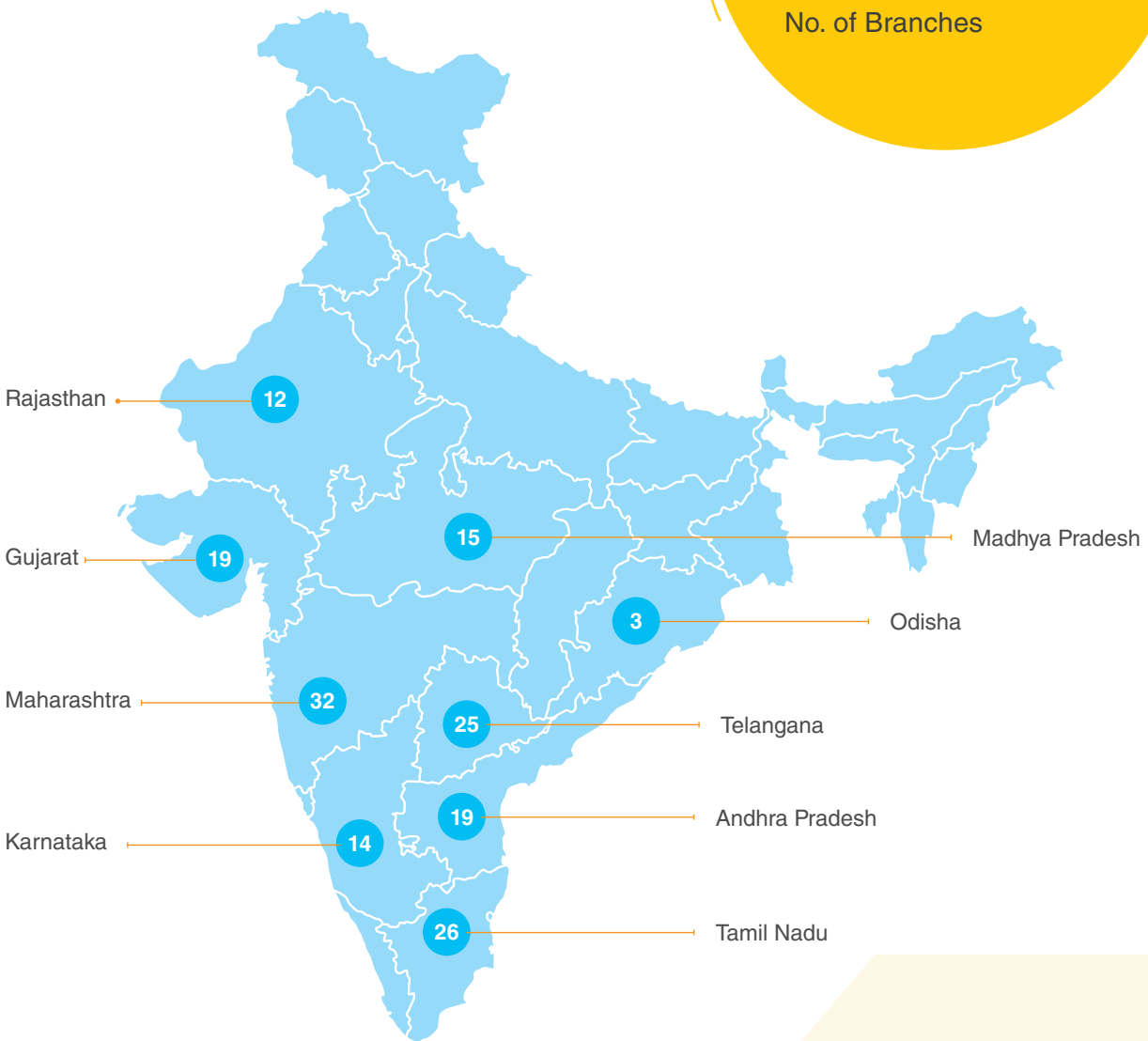
1.80%
Net NPA

Geographical Footprint

Where we operate

9
Our Presence across States

165
No. of Branches



The above map is not to scale and is for illustrative purposes only.

Key Associations

Partnership with key lenders across spectrum

40+
Lender partnership

40% lenders
> 10 years association with us

Our Lenders

Public Sector Banks

State Bank of India | Central Bank of India | Punjab National Bank | Union Bank of India | Indian Overseas Bank | Bank of Baroda | Bank of India | UCO Bank | Indian Bank | Bank of Maharashtra

Private Sector Banks

HDFC BANK | South Indian Bank | Woori Bank | Federal Bank | AU Small Finance Bank | Utkarsh Small Finance Bank | YES BANK | Ujjivan Small Finance Bank | IDFC FIRST Bank | DCB BANK | kotak Kotak Mahindra Bank | IDBI BANK | Bandhan Bank | DBS | DhanlaxmiBank | KVB Karur Vysya Bank | Karnataka Bank Ltd. | Jana Small Finance Bank | IndusInd Bank | CSB Bank | AXIS BANK | SURYODAY A BANK OF SMILES

NBFCs

SUNDARAM FINANCE | NABKISAN FINANCE LIMITED | BAJAJ FINSERV | NORTHERN ARC | Mahindra FINANCE | TATA CAPITAL | MANAPPURAM FINANCE LIMITED | neo | Piramal Alternatives | mudra | ADITYA BIRLA FINANCE | POONAWALLA FINCORP | NABSAMRUDDHI FINANCE LIMITED | STCI Finance Limited

Financial Institutions

NATIONAL HOUSING BANK | sidbi | UNIFI Capital

Product Portfolio

Our diverse credit solutions

Commercial Vehicle (CV) Loans

- Tailored for underserved segments like First-Time Users, Drivers-turned Owners, and Small Road Transport Operators
- Flexible loans with tenures up to 4 years, available for both new and pre-owned vehicles
- Hassle-free processing with minimal documentation and no hidden charges
- Personalized support throughout the loan journey, ensuring a smooth experience

Cars & Multi Utility (MUV) Loans

- Financing available for pre-owned, used, and new vehicles with repayment options up to 3-4 years
- Comprehensive coverage across all vehicle categories and brands
- Advanced technology for seamless processing and reduced turnaround times
- Transparent terms with no hidden fees, adaptable to various financial profiles

Construction Equipment Loans

- Specialized financing for a wide range of equipment, including Backhoe loaders and cranes
- Customized loan schemes with flexible tenures up to 4 years, supporting business growth
- Expert consultation to help select the best financing options
- Efficient processing to minimize business disruptions

Tractor Loans

- Accessible loans with flexible terms up to 4 years, focused on Tier II & III regions
- Comprehensive coverage including accessories, implements, insurance, and registration
- Competitive rates to promote agricultural growth
- Quick application process for timely financial assistance

2/3 Wheeler Loans

- Structured loans with tenures up to 3 years, tailored for two and three-wheeler purchases
- Technology-driven processing for fast, convenient service
- Transparent, competitive terms with no hidden charges
- Flexible options to suit different financial profiles

MSME Loans

- Diverse financing solutions for Micro, Small, and Medium Enterprises
- Flexible repayment terms up to 7 years, supporting various industries
- Accessible across urban and rural areas through an extensive branch network
- Rapid, transparent processing to ensure business continuity
- Expert consultation for navigating funding, expansion, and growth

Home Loans

- Home loans up to 3-50 Lakhs and tenure up to 5-20 years offered to help customers realize their home-owning dreams
- Hassle-free affordable housing loans available to the low and middle-income segment for home purchase, home construction, home improvement and loan against property through our vast numerous branches nationwide

Journey Since Inception

Tracing our path of growth

1991

- Established as a Private Company
- Started operations with MCV & HCV financing

1994-1995

- Changed into a public limited company
- Public issue of ₹ 2.1 crore

1998-2003

- Issued Rights Issue of ₹ 2.3 crore
- Commenced Construction Equipment (CE) financing in 1998
- Issued Preferential Issue of ₹ 2.3 crore

2004-2010

- Established channel business arrangement with HDFC Bank
- Issued Preferential Issue of ₹ 8 crore
- Shifted focus on-book AUM growth

2012-2015

- Maiden PE investments from MOPE Investment Advisors Pvt. Ltd.
- Commenced SME financing
- Extended operations to Gujarat, Maharashtra and Madhya Pradesh
- AUM crossed ₹ 500 crore

2016-2017

- Secured license for Housing Finance
- Established IKF Home Finance as an independent entity
- Broadened operations in Rajasthan
- In 2016, credit rating was upgraded to "A-"

2018-2020

- 2nd round of equity infusion
- Consolidated AUM crossed ₹ 1,500 crore
- Diversification of portfolio into Cars and Multi-Utility Vehicles (MUVs), Small Commercial Vehicles (SCVs) and Light Commercial Vehicles (LCVs), Housing and LAP financing
- Credit Rating upgraded to "A"

2021-2022

- Consolidated AUM crossed ₹ 2,143 crore
- Equity infusion by Promoters of ₹ 7.14 crore
- Commenced Co-lending with Bank of India

2023

- Consolidated AUM crossed ₹ 3,147 crore
- Accion-led equity infusion of ₹ 255 crore
- Commenced low ticket MSME product

2024

- Strategic partnership with Central Bank of India
- Consolidated AUM crossed ₹ 4,811 crore
- Equity Infusion of ₹ 120 crore by Accion LP
- Disbursement crossed ₹ 2,676 crore
- No. of Employees exceeded 1,500
- Expanded operations to the state of Odisha

Managing Director's Communique

The progress we have achieved underscores our credibility in generating value for our customers and reinforcing our strategic initiatives."

Dear Shareholders,

FY 2023-24 marks our 33rd Annual Report, highlighting our strategic advancements and stellar performance. This period has seen remarkable growth in our Assets Under Management (AUM) and steady increases in disbursements. Building on these key operational milestones, we have expanded our geographical footprint and improved our service delivery to reach a broader customer base. The progress we have achieved underscores our credibility in generating value for our customers and reinforcing our strategic initiatives.

The macroeconomic momentum

The global economy demonstrated remarkable resilience in 2024, achieving a growth rate of 3.2%.

Amidst this global resilience, India has emerged as the world's fifth-largest economy. Our country has recorded an impressive GDP growth of 8.2% in FY 2023-24, marking it as the fastest-growing major economy. This growth has been driven by increased public sector investments, a robust financial sector, and significant expansion in non-food credit. Investments in both physical and digital infrastructure have been pivotal in navigating challenges and ensuring sustained economic progress. With inflation at moderate levels and prudent government strategies in place, we are well-positioned to sustain this momentum and drive long-term growth.

Industrial progress

The financial services sector is a cornerstone of the nation's economic development, offering vital avenues for investment, lending, and capital raising. Non-Banking Finance Companies (NBFCs) have become crucial in this landscape, particularly for SMEs and those underserved by traditional banks. By adopting innovative tools and unconventional risk assessment methods, NBFCs have significantly boosted credit flow to MSMEs, catering to their unique needs. Despite competition from public and private banks, NBFCs have seen significant growth, driven by the expanding middle class, financial inclusion efforts, and supportive policy measures. The sector's credibility has further strengthened with large-scale digitalization and fintech integration. Recent regulatory changes by the Reserve Bank of India (RBI), such as increasing the risk weight for bank credit to NBFCs, are designed to manage risks and enhance asset quality. With an 18% growth in FY 2023-24 according to ICRA, the NBFC sector is poised to continue its upward trajectory, supporting the country's economic ambitions.

Strategical advancements

Our strategic focus has centered on the vehicle segment, encompassing both commercial vehicles (CVs), passenger vehicles (PVs) and Construction Equipment (CEs). During FY 2023-24, the CV segment experienced moderate growth, with record sales of 9.67 lakh units driven by significant Government infrastructure investments and

Our strategic focus has centered on the vehicle segment, encompassing both commercial vehicles (CVs), passenger vehicles (PVs) and Construction Equipment (CEs).

increased freight movement. The two-wheeler segment, on the other hand, saw a robust 13.3% growth, totaling 178.74 lakh units sold, with expectations of a CAGR of 10.29% by 2029. The three-wheeler segment also performed exceptionally, growing by 41.5% with sales of 6.91 lakh units, spurred by rising demand for last-mile connectivity and the adoption of electric vehicles. Alongside vehicle financing, we offer tailored MSME financing solutions to support entrepreneurial dreams and foster socio-economic development.

The sector's stellar growth has presented numerous expansion opportunities. We have strategically adapted by enhancing our

geographical reach, broadening our distribution network, and intensifying our digitalization efforts. Our focus on optimizing human resource management aims to boost operational efficiency and customer satisfaction. We are now emphasizing granular growth by developing dedicated product-level teams for retail lending to micro and small entrepreneurs who are mostly first-time borrowers. By prioritizing high-yielding retail loans for small and light commercial vehicles, we aim to drive substantial growth in our net income while continuing to build our portfolio in Heavy Commercial Vehicles, Construction Equipment, cars, and MSME loans. This targeted approach ensures sustainable and profitable growth.

Our net profit for the period increased to ₹ 76.97 crore, marking a significant improvement over the previous reporting period."

A significant highlight supporting our strategic growth is the receipt of ₹ 120 crore from Accion LP, represented by its investment manager Accion LP, in August 2023. This capital has been strategically allocated to enhance our technological infrastructure, streamline operations, and improve service delivery. Additionally, it has facilitated the expansion of our branch network to reach underserved markets and grow our customer base. We have also invested in developing new financial products and services to meet evolving customer needs and drive sustainable growth.

Government initiatives like "Gati Shakti" and improvements in the logistics network, aimed at reducing India's overall logistics cost from the current 14%+ to less than 10% of GDP, will boost efficiency and growth in the CV industry. Furthermore, the focus on manufacturing and core sectors through PLI and incentive schemes will increase opportunities in MSME and supply chain financing.

Performance overview

In FY 2023-24, we have delivered impressive performance, reflected in robust figures across our portfolio. This success is attributed to our well-balanced asset mix, strategic branch expansion, and increased productivity throughout the organization, which have collectively enhanced our revenue streams and secured superior asset quality. We have notably expanded our network by adding three new branches, including our first in Odisha, and deepened our presence in existing states to leverage economies of scale and boost profitability. As of date, our total branch count stands at 165.

A significant highlight of the year is our remarkable 53.97% year-on-year growth in Assets Under Management (AUM), reaching ₹ 3,775 crore compared to ₹ 2,452 crore in FY 2022-23. Disbursements also grew by 59.85% to ₹ 2,676 crore, up from ₹ 1,674 crore. Our net profit for the period increased to ₹ 76.97 crore, marking a significant improvement over the previous reporting period. The strength of our asset quality is evidenced by Gross NPAs (GNPA) and Net NPAs (NNPA) at 2.35% and 1.80%, respectively. Our stringent customer and asset underwriting procedures, along with a data-driven approach to loan collection and recovery, have effectively kept our NPAs within controlled limits.

Elevating efficiency through digital integration

Our digitalization initiatives have driven significant advancements across the organization. The enhancement in our new Loan Origination System (LOS) and the Loan Management System (LMS) has streamlined our lending processes, operational efficiency, data accuracy, and risk management, and also supported our MSME lending growth.

A significant highlight supporting our strategic growth is the receipt of ` 120 crore from Accion LP, represented by its investment manager Accion LP, in August 2023."

Implementing HRMS has revolutionized our HR functions, boosting productivity, data security, and employee satisfaction through streamlined processes and improved analytics. The migration of our LOS infrastructure to a leading cloud platform has further elevated our capabilities, offering greater scalability, cost-efficiency, and innovation. This move has accelerated loan processing, improved user experiences, and set the stage for future advancements with AI and machine learning. Collectively, these initiatives have strengthened our competitive edge and positioned us among the leaders in the industry.

Forward with optimism

We are well-positioned to seize growth opportunities across the automobile industry. With a strong focus on the retail segment and a commitment to superior customer service and asset quality, we are prepared to meet customers' financing needs. Robust demand, driven by Government initiatives and infrastructure development, supports our sustained growth and profitability. Our strategic emphasis on digital transformation, innovative financing solutions, and strong customer relationships will remain central to our success in the future.

Gratitude

In conclusion, I extend my heartfelt gratitude to our customers, financing partners, employees, Government authorities, and all stakeholders. Your continued support and trust in our capabilities have been instrumental in driving our growth and delivering value. We deeply appreciate your commitment and collaboration, which continue to inspire our journey toward excellence and mutual success.

Thank you for being an integral part of our achievements.

Best regards,

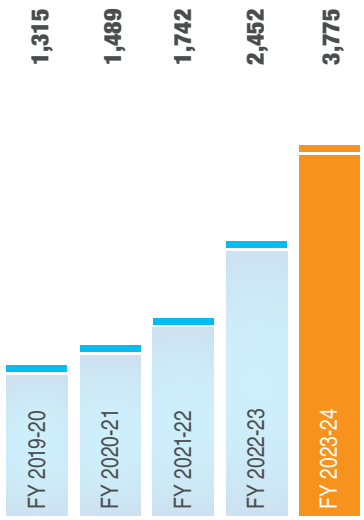
Vasumathi Devi Koganti
Managing Director

Financial Performance

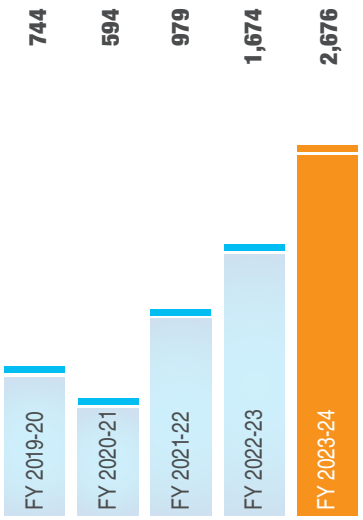
Delivering steady performance

Our financial performance this year reflects the strength and stability of our strategic approach. By harnessing innovation and technology to fuel growth and expansion, we have consistently delivered strong results. This is exemplified by a notable 53.97% year-on-year increase in disbursements, underscoring our ability to achieve robust numbers and maintain steady performance throughout.

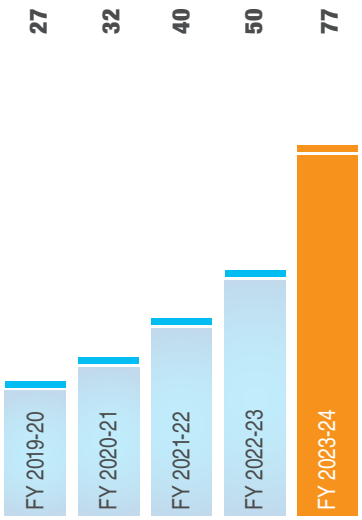
AUM
(₹ in Crore)



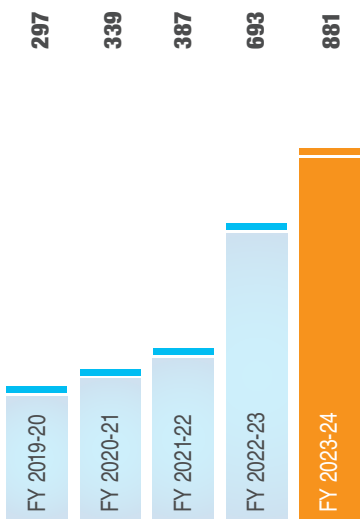
DISBURSEMENT
(₹ in Crore)



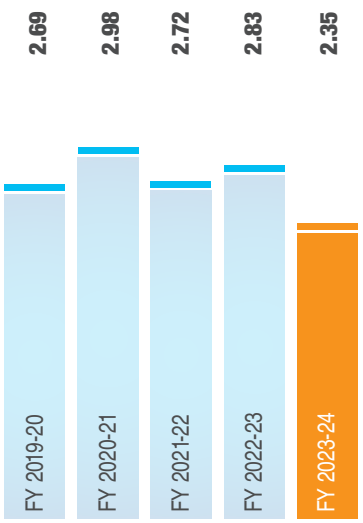
PAT
(₹ in Crore)



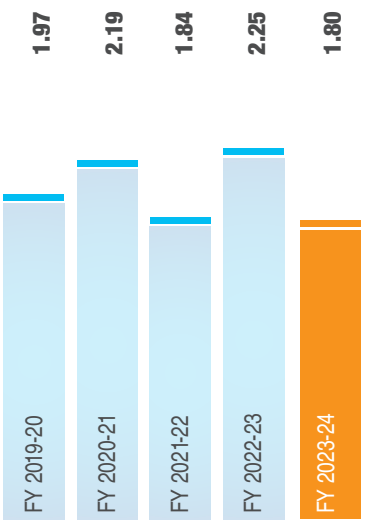
NET WORTH
(₹ in Crore)



GROSS NPA
%

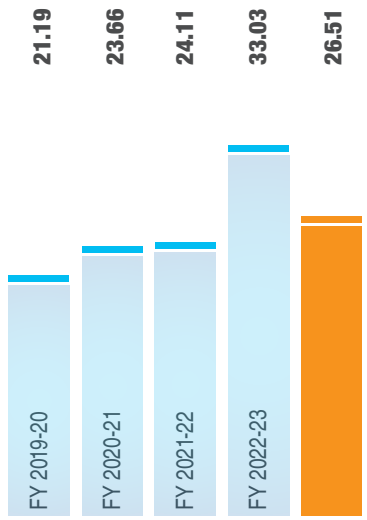


NET NPA
%



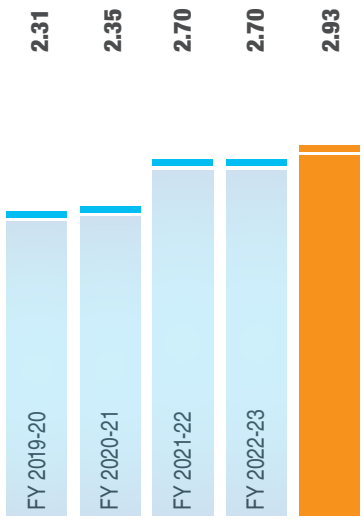
CRAR

%



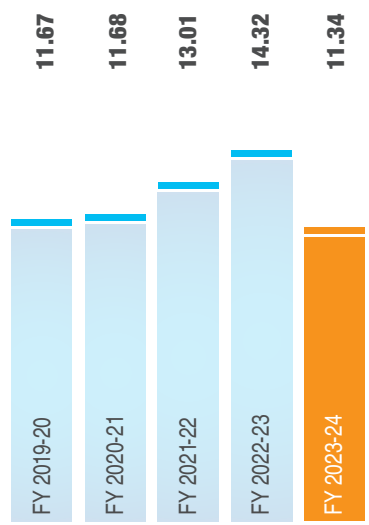
ROA*

%



ROE*

%



Note: Figures as per IND AS

** Based on Monthly Avg AUM*

*** Core ROE (Excluding investment in the subsidiary & year-end investment)*

IKF FINANCE
"LEGACY THAT INSPIRES, TECHNOLOGY THAT DELIVERS"

IKF Home Finance

Turning home aspirations into reality

In line with our customer-centric approach, we have focused on addressing the evolving credit needs of our diverse customer base. These includes the individuals seeking assistance to realize their dream of a living shelter. To meet the growing demand for home loans, we expanded our product portfolio to offer home loans through our subsidiary, IKF Home Finance.

Quick facts

- Established as an independent entity in FY 2015-16 to offer home loans for lower- and middle-income customer segments
- Subsequently acquired by IKF Finance in FY 2018-19
- Our home finance business has fulfilled home ownership dreams of more than 10,000 customers
- Stable growth trajectory indicating a 61.10% CAGR growth in AUM since inception

Home loan portfolio

- Home Purchase Loans
- Home Construction Loans
- Home Improvement Loans
- Loan Against Property

Strategic milestones

2016
- Started operations at Vijayawada, Andhra Pradesh

2017
- Commenced operations at Telangana, Maharashtra and Karnataka
- On-books AUM of ₹ 1.57 crore

2018
- Commenced operations in Tamil Nadu
- On-books AUM of ₹ 59.97 crore

2019
- Became a subsidiary of IKF Finance
- Loan disbursements crossed ₹ 100 crore

2020
- Received National Housing Bank (NHB) funding
- AUM crossed ₹ 200 crore

2021
- Commenced operations in Gujarat
- Access to SARFAESI Act
- AUM reached ₹ 288 crore

2022
- Capital infusion of ₹ 17.28 Cr. by Parent Company
- AUM crossed ₹ 429 crore

2023
- Capital infusion of ₹ 49 Cr. by Parent Company and promoters
- AUM crossed ₹ 690 crore

2024
- AUM crossed ₹ 1,000 crore mark
- Disbursement registered ₹ 468.82 Crore
- Net worth exceeded ₹ 213.15 Crore

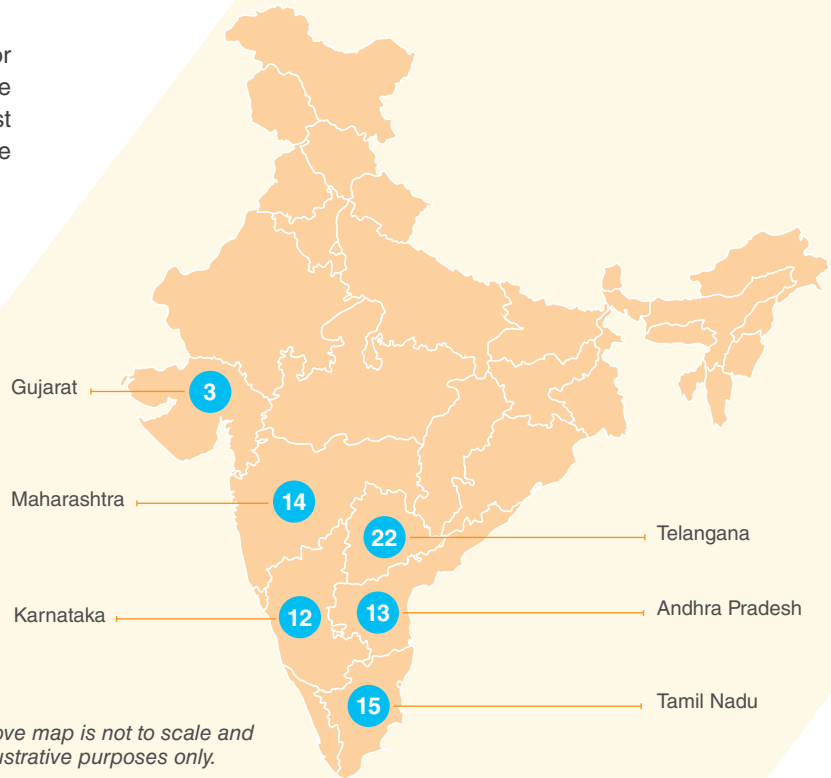
Increasing our service footprint

Towards fulfilling the home ownership dreams for a diverse customer segment, we strive to utilize our market expertise and strong customer trust to extend home financing in cities where we maintain a robust asset financing presence.

6
States

68
Cities

79
No. of Branches



The above map is not to scale and is for illustrative purposes only.

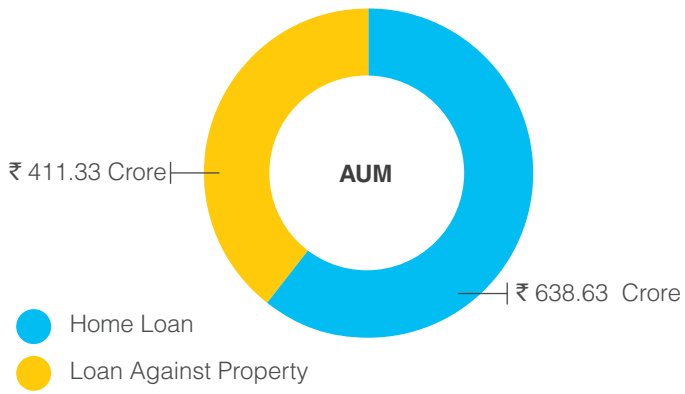
Progress in numbers

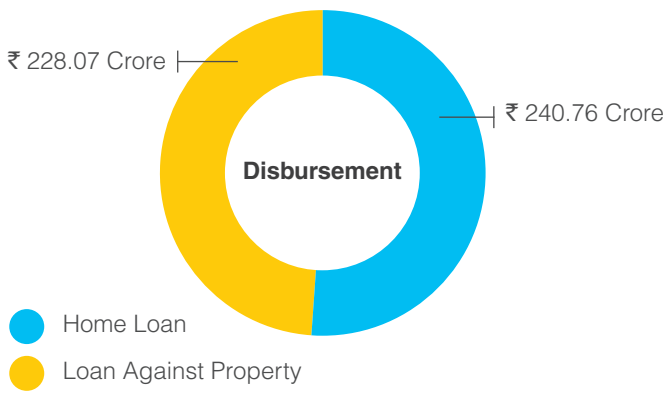
₹ 1,049.95 Crore
AUM as on March 31, 2024
↑ 50.83% from FY 2022-23

Key Performance Highlights

	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Disbursement (₹ in Crore)	114.01	95.22	208.04	361.43	**468.82**
AUM (₹ in Crore)	228.32	288.20	429.40	696.10	**1,049.95**
Net Worth (₹ in Crore)	49.76	58.83	85.58	143.21	**213.15**
PAT (₹ in Crore)	7.95	9.05	10.02	10.72	**23.68**
AUM (Net Worth)	2.37x	4.49x	3.8x	4.86x	**4.93x**
ROA (on avg. AUM) (%)	4.19%	3.50%	2.87%	1.90%	**3.26%**
ROE (on avg. Net Worth) (%)	17.76%	16.67%	15.71%	9.37%	**13.29%**

FY 2023-24 portfolio revenue share





Digital Excellence

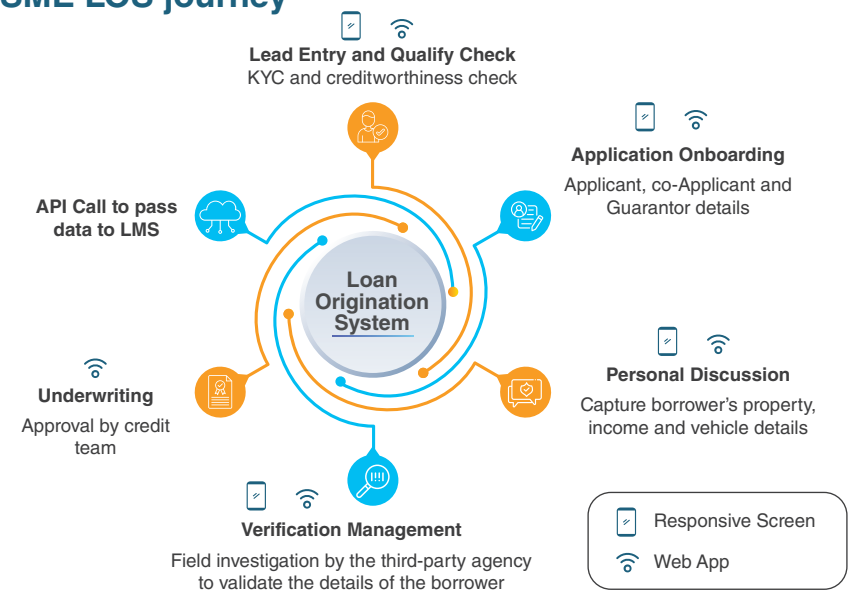
Cultivating a sustainable digital future

In our endeavor to constantly evolve to offer better value to our customers and stakeholders, we drive digital transformation across our business. Utilizing cutting-edge technologies, we strive for overall operational excellence, tailored fintech solutions and seamless customer experience.

Technology has been the key transformation in the finance industry. The integration has enabled better efficiency to serve the customers while enhancing the service quality of the players like us. Furthermore, it translated into realizing the ultimate goal of financial inclusion among the customer's lives and generate value for them.

At IKF Finance, we have undertaken three distinct approaches to enhance our digital frontier. These efforts are aimed at attaining leadership in the industry and to be the preferred partner to growth for our customers.

MSME LOS journey



Digital loan origination system

During the reporting period, we have undertaken a significant digital transformation by implementing a new Loan Origination System (LOS) integrated with our Loan Management System (LMS). This has streamlined our entire lending process. This integration, powered by robust APIs, has enhanced our operational efficiency, data accuracy, and risk management, marking a pivotal step in our journey to digitize our MSME lending operations. Moving forward, we plan to further refine this system, incorporating customer feedback and emerging technologies to stay at the forefront of MSME lending. This initiative aligns with our long-term strategy to foster financial inclusion and drive sustained growth in the markets we serve.

The new LOS streamlines the entire lending process, covering:

- **Lead Creation:** Captures and manages potential borrower data efficiently
- **Customer Onboarding:** Simplifies integration of new customers
- **Vendor Management:** Centralizes third-party relationships
- **Personal Discussion:** Documents critical client interactions
- **Underwriting:** Automates and standardizes loan evaluations

Key third-party API integrations include:

- KYC validation via Digio API
- Real-time CIBIL score generation using TransUnion
- CKYC search capabilities through Digio APIs
- Penny drop bank verification with Digio APIs

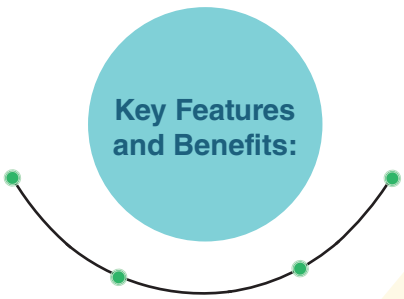
These integrations enhance customer data validation, reduce fraud, and strengthen underwriting. The system's integration has led to:

- Reduced manual data entry and errors
- Faster loan processing, boosting customer satisfaction
- Enhanced risk assessment with better data access
- Improved compliance with standardized processes
- Real-time loan pipeline visibility for better decision-making

Implementation of HRMS

Our strategic investment in implementing HRMS reflects our commitment to digital transformation and operational excellence. As we continue to grow, HRMS will be instrumental in managing our human capital with greater efficiency, fostering a more engaged workforce, and advancing our business objectives. This comprehensive platform has streamlined our HR processes by integrating multiple functions into a unified system.

The implementation of HRMS has significantly enhanced our HR operations, leading to a notable increase in overall productivity. The platform has bolstered data security and ensured compliance with data protection regulations. Employees have benefited from self-service features and quicker request resolutions, resulting in higher satisfaction levels. Additionally, HRMS has empowered better decision-making through comprehensive HR analytics and reporting.



Employee onboarding: Streamlined the onboarding process, reducing time-to-productivity and minimizing paperwork with digital documentation and automated workflows

Expense management: Simplified expense submissions and approvals, cutting processing time and improving transparency

Payroll management: Automated payroll operations, ensuring accuracy, timeliness, and compliance, while significantly reducing processing time and errors

Asset management: Enhanced asset tracking for better resource allocation and cost reduction

Migration of loan origination system infrastructure

The recent migration of our Loan Origination System (LOS) for the vehicle business vertical from on-premises infrastructure to a leading cloud platform marks a pivotal step in our digital transformation journey. This strategic transition, aimed at achieving greater scalability, cost-efficiency, and innovation, has significantly enhanced our loan processing capabilities. Loan officers now experience a more intuitive interface, faster application processing, and real-time updates, which have collectively improved both employee satisfaction and customer service.

As we continue to advance, the cloud platform sets the stage for integrating AI and machine learning to further automate and refine our decision-making processes. This efficiency gain will lead us to strengthened our competitive position in the market even better.

Key benefits of our cloud migration:

- **Enhanced scalability:** Dynamic resource adjustment ensures optimal performance during peak loan volumes without upfront investments
- **Cost optimization:** The pay-as-you-go model has streamlined costs, allowing precise budgeting and freeing IT resources for strategic initiatives
- **Improved security:** Advanced encryption and compliance features have bolstered data protection, increasing customer confidence
- **Increased reliability and performance:** Reduced system latency and improved uptime have accelerated loan processing times

- **Innovation potential:** Access to advanced cloud services enables the introduction of new features and deeper market insights

Our People

Nurturing talent to empower success

Employees form the backbone of our Company, playing a pivotal role in our success. To foster a motivated and engaged workforce, we implement various employee-centric initiatives focusing on continuous learning and development and overall well-being.

1,501 (↑ 27%)

Total employees

Celebrating success and building a stronger future

In FY 2023-24, IKF Finance celebrated both achievements and future aspirations at our Annual Business Meet held at the scenic Aamby Valley. This milestone event brought together over 300 supervisory-level employees, serving as a platform to align our collective efforts with the company's forward-looking vision.

The highlight of the gathering was the recognition of excellence, where more than 250 awards were presented to acknowledge outstanding performance and long-term dedication. These included prestigious "5-year" and "10-year" service awards, as well as team accolades, reflecting our unwavering commitment to rewarding excellence and fostering a culture of recognition.

The introduction of traditional days fostered a deep sense of cultural pride, encouraging employees to celebrate their heritage, which in turn, enriched our organizational bond and enhanced team cohesion.

Our focus on employee well-being was underscored by organizing a comprehensive medical camp, reinforcing the belief that a healthy team is the foundation of a productive and resilient organization.

To further strengthen our workplace culture, we embraced the joy of community and tradition by celebrating key festivals such as Vinayaka Chavithi and Pongal. The introduction of traditional days fostered a deep sense of cultural pride, encouraging employees to celebrate their heritage, which in turn, enriched our organizational bond and enhanced team cohesion.

Environmental, Social, and Governance (ESG)

IKF Finance's ESG initiatives

IKF Finance stands at a pivotal moment in its commitment to embedding Environmental, Social, and Governance (ESG) principles into its core operations. Recognizing the growing importance of sustainable practices, we are laying the groundwork for comprehensive ESG initiatives that will define our future. Our dedication to sustainable business practices reflects our belief that ESG is not merely a regulatory requirement but a cornerstone of long-term success.

Establishment of the ESG Committee

In line with our strategic goals, IKF Finance has established a dedicated ESG Committee comprising four members: Mrs. Vasumathi Devi Koganti, Managing Director; Mr. Abhishek Agrawal, Nominee Director; Mr. Ramaraju Namburi, CEO; and Ms. Sujatha S., Deputy Company Secretary. This committee is responsible for integrating ESG factors into our business strategies and operational processes. The formation of the committee signifies the beginning of our concerted efforts to address sustainability-related matters within the organization. The ESG Committee advises the Board on ESG strategies, oversees the implementation of ESG policies, and ensures our practices align with global sustainability standards. To support its activities, we have implemented an ESG Committee Charter that provides a structured framework for the committee's operations and responsibilities.

To support its activities, we have implemented an ESG Committee Charter that provides a structured framework for the committee's operations and responsibilities.

Environmental Responsibility and GHG Emissions

Environmental responsibility is a critical aspect of our ESG strategy. Over the past two years, IKF Finance has been actively calculating and monitoring our Greenhouse Gas (GHG) emissions as part of our ongoing efforts to minimize our carbon footprint. We are committed to reducing energy consumption, limiting waste generation, and conserving natural resources across all branches. These initiatives are part of our broader goal to promote sustainability within our operations.

Commitment to socio-economic advancement

At the core of IKF Finance's mission is a commitment to socio-economic advancement. We provide financing to customers who typically do not qualify for bank loans due to a lack of stable income. By catering to the financial needs of First-Time Borrowers, Driver-Turned-Owners, Small Road Transport Operators, and Micro, Small, and Medium Enterprises (MSMEs), IKF Finance plays a crucial role in promoting financial inclusion. Our portfolio includes affordable financing for pre-owned commercial vehicles, construction equipment, commercial cars, tractors, and farm equipment, which together account for a significant portion of our lending as of March 31, 2024.

ESG Gap Analysis and Internal Audit

To ensure we are on the right path, IKF Finance has conducted an ESG gap analysis to identify areas for improvement. Additionally, we have incorporated the ESG scope into our internal audit processes, ensuring that our commitment to ESG is embedded throughout our organizational practices. This rigorous approach underscores our dedication to meeting the highest standards of responsible business conduct.

Strategic goals and stakeholder engagement

IKF Finance is committed to setting measurable targets that align with the principles of the National Guidelines on Responsible Business Conduct (NGRBC). These targets will serve as benchmarks for our ESG performance and guide our progress in the coming years. We are dedicated to fostering transparent dialogue with our stakeholders, fulfilling their expectations through clear communication while advancing our ESG initiatives.

ESG Gap Analysis and Internal Audit To ensure we are on the right path, IKF Finance has conducted an ESG gap analysis to identify areas for improvement.

Future goals and outlook

As we move forward, we will continue to monitor and improve our ESG practices, sharing comprehensive updates on our progress. Our journey towards a sustainable future is driven by our belief that responsible and ethical business practices are essential for the long-term success of IKF Finance. The establishment of the ESG Committee and the integration of ESG into our internal audits are key milestones in this ongoing commitment.

Corporate Social Responsibility

Fostering community development

At IKF Finance, we extend our commitment beyond the realm of financial services to actively contribute to community health and happiness. Through our CSR initiatives aim to empower lives and bring a meaningful difference to the communities and society where we operate.

4
Areas of social impact identified and worked upon

Jagruthi Foundation
Association to maximize our social impact

Healthcare

Our commitment to improving public health supported through addressing essential needs such as eradicating hunger, poverty, and malnutrition, while also promoting healthcare, sanitation, and access to safe drinking water. As part of our healthcare initiative, we distributed staples to 5,231 underprivileged individuals and provided umbrellas to 355 beneficiaries. We also facilitated medical treatment for those in need, ensuring access to necessary healthcare services. We invested in these healthcare initiatives.

Gender equality and empowerment

We actively promote gender equality and empowerment by setting up facilities for women, orphans, and the elderly, and working to reduce inequalities faced by socially and economically backward groups. To support differently abled individuals, we distributed tricycles to 326 beneficiaries, empowering them with enhanced mobility and independence. We invested in these gender equality and empowerment initiatives.

Education & skill development

We focus on promoting education, especially among children, women, the elderly, and the differently abled, to enhance their vocational skills and livelihoods. We supported the education of underprivileged students by providing books and covering their educational fees, ensuring that financial constraints do not hinder access to learning. We invested towards these initiatives.

Environment

We are dedicated to ensuring environmental sustainability by conserving natural resources and maintaining the quality of soil, air, and water, while also protecting flora and fauna. Our initiatives included projects focused on ecological balance, animal welfare, and agroforestry, contributing to a healthier and more sustainable environment. We invested in these environmental initiatives.

Governance

Board of Directors

Mr. Vupputuri Gopala Kishan Prasad

Founder & Chairman

Mr. VGK Prasad, a respected figure in Vehicle Finance segment, founded IKF Finance in 1991. Serving as the past President of the Federation of Indian Hire Purchase Associations (FIHPA), the leading organization for Asset Financing Companies, he has played a pivotal role in the industry. His past associations include collaboration with major players in the sector, including TELCO, HDFC Bank, and Vysya Bank. He also played a key role in establishing IKF Home Finance and IKF Infratech (P) Limited as subsidiaries of IKF Finance.

Ms. Vasumathi Devi Koganti

Managing Director

Ms. K Vasumathi has been part of IKF Finance for the past 16 years. She heads the company's overall business, focusing on Credit & Risk, Systems, and Technology. With 11+ years of previous experience in IT and Telecommunications in the USA, she brings valuable expertise to her role. Her pivotal contributions involve IKF Finance's expansion across Western and Central India, upgrading IT infrastructure, and automating various processes.

Ms. Vasantha Lakshmi

Director & Managing Director of IKF Home Finance

Ms. Vasantha Lakshmi has been associated with IKF Finance for the last 13 years and currently serves as the Managing Director of IKF Home Finance. In her previous role, she managed the company's operations in specific states. Her extensive experience includes coordinating and administrative positions at a prominent US pharmacy chain.

Mr. Satyanand Sinha Chunduri

Director

Mr. Sinha S Chunduri is a specialist in the Diagnostic space. He has been engaged in the medical profession in the USA for over four decades. Apart from the medical profession, he is also associated with several medical institutions in USA as a consultant and director.

Mr. Satyanarayana Prasad Kanaparthi

Independent Director

Mr. K Satyanarayana Prasad, a qualified BE (Civil) MIGS, comes with 30+ years of expertise in Civil Engineering. His distinguished career includes over two and a half decades of dedicated service to the Government of Andhra Pradesh in various capacities. He has played a crucial role in the planning, designing, and successful execution of numerous prestigious projects in Andhra Pradesh.

Mr. Sunil Rewachand Chandiramani

Independent Director

Mr. Sunil Chandiramani is a versatile professional, an accountant by profession, a qualified technologist and an IT security specialist. With a remarkable 25-year tenure at Ernst & Young LLP, India's leading

professional services firm, he led India's largest advisory practice, comprising 3,000 professionals and played a pivotal role in developing the Global Innovation Strategy for EY Global. He also served as the Global Relationship Partner for the TATA Group.

His Financial Services experience spans 3 years of leadership in Financial Services Practice encompassing hands-on involvement in projects related to internal audits, risk management, implementation of credit, operational, and market risk processes, operational improvement, building risk-based models through analytics, program managing core banking implementations, digitization of processes, shared service centers' creation and IT security.

Mr. Chandiramani also serves as an Independent Director on the boards of several listed and private equity-funded organizations, including Ganesh Grains Limited, Updater Service Pvt Ltd and Sapphire Foods Limited. Additionally, he has held directorial positions on the boards of Jammu & Kashmir Bank, Poonawalla Fincorp Limited, and MORE Retail Limited.

Mr. Kannan

Independent Director

Kannan is a seasoned banking professional with extensive experience spanning over four decades. Currently serving as Director (Independent) on the board of Maximus Asset Reconstruction Company Limited in Hyderabad since December 2017, and also contributing as a Member of the Settlement Advisory Committee at Canara Bank.

His notable leadership roles include:

- Chairman and Managing Director of Vijaya Bank (2014)
- Executive Director of Oriental Bank of Commerce (2010-2013)
- Director (Independent) on the board of Canara Robeco Asset Management Company Limited (2016-2021)
- Member of the Debenture Trustee Committee at Catalyst Trustee Company, Pune, representing debenture holders during the resolution of Dewan Housing Finance Limited (DHFL)
- Director on the boards of SBI Factors and Canara HSBC Oriental Bank of Commerce Insurance Company Limited

Contributions to various banking associations including the Indian Banks Association and the Foreign Exchange Dealers Association of India.

His illustrious banking career began at Bank of Maharashtra, where he ascended from the position of Probationary Officer to General Manager over a span of 34 years.

Kannan has enriched his expertise through diverse training programs and seminars globally, including sessions at Kellogg School of Management, Chicago, and engagements with regulatory bodies like the Financial Services Authority of the United Kingdom.

His educational qualifications include a B.Sc. (Hons) from Bangalore University, a P.G. Diploma in Business Administration from St. Josephs Institute Bangalore, and the CAIIB (Certified Associate of the Indian Institute of Bankers) certification.

Mr. Raman Uberoi

Independent Director

A seasoned professional with a proven track record in building and managing profitable businesses, adept at fostering strong franchises and leading large teams across diversified sectors. Possessing extensive knowledge of corporate India, industries, and regulatory frameworks, with over three decades of experience in analyzing and engaging with over 2,000 large and mid-sized corporates, financial institutions, regulators, and policymakers

He is currently engaged with CRISIL Limited as a Senior Advisor Government & Regulatory Relations as an Independent Director in PG Electroplast Limited, TruBoard Partners Private Limited, Dvara KGFS and as a Member of SEBI Market Data Advisory Committee and Expert Committee for MSMEs for the Tamil Nadu Government. He also consults with various multilateral organizations like ADB and World Bank.

His notable leadership roles include:

- Receivable Exchange of India (March 2017 – March 2023): Director.
- Principal Trustee Company Private Limited (July 2019 – June 2022): Director.
- Magma Housing Finance Limited (March 2020 – July 2021): Director.
- Piramal Capital & Housing Finance Limited (March 2017 – March 2020): Senior Advisor & Member Advisory Board.

- Aspiring Minds Assessments Private Limited (May 2016 – December 2019): Senior Advisor.
- CRISIL Limited (March 1992-April 2016): Various roles including President Ratings and Corporate Affairs, President CRISIL Risk & Infrastructure Solutions, Chief Operating Officer.

His educational qualifications include Associate Chartered Accountant, Institute of Chartered Accountants of India, 1991, B. Com (Honors), Hans Raj College, Delhi University, 1988.

Mr. Sethuraman Ganesh

Independent Director

Mr. Sethuraman Ganesh, a former Principal Chief General Manager at RBI, brings 30+ years of pan-India experience, including 10 years in senior management roles at the RBI. He holds a Master's Degree in English from Bangalore University and is a Certificated Associate of the Indian Institute of Bankers (CAIIB). He is a certified trainer in Neuro-Linguistic Programming (NLP) with vast interest in Training, Learning, and Development.

He currently serves as an Independent Director on the boards of two significant NBFCs - Sonata Finance Pvt Ltd. and Indel Money Ltd. Additionally, Mr. Ganesh is a Member of the Advisory Board at the Infimind Institute of Skill Development LLP. Previously, he has been a Non-Executive Director for BSS Microfinance Pvt. Ltd.

His diverse professional background includes directorship roles in NBFC MFIs, RBI nominee directorship on the boards of UCO Bank and Oriental Bank of Commerce, bank supervision, banking ombudsmanship, and RBI regional directorship. As former Principal of the Reserve Bank Staff College in Chennai and as a Faculty Member at the Bankers Training College in Mumbai, he has played a key role in the Management and Delivery of Training.

Mr. Abhishek Agrawal

Nominee Director

Mr. Abhishek Agrawal is the Managing Partner for Mumbai-based Accion Digital Transformation Fund (ADTx). He assumed the role of Nominee Director of Accion on the board starting on May 30, 2023.

At Accion, he played a key role in conducting investment activities and exits in financial inclusion while dealing with entrepreneurs to scale companies. In the past, he has held the positions of Chief Regional Officer (CRO) for Accion (Asia region) and Chief Financial Officer at FINCA International. He has also acted as an advisor to the Institute of Chartered Accountants (ICAI).

A passionate advocate for social change, Mr. Agrawal is an Aspire Fellow. He holds a Ph.D. in Municipal Financial Reforms and is a Chartered Accountant (FCA) from ICAI. His profound interest lies in digital financial and MSME inclusion. His vast expertise spans investment, governance, strategy and business planning and microfinance operations. With a wealth of experience, he has actively contributed to various boards and is presently on the boards of Annapurna MFI and IKF Finance.

Mr. Vinit Mukesh Mehta

Nominee Director

Mr. Vinit Mukesh Mehta is a Chartered Accountant and has a Bachelor of Commerce degree from Mumbai University. He holds 15+ years of extensive experience in various sectors including roles in investment banking with Kotak and KPMG, private equity and corporate banking with HDFC Bank. Prior to joining MOPE, he made significant contributions at Kotak Investment Bank, leading and executing over 40 transactions, successfully raising over USD 25 billion across M&A, Private Equity, and Capital Markets.

Senior Management Team – IKF Finance

Mr. Rama Raju

Chief Executive Officer (MBA Post Graduate)

Mr. Rama Raju, former CEO of AML Finance (a wholly-owned subsidiary of Automotive Manufacturers Ltd), brings 30+ years of industry experience in Retail Asset Financing. Specializing in auto loans, commercial vehicles, construction equipment, and SME financing, he is recognized for his expertise in designing business plans, implementing strategies, driving profitability and top line, and mentoring teams to fulfill organizational goals. His successful management of larger teams and portfolios within the Retail Asset Financing sector and leading private sector banks and NBFCs, showcase his commitment to industry excellence.

Mr. Chakrapani Gollamudi

Chief Risk Officer

Mr. Chakrapani Gollamudi with a Bachelor of Science Degree and Risk Management Executive program at IIM Bangalore, brings 28+ years of expertise in credit, sales, and recovery. In the past, he has worked in diverse roles at Kotak Mahindra Bank, HDFC Bank, Citicorp Finance India Limited, and Ashok Leyland Finance. His 14-year stint at Kotak Mahindra Bank saw him in pivotal roles managing the Zonal Position for West and South regions for Commercial Vehicle (CV) products and serving as the National Credit Head for Used Vehicle loans.

He is well-versed in Siebel CRM, wherein played a pivotal role in successfully building and implementing customized functionalities for marketing, sales, and service modules nationwide. His other notable contributions include establishing a Credit Score Card-based approval system for retail CV loans. Additionally, he has proactively identified untapped markets and high-potential products, contributing immensely to overall growth and profitability

Mr. Chapalamadugu Sreenivasa Rao

Company Secretary & Chief Financial Officer (CS, CMA)

Mr. Chapalamadugu Sreenivasa Rao, a qualified Cost Accountant and Company Secretary, holds 18+ years of expertise in matters related to Cost Accounting and Company Secretaryship. His past experience encompasses key roles at BBM Bommidalla Group, Bhubaneshwar Power Limited, NATCO Pharma Limited, and Coastal Local Area Bank Limited.

Mr. Raghuram Kotamarthi

National Sales Manager (Masters)

Mr. Raghuram K, an MBA in business administration (with specialization in finance) is an industry veteran holding 26+ years of experience in asset financing. He is an expert in developing and executing sales enhancement strategies, achieving targets within budgeted parameters, sales, administration, and recovery. Having undertaken diverse roles at ICICI Bank, GE Capital, HDFC Bank, and others, Mr. Raghuram K holds a proven track record of tapping into new markets, generating and clientele while significantly contributing to increased organizational profitability.

Mr. Vaibhav Ratnakar Ashtekar

National Credit Head

Mr. Vaibhav Ratnakar Ashtekar brings 20 years of experience in the credit segment, specializing in underwriting. He has extensive experience in branch network management across multiple states including Gujarat, Rajasthan, M.P., Maharashtra, Mumbai, Nashik, and more. He manages CV/CE & Auto Loans. Previously, he has worked with Equitas Small Finance Bank Limited, HDB Financial Services Ltd, and Kotak Mahindra Bank Ltd.

Mr. H Srinivas

National Collections Head (Post Graduate)

Mr. H Srinivas is a seasoned professional holding 30+ years of expertise in collections, credit appraisal and team management across the Banking/Financial Services industry. His expertise includes efficient management of collection operations to minimize delinquency and achieve targets. He also has a deep knowledge of designing plans to improve collections and maintain relationships with third-party collection agencies, leading him to successfully manage operations and propel huge organic growth. His wealth of experience includes contributions to leading organizations such as Apple Credit Corporation Limited, CITI Group, REI Finance, and Midwest Leasing & Finance Ltd.

Mr. KSS Prasanna Krishna

National Legal Head

Mr. K. S S Prasanna Krishna brings over 25 years of extensive experience in the legal and recovery sectors, underpinned by a strong academic foundation. He holds a Bachelor's degree in Commerce, a Postgraduate degree in Legal studies and an LLM, demonstrating his deep commitment to legal excellence. His career has seen him work with some of the most respected names in the financial services industry, including IIFL Home Finance Limited, Magma Fincorp Limited, and GE Money Financial Services Ltd. His comprehensive knowledge and leadership in legal matters have made him a valuable asset to these organizations, driving success and ensuring compliance.

Senior Management Team - IKF Home Finance

Sudhir Kumar Seethepalli

National Credit Manager

Sudhir Kumar Seethepalli has over 20 years of experience in Mortgage Underwriting. He has extensively worked in Underwriting Secured and Unsecured products. He is been associated with IKF Home Finance for over 1 year and prior to this he worked in companies like Sundaram Home Finance Ltd., GE Money, ING Vysya Bank, Religare Finvest, Tata Capital Housing Finance, Yes Bank etc. handling different geographies in India. He is spearheading the credit function with the use of technology and data for providing a better experience to the customer in their loan journey with IKFHF. He is a Commerce Graduate with PGDBA in Finance from ICFAI Business School.

Yogesh Singh Chowhan

National Sales Manager

Yogesh Singh Chowhan is a seasoned sales and marketing professional with over 20 years of experience across the banking, financial services, and telecom sectors. Currently serving as National Sales Manager and oversees the Home and Loan Against Property (LAP) business, driving growth with innovative strategies and strong leadership. Previously, He held senior roles at Aavas Financiers Ltd., PNB Housing Finance Ltd., and Bajaj FinServ, where he was instrumental in establishing new branches, optimizing sales channels, and achieving significant financial milestones.

Yogesh Singh Chowhan 's expertise lies in sales management, relationship management, and business development. Recognized for his ability to lead large teams and deliver exceptional results, he has consistently been a top performer, winning multiple awards for sales excellence and business growth. He is also committed to continuous learning, having completed executive programs in business management from leading institutions.

Raghuveer Kamle

Head Risk Compliance

With nearly 18 years of expertise, Mr. Kamle specializes in developing Data Models and Risk Score Models, leading Business Intelligence initiatives, and providing strategic decision science support for businesses. Mr. Kamle having experience spans across various lending domains including Secured and Unsecured loans underwriting for Home Loans, loans against Property, Business Loans, Personal Loans, MSME, and Agricultural sectors.

Sriram Raghammudi

National Operations Manager

Sriram Raghammudi is the National Operations Manager of IKF Home Finance and comes with an extensive experience of 14 years in NBFC Operations, overseeing all aspects of Operations Management and Strategic planning. He is a seasoned operations leader with a proven ability to drive operational excellence and profitability and resilient in developing teams while improving processes and increasing productivity. He has strong analytical skills with a data-driven approach to problem-solving and decision-making. He was previously associated with Piramal Capital & Housing Finance Ltd and DHFL and held significant roles like Regional Operations Manager and Lead Disbursement Manager. He holds an MBA from SVKM's NMIMS and a Bachelor's degree in Electronics and Communication Engineering from Sathyabama University.

Abhishek Jain

Company Secretary

Abhishek Jain is an Associate Member of the Institute of Company Secretaries of India and holds a Bachelor's degree from Devi Ahilya Vishwavidyalaya, Indore. He has also completed a Diploma in Corporate Governance from the Institute of Company Secretaries of India. With extensive experience in secretarial and corporate legal functions, Abhishek's expertise spans compliance for listed companies, non-banking financial companies (NBFCs), housing finance, insurance broking, private and unlisted public companies, private equity funding, capital restructuring, takeovers, strategic investments, and capital raising through both public and private channels. Additionally, he is skilled in managing matters related to NCLT and SAT.

Giridhar Vellore

National Collections Manager

Giridhar Vellore holds an MBA and Finance Graduate degree from Madras University. As the Head of Collections Manager at IKF Home Finance, he oversees the Company's collections vertical. He brings 20+ years of extensive expertise in risk management and collections apart from possessing a wealth of experience in the finance sector. His expertise covers harnessing technology and implementing innovative collection models and scorecards aligned with organizational goals. His past roles include positions in renowned companies such as Fullerton India, American Express, and SBI Cards.

Corporate Information

Board of Directors

Shri. Vupputuri Gopala Kishan Prasad	:	Chairman & Executive Director
Smt. Indira Devi Vupputuri	:	Whole Time Director (upto 14.07.2023)
Smt. Vasumathi Devi Koganti	:	Managing Director
Dr. Satyanand Sinha Chunduri	:	Director
Shri. Satyanarayana Prasad Kanaparti	:	Independent Director
Shri. Vinit Mukesh Mehta	:	Nominee Director
Smt. Vupputuri Vasantha Lakshmi	:	Alternate Director to Dr. Satyanand Sinha Chunduri
Shri. Sunil Rewachand Chandiramani	:	Independent Director
Shri. Nageswara rao Yalamanchili	:	Independent Director (Upto 11.08.2023)
Shri. Gopala Krishna Gurappa	:	Independent Director (Upto 11.08.2023)
Shri. Sethuraman Ganesh	:	Independent Director (W.e.f 14.07.2023)
Shri. Abhishek Agrawal	:	Nominee Director (w.e.f. 30.05.2023)
Shri,Raman Uberoi	:	Independent Director (w.e.f. 13.02.2024)
Shri Kannan	:	Independent Director (w.e.f. 13.02.2024)

Key Managerial Personnel

Shri. Ch. Sreenivasa Rao	:	Chief Financial Officer and Company Secretary

Board Committees

Stakeholders Relationship & Redressel Committee:

1 Shri. Abhishek Agrawal (w.e.f. 30.05.2023)
2 Shri. Satyanarayana Prasad Kanaparti
3 Shri Sunil Rewachand Chandiramani (w.e.f., 10.11.2023)
4 Shri Raman Uberoi (w.e.f., 01.07.2024)

Audit Committee:

1 Shri. Vinit Mukesh Mehta
2 Shri. Satyanarayana Prasad Kanaparti
3 Shri. Abhishek Agrawal (w.e.f. 30.05.2023)
4 Shri Sunil Rewachand Chandiramani (w.e.f., 10.11.2023)
5 Shri Sethuraman Ganesh(w.e.f.,10.11.2023)
6 Shri Raman Uberoi (w.e.f., 01.07.2024)
7 Shri Kannan (w.e.f.,01.07.2024)

Corporate Social Responsibility Committee:

1 Shri. Vupputuri Gopala Kishan Prasad
2 Shri. Vinit Mukesh Mehta
3 Shri. Abhishek Agrawal (w.e.f. 30.05.2023)
4 Shri. Satyanarayana Prasad Kanaparti (upto 01.07.2024)
5 Shri Kannan (w.e.f., 01.07.2024)

Nomination & Remuneration Committee:

1. Shri Satyanarayana Prasad Kanaparti
2. Shri. Raman Uberoi (w.e.f., 01.07.2024)
3. Shri. Vinit Mukesh Mehta
4. Shri. Sethuraman Ganesh (w.e.f. 10.11.2023)
5. Shri. Abhishek Agrawal (w.e.f. 30.05.2023)

Management Committee:

1. Shri. Vupputuri Gopala Kishan Prasad
2. Smt. Vasumathi Devi Koganti
3. Shri. Satyanarayana Prasad Kanaparti (w.e.f. 30.05.2023)

Risk Management Committee:

1 Shri. Vupputuri Gopala Kishan Prasad
2 Smt. Vasumathi Devi Koganti
3 Shri. Vinit Mukesh Mehta
4 Shri. Abhishek Agrawal (w.e.f. 30.05.2023)
5 Shri Raman Uberoi (w.e.f., 01.07.2024)

Asset Liability Management Committee:

1. Shri. Vupputuri Gopala Kishan Prasad
2. Smt. Vasumathi Devi Koganti
3. Shri. Vinit Mukesh Mehta
4. Shri. Abhishek Agrawal (w.e.f. 30.05.2023)
5. Shri. Namburi Rama Raju, CEO (w.e.f., 01.07.2024)
6. Mr. Chakrapani Gollamudi, Chief Risk Officer (w.e.f., 01.07.2024)
7. Mr. Vaibhav Asthekar, National Credit Head (w.e.f., 01.07.2024)

IT & Digital Transformation Strategy Committee (W.e.f., 30.05.2023)

1. Shri Satyanarayana Prasad Kanaparti (W.e.f., 10.11.2023 and up to 01.07.2024)
2. Smt. Vasumathi Devi Koganti
3. Shri Sunil Rewachand Chandirmani (w.e.f., 01.07.2024)
4. Shri. Abhishek Agrawal (w.e.f. 30.05.2023)

Auditors

Statutory Auditors:
M/s. S G C O & Co. LLP
Chartered Accountants
4A, Kaledonia, 2nd Floor, Sahar Road
Near Andheri Station, Andheri (East)
Mumbai- 400 069, Maharashtra, India

Internal Auditors:
M/s Brahmayya & Co
Chartered Accountants
No 33-25-33/3, Govinda Rajulu Naidu Street,
Surya Rao Pet, Vijayawada – 520 010
Andhra Pradesh, India

Secretarial Auditors:
B S S & Associates
Company Secretaries
Office: Parameswara Apartments, # 6-3-626, 5th Floor, 5 – A,
Anand Nagar, Khairtabad, Hyderabad-500 004, Telangana, India

Registrar & Share Transfer Agents

M/s. Bigshare Services Private Limited
306, 3rd Floor, Right Wing, Amrutha Ville, Opp. Yashoda Hospital,
Rajbhavan Road, Somajiguda, Hyderabad- 500 082, Telangana, India

Debenture Trustee

1. **IDBI Capital Trusteeship Services Limited**
   Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai – 400 001, Maharashtra, India
2. **Vardhman Trusteeship Private Limited**
   3rd Floor, Room No - 15 6, Lyons Range, Turner Morrison House Kolkata B 700 001, West Bengal, India

Registered Office

40-1-144, 3rd Floor, Corporate Centre, M.G. Road,
Vijayawada – 520 010, Andhra Pradesh, India

Corporate Office

Plot Nos: 30/A, Survey No: 83/1, 11th Floor
Myhome Twitza, APIIC Hyderabad Knowledge City
Raidurg (Panmaqtha) Villege, Serilingampally Mandal,
Rangareddy District, Hyderabad- 500 081
Telangana, India

Bankers / Financial Institutions

Central Bank of India (Lead Bank)
Union Bank of India (Erstwhile Andhra Bank)
Indian Overseas Bank
IDBI Bank Limited
The Federal Bank Limited
Bank of India
Punjab National Bank
State Bank of India
HDFC Bank Limited
DCB Bank Ltd
AU Small Finance Bank
Bank of Baroda
Small Industries Development Bank of India
Bank of Maharashtra
Woori Bank Limited
DBS Bank Limited
Yes Bank Limited
Ujjivan Small Finance Bank
Utkarsh Small Finance Bank
AXIS Bank Limited
Suryoday Small Finance Bank
CSB Bank Limited
Jana Small Finance Bank
IDFC First Bank Limited
Dhanalakshmi Bank Limited
Karnataka Bank
Kotak Mahindra Bank
Karur Vysya Bank Limited
Indian Bank
Bandhan Bank Limited
UCO Bank Limited
Indusind bank

Notice

NOTICE is hereby given that the 33rd Annual General Meeting **("AGM")** of **IKF Finance Limited** will be held on Monday, 30th day of september 2024, at the Registered Office of the Company situated at #40-1-144, 3rd Floor, Corporate Center, M.G. Road, Vijayawada – 520010, Andhra Pradesh at 11.00 A.M., to transact the following business:

Ordinary Business:

1. To receive, consider, approve and adopt:

   (a) the Audited Standalone Financial Statements for the financial year ended 31st March, 2024, together with the Reports of the Directors' and Auditors' thereon and

   (b) the Audited Consolidated Financial Statements for the financial year ended 31st March, 2024, together with the Report of Auditors' thereon.

   In this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the year ended 31st March, 2024 together with the Reports of the Directors' and Auditors' thereon and the Audited Consolidated Financial Statements of the Company for the year ended 31st March, 2024 together with the Report of Auditors' thereon be and are hereby received, considered, approved and adopted."

2. **To appoint a Director in place of Smt. Vasumathi Devi Koganti (DIN: 03161150),, who retires by rotation and, being eligible, offer herself for re-appointment and in this regard.**

   To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** Smt. Vasumathi Devi Koganti (DIN: 03161150), who retires by rotation in accordance with Section 152 of the Companies, Act, 2013 be and is hereby re-appointed as a director liable to retire by rotation."

3. **To appoint M/s. Mukund M Chitale & Co (Firm Regn No: 106655W) Chartered Accountants as the Statutory Auditors of the Company and to fix their remuneration.**

   To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** in accordance with the Guidelines for Appointment of Statutory Central Auditors (SCA's) Statutory Auditors (SAs) of Commercial Banks (excluding RRBs) and NBFCs(including HFCs) issued by Reserve Bank of India (RBI) vide Notification Ref. No. DOS.CO.ARG/SEC.01/08.91.001/2021-22 dated 27th April, 2021 (RBI Guidelines) and pursuant to the provisions of Sections 139, 142 of the Companies Act, 2013 read with Rule 3 of the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder (including any statutory modification(s) or re-enactments thereof for the time being in force), M/s. Mukund M Chitale & Co (Firm Regn No: 106655W) Chartered Accountants, be and is hereby appointed as Statutory Auditors of the Company for a period of 3 (Three) years to hold office from the conclusion of this 33rd Annual General Meeting of the Company till the conclusion of the 36th Annual General Meeting of the Company to be held in the year 2027 on such remuneration plus applicable taxes and out-of-pocket expenses, as may be mutually agreed upon by the audit committee/Board of Directors and the Statutory Auditors."

   "**RESOLVED FURTHER THAT** the Board of Directors of the Company and / or, Company Secretary be and are hereby severally authorized to do all such acts and take all such steps as may be considered necessary, proper or expedient to give effect to this Resolution."

Special business:

4. **To revise the Borrowing Powers of the Company of ₹ 6000 Crores**

   To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Section 180 (1) (c) and other applicable provisions, if any, and the Companies Act, 2013 including any statutory modifications or re-enactments thereof and in supersession of all the earlier resolutions passed in this regard, the Board of Directors (hereinafter referred to as the Board, including any committee thereof for the time being exercising the powers conferred on them by this resolution), be and is hereby authorized to borrow money, as and when required, from, including without limitation, any Bank and/or Public Financial Institution as defined under Section 2(72) of the

Companies Act, 2013 and/or eligible foreign lender and/or any entity/ entities and/or authority/ authorities and/ or through suppliers credit, any other securities or instruments, such as floating rate notes, fixed rate notes, syndicated loans, debentures, commercial papers, short term loans or any other instruments etc. and/or through credit from official agencies and/or by way of commercial borrowings from the private sector window of multilateral financial institution, either in rupees or in such other foreign currencies as may be permitted by law from time to time, as may be deemed appropriate by the Board for an aggregate amount not exceeding ₹ 6000 Crores (Rupees Six Thousand Crores Only), notwithstanding that money so borrowed together with the monies already borrowed by the Company, if any (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company, its free reserves and securities premium that is to say, reserves not set apart for any specified purpose."

"**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

5. To renew the power of Board of Directors of the Company to lease and mortgage of the property (ies) of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, consent of the Company be and is hereby given to the Board of Directors (hereinafter referred to as the Board, including any committee thereof for the time being exercising the powers conferred on them by this resolution), of the Company to create charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the company, on such assets and properties of the company, both present and future and in such manner as the Board may direct, in favour of all or any Banks, financial institutions, investments institutions and their subsidiaries, any other bodies corporate and any other lenders (hereinafter collectively referred to "the lending agencies") and/ or Trustees for the holders of debentures/ bonds/ other instruments to secure borrowing of the Company by way of loans/ issue of debentures/ bonds/ other instruments which may be issued for a sum not exceeding ₹ 6000 Crore (Rupees Six Thousand Crore only) over and above the aggregate of the paid up capital of the company, its free reserves and securities premium which have been or propose to be obtained from or privately placed with the lending agencies together with interest there on at agreed rates, further interest, liquidated damages, premium on prepayment or on redemption, costs, charges, expenses, and all other monies payable by the company to the trusties under the trust deeds and/or to the lending agencies under their respective agreements/loan agreements /debentures trust deeds entered into/to be entered by the company in respect of said borrowings."

"**RESOLVED FURTHER THAT** the Board be and is hereby authorized to finalize with the Lending Agencies / Trustees, the documents for creating the aforesaid mortgages, charges and/or hypothecations and to accept any modifications to, or to modify, alter or vary, the terms and conditions of the aforesaid documents and to do all such acts and things and to execute all such documents as may be necessary for giving effect to this Resolution."

6. Authorization to issue of Non-Convertible Debentures (NCD)/Tier II Debt(s)/Commercial Papers/Bonds on Private Placement Basis:

To consider, and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 42, 71 and other applicable provisions of the Companies Act, 2013, read with Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable provisions of the Companies Act, 2013, as amended and in force, in accordance with the memorandum and Articles of Association, the Board of Directors including any committee thereof for the time being of the Company be and is hereby authorized to issue, offer or invitation and allot secured/ unsecured, redeemable, non-convertible, listed / unlisted, senior/subordinated bonds/debentures/

Commercial Paper/ Tier II Debt/ Other debt securities ("Bonds") of value aggregating upto ₹ 3,000 Cr (Rupees Three Thousand Crores Only) through private placement offer letter(s) in one or more tranches in conformity and in compliance with the all applicable rules, regulation, directions made in this regard, as amended from time to time to such person or persons, including one or more companies, bodies corporate(s), statutory corporations, commercial banks, lending agencies, financial institutions, insurance companies, mutual funds, alternative investment funds, pension/ provident funds and individuals, as the case may be or such other person/persons as the board of directors may decide so.

RESOLVED FURTHER THAT the Board including any committee thereof for the time being be and is hereby authorized to do all such acts, deeds and things as may be deemed necessary in respect of issue of Bonds/ Debenture including but not limited to number of issues/ tranches, face value, issue price, issue size, timing, amount, security, coupon/interest rate(s), yield, listing, allotment and other terms and conditions of issue Bonds as they may, in their absolute discretion, deemed necessary to take all necessary steps."

For and on Behalf of the Board
IKF Finance Limited

Ch Sreenivasa Rao
Company Secretary
Membership No.: ACS14723

Place: Vijayawada
Date: 13.08.2024

NOTES

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, ('the Act') relating to the Special Business to be transacted at the Annual General Meeting ('AGM') is annexed hereto. The Board of Directors have considered and decided to include the Item No. 4 to 6 given above as Special Businesses in the forthcoming AGM, as it is unavoidable in nature.

2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and MCA Circulars dated January 13, 2021, April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The Company is providing remote e-Voting facility to its members in respect of the business to be transacted at the AGM and facility for those Members participating in the AGM to cast vote through e-Voting system during the AGM.

3. Pursuant to the provisions of the Act, normally, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/ her behalf who may or may not be a Member of the Company.

4. In accordance with, the General Circular No. 20/2020 dated 5th May, 2020 issued by MCA, owing to the difficulties involved in dispatching of physical copy of Notice of AGM is being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).

5. The Company has fixed 23rd September, 2024 as the cut-off date for identifying the Members who shall be eligible to vote through remote e-voting facility or for participation and voting in the AGM. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date shall be entitled to vote on the resolutions through the facility of Remote e-Voting or participate and vote in the AGM.

6. The Register of Members and Transfer Book of the Company will be closed from 23rd September 2024, to 30th September, 2024 (both days inclusive).

7. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.ikffinance.com. The Notice can also be accessed from the websites of the Stock Exchange i.e., BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e., www.evotingindia.com.

8. The relevant details required to be given under Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of directors seeking appointment/ re-appointment at this AGM are given in the Annexure.

9. In terms of Section 152 of the Act, Smt Vasumathi Devi Koganti is liable to retire by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

10. Pursuant to the provisions of Section 72 of the Companies Act, 2013, the member(s) holding shares in physical form may nominate, in the prescribed manner, a person to whom all the rights in the shares shall vest in the event of death of the sole holder or all the joint holders. Member(s) holding shares in demat form may contact their respective Depository Participant for availing this facility.

11. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available for inspection by the members at the registered office during the AGM. All documents referred to in the Notice will also be available for inspection at the registered office during the AGM. Members seeking to inspect such documents can send an email to sreenivas@ikffinance.com.

12. Members whose shareholding is in electronic mode are requested to update the change of address, with a view to using natural resources responsibly, we request the shareholders to update respective email addresses with your Depository Participants, if not already done, to enable the Company to send communications electronically.

13. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

14. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

(i) The voting period begins on Friday, 27th September, 2024 at 9.00 a.m. IST and ends on Sunday, 29th day of September, 2024 at 5.00 p.m. IST. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Monday, the 23rd September, 2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) The shareholders should log on to the e-voting website www.evotingindia.com.

Pursuant to SEBI Circular SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL Depository**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL Depository**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants (DP)**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(iv) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.

1) The shareholders should log on to the e-voting website www.evotingindia.com.

2) Click on "Shareholders" module.

3) Now enter your User ID

   a. For CDSL: 16 digits beneficiary ID,

   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

   c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

(v) After entering these details appropriately, click on "SUBMIT" tab.

(vi) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(vii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(viii) Click on the EVSN 240819003 for the relevant IKF FINANCE LIMITED on which you choose to vote.

(ix) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(x) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xi) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xiv) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xv) There is also an optional provision to upload BR/ POA if any uploaded, which will be made available to scrutinizer for verification.

(xvi) Additional Facility for Non – Individual Shareholders and Custodians – For Remote Voting only.

- Non-Individual shareholders (i.e., other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; sreenivas@ikffinance.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to bsshyd@bigshareonline.com.

2. For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to bsshyd@bigshareonline.com

3. The RTA shall co-ordinate with CDSL and provide the login credentials to the above-mentioned shareholders.

   If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call at toll free no. 1800 22 55 33

GENERAL INSTRUCTIONS AND INFORMATION FOR SHAREHOLDERS

1 Details of Scrutinizer: B S S & Associates, Practicing Company Secretaries (Unique Code of Partnership Firm: P2012AP02600) has been appointed as the Scrutinizers to scrutinize the e-voting process in a fair and transparent manner.

2 The Scrutinizer's decision on the validity of the vote shall be final.

3 The Scrutinizer after scrutinizing the votes cast by remote e-voting and e-voting during the AGM will make a consolidated Scrutinizer's Report and submit the same forthwith within two working days conclusion of the AGM to the Chairman of the Company/meeting or a person authorised by him in writing, who shall countersign the same.

4 The Results declared along with the consolidated Scrutinizer's Report shall be hosted on the website of the Company i.e., www.ikffinance.com and on the website of BSE Limited at www.bseindia.com immediately after the declaration of results by the Chairman or a person authorized by him. The result shall also be displayed on the Notice Board at the Registered Office of the Company.

5 The Resolutions shall be deemed to be passed at the registered office of the Company on the date of the AGM, subject to receipt of the requisite number of votes in favour of the Resolutions.

For and on Behalf of the Board
IKF Finance Limited

Ch Sreenivasa Rao
Company Secretary
Membership No.: ACS14723

Place: Vijayawada
Date: 13.08.2024

STATEMENT SETTING OUT THE MATERIAL FACTS CONCERNING AND RELATING TO THE SPECIAL BUSINESS TO BE TRANSACTED AT THE MEETING PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("THE ACT")

Special Business

Item No: 4

As per Section 180(1)(c) of the Companies Act, 2013, to borrow money together with the monies already borrowed (apart from temporary loans obtained from the Company's bankers in ordinary course of business) by the Company beyond the aggregate of the paid up capital of the company, its free reserve and securities premium requires approval from the shareholders of the Company.

With a view to meet the funds requirements of the Company for both short term as well as long term, the Company may be required to borrow from time to time by way of loans and/or issue of Bonds, Debentures or other securities, to accommodate these requirements, it is proposed that the existing approved limit of ₹ 5000 Crores (Rupees Five Thousand Crores Only) be enhanced to ₹ 6000 Crores (Rupees Six Thousand Crores Only). Accordingly, the Board of Directors recommends the resolution for members' approval as a Special Resolution.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at item No.4 of the Notice.

Item No. 5

As mentioned in Item No 4, it is proposed to revise the existing borrowing powers of ₹ 5000 crore (Rupees Five Thousand Crore only) to ₹ 6000 crore (Rupees Six Thousand Crore only). To secure such borrowings, the Company would be required to mortgage and/or charge its moveable and/or immoveable properties, the whole or substantially the whole of the undertaking(s) or any other assets of the Company (both present and future) in favour of the financial institutions/banks/ other lender(s)/ trustees. The approval of the shareholders is required as per Section 180(1)(a) of the Companies Act, 2013. In the circumstances, the Board recommends this resolution for approval of the Members by a Special Resolution

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at item No. 5 of the Notice.

Item No. 6

The Companies (Prospectus and Allotment of Securities) Rules, 2014 prescribed under Section 42 and other applicable provisions, if any, of the Companies Act, 2013 of the Act deals with private placement of securities by a company. Sub-rule (1) of the said Rule 14 states that in case of an offer or invitation to subscribe for non-convertible debentures, on private placement, the company shall obtain previous approval of its members by means of a special resolution only once in a year for all the offers or invitations for such debentures during the year. Rule 18 of the Companies (Share Capital and Debentures) Rules, 2014 deals with issue of secured debentures. In order to augment long term resources for financing, inter alia, for the strategic business expansion in future and for general corporate purposes, the Board, which term shall include any Committee constituted by the Board, may at an appropriate time, offer or invite subscriptions for NCDs, Bonds, Tier II Debt, Commercial Paper or any other debt securities on a private placement basis, in one or more tranches, upto an amount not exceeding ₹ 3,000 Crore, within the overall borrowing limits of the Company, as approved by the Members from time to time, with authority to the Board to determine the terms and conditions, including the issue price, of the NCDs, Tier II Debt, Commercial Paper or any other Debt Instruments.

Accordingly, approval of the members is sought for passing the Special Resolution as set out at Item No. 6 of the Notice. This resolution is an enabling resolution and authorizes the Board of Directors of the Company to offer or invite subscription for non-convertible debentures, Tier II Debt, Commercial Paper or any other Debt Instruments as may be required by the Company, from time to time for a year from the date of passing this resolution.

The proposed borrowings, along with the existing borrowings of the Company, would not exceed the aggregate outstanding borrowings of the Company approved by the Members, from time to time.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The Board commends the Special Resolution set out at Item No. 6 of the Notice for approval by the members.

Annexure to the Notice

Additional information on directors recommended for appointment / re-appointment / variation of terms of remuneration as required under Secretarial Standard-2 notified under Section 118 (10) of the Companies Act, 2013

Name of the Director	Vasumathi Devi Koganti
DIN	03161150
Date of Birth	09.05.1975
Date of first Appointment on the Board	31.10.2006
Age	49 Years
Qualification	BE (Electronics & Communications), MBA (Global Management, USA)
Experience	Having nine (9) years of working experience in IT and Telecommunications in several US Companies. Associated with IKF Finance Limited as Executive Director since 2007
Terms and conditions of appointment	As per the resolution passed on 30.09.2022
Remuneration sought to be paid	₹ 6,00,000/- per month
Remuneration last drawn	₹ 6,00,000 Per Month
Relationship with other director/Manager and other KMP	1. Daughter of Sri.V.G.K.Prasad, Chairman 2. Sister of Mrs. Vupputuri Vasantha Lakshmi, Alternate Director
No of Meetings of the Board Attended during the FY- 2023-2024	7
No of Shares held in the Company	26,47,266 Equity Shares of ₹ 10/- each amounting to 3.77% of Paid up Share Capital of the Company.
Directorships of other Board	Director of IKF Home Finance Limited
Membership/Chairmanship of Committees of other Board	1

IKF FINANCE LIMITED

Regd. Office: 40-1-144,3rd FLOOR, Corporate Centre, M.G.Road, Vijayawada, Andhra Pradesh-520010

Form No. MGT- 11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s): .....

Registered address: .....

E-mail Id: .....

Folio No/ Client Id: .....

DP ID: .....

I/ We, being the member (s) of ..... shares of the above named company, hereby appoint

Name:.....

E-mail Id: .....

Address:.....

Signature: ..... or failing him

Signature: ..... or failing him as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the Annual General Meeting of the Company, to be held on 30th September 2024 at 11.00 A.M., at the registered office of the Company situated at Office 40-1-144,3rd Floor, Corporate Centre, M.G.Road, Vijayawada, Andhra Pradesh-520010 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl No	Special Businesses	For	Against	Abstain
1	To regularize appointment of Mr. Abhishek Agarwal (DIN 06760344) as a Director of the Company in capacity of nominee director representing Accion Digital Transformation Fund LP			
2	To adopt reinstated Articles of Association of the Company			

Signed this..... day of September 2024

Affix Revenue Stamp

Signature of shareholder..... Signature of Proxy holder(s) .....

Note:

This form of proxy in order to be effective should be duly completed and deposited at Registered Office of the Company, not less than 48hours before the commencement of the Meeting

IKF FINANCE LIMITED

Regd. Office: 40-1-144,3rd FLOOR, Corporate Centre, M.G.Road, Vijayawada, Andhra Pradesh-520010

(To be handed over at entrance of the Meeting Venue)

ATTENDANCE SLIP

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Folio No. ..... DP. ID No./ Client ID .....

Name of the Member ..... Signature .....

Name of Proxy Holder ..... Signature .....

No. of share held .....

E-mail ID .....

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company. I hereby record my presence at the Annual General Meeting of the Company, to be held on 30th September 2024 at 11.00 A.M at the registered office of the Company situated at Office 40-1-144,3rd Floor, Corporate Centre, M.G.Road, Vijayawada, Andhra Pradesh-520010

1. Only Member/Proxy holder can attend the Meeting.
2. Member/Proxy holder should bring his/her copy of the Annual Report for reference at the Meeting.

Note: Please fill this Admission Slip and hand it over at the entrance. Shareholders who come to attend the meeting are requested to bring the copies of the Notice of AGM also with them.

IKF FINANCE LIMITED

Regd. Office: 40-1-144,3rd FLOOR, Corporate Centre, M.G.Road, Vijayawada, Andhra Pradesh-520010

Route Map

Directors' Report

To,
The members of IKF Finance Limited.

Your Directors' have pleasure in presenting the 33rd Annual Report together with the Audited Accounts for the financial period ended 31st March, 2024.

Financial Results:

The summarized financial results of the Company are as given hereunder:

(Amounts in lakhs, unless otherwise stated)

Particulars	Standalone		Consolidated	
	2023-24	2022-23	2023-24	2022-23
Revenue from Operations	43,422.54	28,495.44	57941.84	37444.08
Other Income	325.04	164.24	658.34	400.63
Profit (loss) before depreciation, interest and tax	32,701.37	22,397.59	42646.10	27807.55
Depreciation/amortization	340.89	264.23	468.88	341.66
Finance cost	22,022.85	15,402.63	28476.10	19217.55
Impairment expense on loans	599.58	-44.98	843.03	43.38
Portfolio Loans & other balances written off	1,040.93	584.83	1,175.29	584.83
Profit (loss)before tax	10,337.63	6,730.73	13701.12	8248.33
Provision for tax/deferred tax	2,640.19	1,730.22	3520.61	2096.38
Profit (loss) after tax before exception item	7,697.44	5000.51	10180.51	6151.95
Other comprehensive income / (loss)	-3.26	9.86	-19.22	67.97
Net profit (loss) after exceptional items	7,697.44	5,000.51	10161.29	6219.93
Balance brought forward from previous year	20,382.66	16,622.42	22518.93	18183.90
Dividend on Equity Shares	0	0	0.00	0.00
Tax on dividend	0	0	0.00	0.00
Transfer to Statutory Reserve as required by Section 45-IC of Reserve Bank of India Act, 1934	1,539.49	1,000.10	2,172.43	1268.00
Transfer to General reserve	384.87	250.03	384.87	250.03
Transferred to Share Based payment reserve	1.08	-3.99	1.08	-4.00
Surplus carried to Balance sheet	5,769.82	3,760.24	7407.05	4335.03

Review of Operations:

Standalone:

The performance for the year ended March 31, 2024 has improved and the Revenue from operations has grown by 52% to ₹ 434.23 Cr from ₹ 284.95 Cr for the corresponding previous year and Net Profit increased to ₹ 76.97 Cr as against ₹ 50.00 Cr registering a growth of 54% for the corresponding previous year. During the year, the Loan Book has grown by 54% from ₹ 2137 Cr to 3291.04 Cr (before Impairment loss allowance). The total assets managed by the Company, including receivables assigned / securitized stood at around ₹ 3775 Cr as at March 31, 2024 as against ₹ 2452 Cr in the previous year thereby registering a growth of 54%.

Consolidated:

The Company's performance, along with its subsidiary's performance for the year ended March 31, 2024 on a consolidated basis is satisfactory. The Revenue from operations has increased to ₹ 579.42 Cr from ₹ 374.44 Cr and Net Profit increased to ₹ 101.81 Cr from ₹ 61.52 Cr registering a growth of 65 % for the corresponding previous year.

Future Outlook:

Global Economic Scenario

The global economy has exhibited remarkable resilience despite facing repeated and overlapping shocks, alongside unprecedented monetary tightening measures. Growth in the US and several key emerging market economies (EMEs) has surpassed expectations, even as manufacturing activity remained subdued, and the services sector exhibited strength. In 2023, the global economy grew by 3.1%, but a slowdown to 2.9% is anticipated in 2024. While headline inflation has decreased across countries, core and service inflation have declined more gradually due to persistent labour market tightness. Major central banks in advanced economies have maintained policy rates to align inflation with targets. Global crude oil prices have remained volatile, and any escalation in geopolitical conflicts could further disrupt the oil market, impacting both inflation and economic growth. Despite easing inflation, the global economy is expected to face tighter credit conditions and increased pressure on the business sector, potentially leading to slowdowns in hiring and expenditure. The economic rebound in 2025 will largely depend on central banks' ability to ease economic constraints as inflation indicators approach their targets.

Indian Economic Scenario

India has solidified its position as the world's third-largest fintech economy and has advanced significantly in global stock markets. Despite global economic uncertainties, India's GDP grew by 8.2% in FY 2023-24, driven by increased public sector investments, a resilient financial sector, and significant growth in non-food credit. India has shown resilience and progress through timely policy interventions aimed at ensuring macroeconomic stability and revitalizing both financial and non-financial sectors. Significant investments in robust physical and digital public infrastructure have enabled the country to navigate challenges and ensure sustained economic progress. Looking forward, India is poised to remain the world's fastest-growing major economy, with GDP growth expected to reach nearly 7% in FY 2024-25. This growth is likely to be driven by robust domestic demand, private consumption, investment, and government reforms.

Indian Financial Services Sector

India's financial services sector is undergoing rapid expansion, marked by robust growth among existing firms and the entry of new players. The sector includes insurance companies, commercial banks, cooperatives, non-banking financial companies (NBFCs), mutual funds, and more. NBFCs have emerged as critical pillars of financial support, particularly for SMEs and those traditionally underserved by conventional banking institutions. Despite competition from public and private sector banks, NBFCs have demonstrated agility and efficiency, leveraging technology to enhance operational efficiency, elevate customer experiences, and ensure compliance with regulatory standards. NBFCs have played a significant role in boosting credit flow to MSMEs by adopting innovative tools and unconventional risk assessment methods tailored to the unique needs of small businesses. The sector has also witnessed a transformative shift with the growing influence of digital technologies, reshaping its growth trajectory and enabling NBFCs to compete effectively with larger institutions.

Performance in Commercial Vehicles:

The commercial vehicle sector recorded moderate growth in FY 2023-24, with a 0.6% increase in volume. However, projections from ICRA suggest a potential decline of 4-7% in commercial vehicle volume growth for FY 2024-25. Despite this projection, sales of commercial vehicles reached record highs of 9.67 lakh units in FY 2023-24, driven by substantial government investments in infrastructure and increased freight movement. Although a slowdown in demand for medium and heavy commercial vehicles (MHCVs) and light commercial vehicles (LCVs) may occur in FY 2024-25, the long-term outlook remains promising. This optimism is supported by a robust macroeconomic landscape, ongoing infrastructure projects, and expanding freight demand.

Performance in Passenger Vehicles

The Indian passenger vehicle market experienced a surge in demand, particularly for utility vehicles, in FY 2023-24. The segment achieved record sales of over 42.18 lakh units, driven by new model launches and strong demand for SUVs. Electric vehicles (EVs) also contributed to this growth, with electric cars accounting for around 6% of total EV sales nationwide. As more OEMs plan to introduce new electric vehicles tailored to the domestic market, there is significant potential for increased EV adoption and overall growth in the passenger vehicle segment. The upcoming launches of utility vehicles and new models are expected to further drive growth in the Indian passenger vehicle market.

Performance in Two-Wheelers and Three-Wheelers

The two-wheeler market in India witnessed substantial growth of 13.3% in FY 2023-24, with 178.74 lakh units sold, and is projected to grow at a CAGR of 10.29% by 2029. Economic prosperity and rising disposable incomes, along with demographic shifts favouring personal mobility solutions, have fuelled demand in this segment. Electric two-wheelers (e2Ws) saw a remarkable 33.3% increase in sales compared to the previous year. The three-wheeler segment also performed exceptionally well, with a growth of 41.5% and total sales of 6.91 lakh units. This growth is driven by increasing demand for last-mile connectivity and the adoption of electric vehicles in both urban and rural areas.

Performance in Construction Equipment

The construction equipment industry plays a pivotal role in driving economic development by enabling infrastructure growth. Government initiatives like the National Infrastructure Pipeline (NIP), and the PM Gati Shakti Master Plan have created numerous opportunities within the construction sector. The Indian construction equipment market is expected to reach USD 10.90 billion by 2029, registering a CAGR of 8.30%. The improvement in road construction infrastructure, increasing urbanization, and higher investment in infrastructure activities are key factors contributing to growth in this sector.

Performance in MSMEs

The MSME sector in India holds a crucial position in employment generation and significantly contributes to the country's GDP, accounting for 40% of industrial production and 42% of exports. Despite supportive government initiatives, a credit gap of ₹ 25 trillion persists, which NBFCs can address through collaborations with fintech firms and advancements in digital technologies. The MSME sector has been a key driver of growth for NBFCs, particularly in underbanked regions. By offering tailored products and digital solutions, NBFCs have played a significant role in enhancing credit flow to MSMEs and supporting their growth.

Outlook for IKF Finance in FY'25:

Looking ahead to FY'25, your company is well-positioned to capitalize on growth opportunities across all major segments of the automobile industry. The company's continued focus on the retail segment, coupled with its commitment to providing superior customer service and maintaining asset quality, will enable it to meet the financing needs of clients in commercial vehicles, passenger vehicles, two-wheelers, three-wheelers, and construction equipment. With robust demand expected in these segments, driven by government initiatives and infrastructure development, your company is confident in its ability to sustain growth and profitability. The company's strategic focus on digital transformation, innovative financing solutions, and strong customer relationships will continue to be the foundation of its success in FY'25 and beyond.

Risk Management & Credit Monitoring:

Overview of Risk Management

At IKF Finance, risk management is a critical component of our overall business strategy. We recognize that the ability to identify, assess, and mitigate risks is essential to sustaining growth and profitability. In an increasingly dynamic and complex financial environment, our approach to risk management is both proactive and comprehensive, ensuring that all potential risks are systematically identified, evaluated, and managed in alignment with our strategic objectives.

Our risk management framework is built on a foundation of governance structures, policies, and analytical tools. This framework is designed to address a wide range of risks, including credit, market, operational, and liquidity risks. By continuously refining our risk management processes and leveraging the latest technological advancements, we aim to minimize potential losses while maximizing opportunities for growth.

Credit Risk Management

At IKF Finance, credit risk management is a cornerstone of our business, with a focus on safeguarding the quality of our loan portfolio through meticulous underwriting and ongoing monitoring. We have adopted a two-pronged approach to credit risk management that involves the separate evaluation of both the customer and the asset.

Customer Underwriting

Our customer underwriting process is designed to assess the creditworthiness of borrowers. We leverage advanced technology to authenticate and verify customer information, ensuring the identification of genuine customers. We use automated verification tools to evaluate the stability and repayment capacity of potential borrowers. By employing these cutting-edge technologies, we minimize the risk of fraud and enhance the accuracy of our credit assessments.

Asset Underwriting

Our asset underwriting begins with the preparation of stagewise asset grids, developed through a rigorous scientific process. These grids take into account several key factors, including vehicle population, resale value, and the competitive landscape. This comprehensive approach allows us to accurately gauge the current market value of each vehicle, ensuring that our assessments are grounded in real-time data and market trends. Asset valuation is

external and is done through Mahindra Auto Inspect for PAN India. These valuations are critical in fixing the loan-to-value (LTV) ratios, ensuring that our exposure is aligned with the current value of the underlying collateral.

Use of Technology

We have integrated advanced technological tools into our credit risk management framework to enhance the precision and efficiency of our underwriting process. Technology plays a crucial role in identifying genuine customers, conducting real-time credit checks, and partially automating the decision-making process.

Operational Risk Management

Operational risk management is integral to maintaining the resilience and efficiency of our operations. We have established comprehensive policies and procedures to manage operational risks, including those related to internal processes, systems, human resources, and external events. Our risk management framework is supported by a strong internal control environment, regular audits, and continuous monitoring of key risk indicators.

Market and Liquidity Risk Management

Market and liquidity risks are managed through a well-defined framework that includes regular monitoring of market trends, liquidity positions, and interest rate movements. We maintain adequate liquidity buffers and have contingency plans in place to address any potential disruptions in our funding sources. Our asset-liability management (ALM) committee regularly reviews our liquidity and interest rate risk exposures to ensure that they remain within acceptable limits.

Technology and Cyber Risk Management

As we continue to invest in digital transformation, managing technology and cyber risks has become increasingly important. We have implemented cybersecurity measures to protect our systems and data from cyber threats. Regular vulnerability assessments, penetration testing, and employee training programs are conducted to enhance our cybersecurity posture.

At IKF Finance, risk management and credit monitoring are central to our commitment to delivering sustainable growth and safeguarding stakeholder interests. Our comprehensive risk management framework, coupled with our proactive credit monitoring practices, ensures that we are well-equipped to navigate the evolving financial landscape. As we move forward, we will continue to enhance our risk management capabilities, leveraging technology and data analytics to stay ahead of emerging risks and capitalize on new opportunities.

Corporate Governance:

Your Company's Non-convertible debt securities got listed with Bombay Stock Exchange Limited ("BSE"). A report on the Corporate Governance along with a declaration by the Managing Director with regard to code of conduct to be presented to the members of the Company as such a report on Corporate Governance Report is attached as part of this report.

Management's Discussion and Analysis:

Strategic Focus and Growth Strategy

At IKF Finance, our strategic focus for FY'25 will shift towards achieving product focussed granular growth, with a heightened emphasis on creating a separate product level manpower on retail lending to micro and small entrepreneurs. We believe that by prioritizing high-yielding retail loans such as those for small commercial vehicles and light commercial vehicles we can accelerate the growth and continue to build Heavy Commercial vehicle, Construction Equipment, car and Loans to MSMEs. This targeted approach allows us to concentrate on more profitable segments, ensuring sustainable and substantial growth in our net income.

Our commitment to these products reflects our dedication to reaching niche markets within the underbanked and unbanked segments, which are crucial to the economic fabric of rural India. By channelling our efforts into these high-yield opportunities, we aim to optimize our portfolio and deliver stronger returns for our stakeholders. This strategy not only supports our goal of enhancing profitability but also fortifies our market position and financial stability.

Commitment to Digitalization and Customer-Centric Solutions

In line with our strategic priorities, we remain committed to offering need-based financial solutions, underpinned by our ongoing dedication to digitalization. This focus on digital transformation enhances the customer experience, streamlining our processes and making it easier for our clients to access financial services. Our transparent communication practices empower customers to make informed decisions, reinforcing our reputation as a trusted and preferred lender in a competitive landscape.

The trust our customers place in us is evidenced by the outstanding performance of our core loan products over the past year, resulting in a significant 54% increase in AUM compared to FY 2023-24. This growth highlights the success of our strategic focus on high-yielding segments and our ability to meet the financial needs of underserved markets effectively.

Liquidity Management

While we have observed a slight increase in the cost of debt during last fiscal, largely due to prevailing market rates, we continue to maintain sufficient liquidity buffers to manage our liability repayments effectively.

All the Asset-Liability Management (ALM) buckets remain positive, with a significant cumulative surplus up to one year.

In conclusion, IKF Finance's strategic emphasis on product-focused granular growth, particularly within the high-yield segments of small commercial vehicles, light commercial vehicles position us strongly for sustained profitability. Our unwavering commitment to digitalization and customer-centric solutions continues to enhance our operational efficiency and strengthen our customer relationships. Supported by our robust financial performance and prudent liquidity management, we are well-equipped to navigate the evolving financial landscape. As we move forward, we remain focused on optimizing our portfolio, delivering superior value to our stakeholders, and ensuring long-term growth and stability in a competitive environment.

Credit Rating of Securities:

Name of the Credit Rating Agency	Borrowing Instrument	Amount Rated (in crores)	Date of Rating	Rating Assigned	Rating Valid Till	Whether New/ Renewal/ Reassigned/ Withdrawn
CARE	Long Term Bank Facilities	2600	21-03-2024	CARE A	20-03-2025	renewal
CARE	Subordinate Debt	165	21-03-2024	CARE A	20-03-2025	renewal
CARE	NCDs	270	21-03-2024	CARE A	20-03-2025	renewal

Resource Mobilization

During the year under review, the company strategically enhanced its resource mobilization efforts while continuing to adhere to its status as a non-deposit-taking Non-Banking Financial Company (NBFC) in compliance with the Reserve Bank of India's guidelines and the Companies (Acceptance of Deposits) Rules, 2014.

Working Capital Management:

The company successfully reduced its dependence on cash credit limits by raising term resources, effectively managing its Asset-Liability Mismatch (ALM). Moving forward, the company plans to increase its cash credit utilization proportionately in alignment with the growth in term resources.

Term Loans:

The company mobilized significant term loans from various financial institutions, reflecting its robust banking relationships and the confidence of lenders in its financial stability and growth prospects.

Commercial Paper:

No commercial paper was issued during the year, aligning with the company's strategic resource allocation.

Non-Convertible Debentures (NCDs):

The company successfully raised funds through private placements of Non-Convertible Debentures (NCDs) from select financial institutions. These funds contribute to the company's capital structure, enhancing its ability to finance operations and growth initiatives.

Securitization and Assignment:

During the year, the company effectively assigned a portion of its vehicle loan receivables, further optimizing its financial resources and liquidity.

Borrowing Profile:

The company maintained a diversified borrowing profile, primarily leveraging bank borrowings, along with support from NBFCs, Financial Institutions, and NCDs. This approach has allowed the company to access low-cost funds, ensuring a stable and cost-effective capital base for ongoing operations and expansion.Securitization / Assignment of Loan Receivables:

Capital Adequacy:

The Capital to Risk Assets Ratio of your company is 26.51% as on 31.03.2024, well above the minimum of 15% prescribed by the Reserve Bank of India, of which Tier I Capital constituted 22.67% and Tier II constituted 3.84%.

Dividend:

Your Directors' have not recommended payment of dividend for the financial year ended 31st March, 2024 since it is proposed to retain the same in the business.

Transfer of unclaimed dividend to Investor Education and Protection Fund:

During the period under review, no such case was raised to credit / to pay any amount to the Investor Education and Protection Fund.

Share Capital:

a. **Authorized Share Capital:** The Authorised Share Capital of the Company stood at ₹ 105,00,00,000/- (Rupees One Hundred and Five Crores only) divided into 8,00,00,000 (Eight Crore only) Equity Shares of ₹ 10/- (Rupees Ten only) each and 25,00,000 (Twenty Five Lac only) Preference Shares of ₹ 100/- (Rupees One Hundred only) each,

b. **Paid up Share Capital:** The total Paid up Share Capital of the Company was increased to ₹ 70,15,64,450 as on 31.03.2024 consisting of ₹ 7,01,56,445 fully paid equity shares of ₹ 10/- each as against ₹ 64,57,50,500 consisting 6,45,75,050 fully paid shares of ₹ 10/- each as on 31.03.2023. During the year the Company has raised capital of ₹ 1,19,99,99,925 (including premium) by allotting new 55,81,395 fully paid equity shares of ₹ 10/- each.

Compulsorily Convertible Preference Shares.

There are no Compulsorily Convertible Preference Shares outstanding as on 31.03.2024

c. **Issue of Shares with differential voting rights**

The Company has not issued any Shares with differential voting rights during the period under review.

d. **Buy Back of Securities**

The Company has not bought back any of its securities during the year under review.

e. **Sweat Equity**

The Company has not issued any Sweat Equity Shares during the year under review.

f. **Bonus Shares**

The Company has not issued any bonus shares during the year under review.

g. **Employees Stock Option**

The Board of Directors has granted total 5,62,860 stock options to the eligible employees at a price of ₹ 120/- (Rupees One Hundred and Twenty only) per share during the FY 2018-19.

As on 31st March, 2024, 1,46,800 options vested and outstanding.

Disclosure as required under Rule 12(9) of Companies (Share Capital and Debentures) Rules, 2014 are as below:

(a) options granted	5,62,860
(b) options vested	1,46,800
(c) options exercised	Nil
(d) the total number of shares arising as a result of exercise of option	Nil
(e) options lapsed	4,16,060
(f) the exercise price	₹ 120/-
(g) variation of terms of options	NA
(h) money realized by exercise of options	NIL
(i) total number of options in force	1,46,800
(j) employee wise details of options granted to:	
(i) key managerial personnel	Ch Sreenivasa Rao, CFO & Company Secretary- 15,180 Options
(ii) any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year	Chakrapani Gollamudi, Chief Risk Officer-51,500 Options-9.07%
(iii) identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	Nil

Transfer to Reserves

The Directors of the Company has transferred 384.87 Lacs to General Reserves out of the current year profits for the Financial Year 2023-24 as against ₹ 250.03 Lacs during the Financial Year 2022-23. Further your Directors has transferred ₹ 1539.49 Lacs to Statutory Reserve @ 20% profit after tax as required under Section 45-IC of Reserve Bank of India Act, 1934 during the Financial Year 2023-24 as against ₹ 1000.10 Lacs during the Financial Year 2022-23. Further ₹ 1.08 Lacs was transferred during the Financial Year 2023-24 to Share Based payment reserve as against ₹ (4.00) Lacs during the Financial Year 2022-23. Further the Company has transferred ₹ 10562.67 Lacs to share premium account during the year 2023-24

Details of Subsidiary, Associate and Joint Venture Companies

The Company is not having any Associate and Joint Venture Companies as on date by virtue of Section 2 (6) of the Companies Act, 2013. As on 31.03.2024, IKF Home Finance Limited is the Subsidiary Company in which the Company holds 90.55%. Policy for determining 'material' subsidiaries is available on the company's website and can be accessed through the web-link https://www.ikffinance.com/assets/pdf/policies/Policy%20on%20Material%20Subsidiaries%20-%20July%202024.pdf

No Company has become or ceased to be the Company's Subsidiaries, joint ventures or associate companies during the year.

Salient features of the financials of the above-mentioned subsidiary have been given in Form AOC-1 as **Annexure-I** to this report

Auditors:

Statutory Auditors:

In due compliance of the Reserve Bank of India(RBI) vide Notification Ref. No. DOS.CO.ARG/SEC.01/08.91.001/2021-22 dated 27th April, 2021 guidelines for appointment statutory auditors of NBFCs your Company has appointed M/s SGCO & Co., LLP., Chartered Accountants (Firm Regn No 112081W/W100184) as Statutory Auditors for a further period of 3 (three) years at the 30th Annual General Meeting to hold the office of Statutory Auditors from the conclusion of 30th Annual General Meeting to till the conclusion of 33rd Annual General Meeting of the Company.

Further in due compliance of the Reserve Bank of India(RBI) vide Notification Ref. No. DOS.CO.ARG/SEC.01/08.91.001/2021-22 dated 27th April, 2021 guidelines for appointment statutory auditors of NBFCs, your Board of Directors at the meeting held on 29.05.2024 has, subject to approval of the Members, approved the appointment of M/s. Mukund M Chitale & Co (Firm Regn No: 106655W) Chartered Accountants, as Statutory Auditors of the Company for a period of 3 (Three) years to hold office from the conclusion of this 33rd Annual General Meeting of the Company till the conclusion of the 36th Annual General Meeting of the Company to be held in the year 2027 on such remuneration plus applicable taxes and out-of-pocket expenses, as may be mutually agreed upon by the audit committee/Board of Directors and the Statutory Auditors.

Qualification by the Statutory Auditor:

The Audit Report does not contain any qualification, reservation or adverse remarks.

Secretarial Auditor:

Pursuant to provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company has appointed M/s. B S S & Associates, Company Secretaries as Secretarial Auditors of the Company. Secretarial Audit Report is enclosed as **Annexure-II** to this Report.

Qualification by Secretarial Auditor:

The Secretarial Audit Report does not contain any qualification, reservation or adverse remarks.

Maintenance of Cost Records:

Cost Records are not required to be maintained by the Company under Section 148 of the Companies Act, 2013. Accordingly, such accounts and records are not maintained.

Cost Audit:

In terms of the provisions of Section 148 of the Companies Act, 2013 read with Rule 3 & 4 of the Companies (Cost Record and Audit) Rules, 2014 and all other applicable provisions of the Companies Act, 2013, the Cost Audit is not applicable to the Company.

Internal Audit and Auditor:

As part of the effort to evaluate the effectiveness of the internal control systems, and to maintain its objectivity and independence and on recommendations of the Audit Committee your directors have re-appointed M/s. Brahmayya & Co, Chartered Accountant as an internal auditor of the Company for the year ended 31st March, 2024 who shall report to the Audit Committee / Board. Based on the report of internal auditor, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon were presented to the Audit Committee / Board.

Internal Financial Controls:

The Company has a well-established internal financial control and risk management framework, with appropriate policies and procedures, to ensure the highest standards of integrity and transparency in its operations and a strong corporate governance structure, while maintaining excellence in services to all its stakeholders. Appropriate controls are in place to ensure: (a) the orderly and efficient conduct of business, including adherence to policies, (b) safeguarding of assets, (c) prevention and detection of frauds / errors, (d) accuracy and completeness of the accounting records and (e) timely preparation of reliable financial information.

Vigil Mechanism / Whistle Blower Policy:

Pursuant to Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Board has adopted Whistle Blower Policy. This policy aims for conducting the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior.

A mechanism has been established for employees to report concerns about unethical behavior, actual or suspected fraud or violation of Code of Conduct and Ethics. The policy also provided adequate safeguards against the victimization of employees who avail of the mechanism and allows direct access to the Chairman of the Audit Committee in exceptional cases.

Your Company hereby affirms that during the year no Director / employee have been denied access to the Chairman of the Audit Committee and that no complaints were received. This Whistle Blower Policy is available on the website of the company and can be accessed through the web-link https://www.ikffinance.com/assets/pdf/policies/Whistle%20blower%20Policy%20-%20July%202024.pdf

Corporate Social Responsibility Committee:

During the year under review the Company has spent an amount of ₹ 1,11,10,450/- under the CSR activity. The report on CSR activities for FY 2023-24 is enclosed as **Annexure-III**. The Corporate Social Responsibility policy is available on the website of the company and can be accessed through the web-link https://www.ikffinance.com/assets/pdf/policies/CSR%20POLICY%20-%20July%202024.pdf

Compliance with RBI DIRECTIONS

Under erstwhile Master Direction - Non-Banking Financial Company - Systemically Important Non -Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, the Company was classified as an Non-Deposit Taking Systemically Important Non-Banking Financial Company (NBFC-ND- SI). As per the present Master Direction — RBI (Non-Banking Financial Company — Scale Based Regulation) Directions, 2023, the Company is classified under the "Middle Layer" category under the said framework.

Details of Money Accepted from Director

During the period under review the Company has not accepted money in the form of unsecured loan from the director or relative of the director of the Company

Annual Return:

As required under Section 92(3) of the Companies Act, 2013, Annual return in Form MGT-7 is available on the company's website and can be accessed through the web-link https://www.ikffinance.com/investors.php#headingOne.

Material Changes and Commitments, if any affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report:

There are no material Changes and Commitments affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

Details of significant and material orders passed by the regulators/ courts/ tribunals impacting the going concern status and the Company's operations in future:

There are no material Changes and Commitments affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

Directors & Key Managerial Personnel:

Directors:

Shri Shri Vupputuri Gopala Kishan Prasad (DIN: 01817992), retired by rotation and was re-elected at the last Annual General Meeting of the Company held on 29.09.2023, in terms of Section 152 of the Companies Act, 2013.

During the year under reveiw, there were changes in the composition of Board of Directors detailed below:

- On 13.02.2024 Shri Raman Uberoi and Sri Kannan were appointed as an additional directors (Non-Executive & Independent), and the approval of Shareholders, for the appointment as Director in the category of Independent Director(s), has been taken at the Extra Ordinary General Meeting held on 29.06.2024.
- Shri. Abhishek Agrawal (DIN: 06760344) was appointed as Nominee Director of Accion Digital Transformation Fund LP (New Investor) by the Board of Directors with effect from 30.05.2023.

- Shri. Sethuraman Ganesh (DIN 07152185) was appointed as Additional Director (Independent and Non-Executive) by the Board of Directors with effect from 14.07.2023 and was appointed as Independent Director, w.e.f., .29.09.2023
- Smt. Indira Devi Vupputuri, Whole Time Director resigned with effect from 14.07.2023.

Based on the confirmations received from Directors, none of the Directors are disqualified from appointment under Section 164 of the Companies Act 2013.

Key Managerial personnel:

During the financial year, there was no change in the appointment of Key Managerial Personnel.

Declaration by Independent Directors:

The Independent Directors of the Company have submitted their declarations as required under Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as per sub-section (6) of Section 149 of the Act.

Familiarization programme for Independent Directors:

The Company proactively keeps its Directors' informed of the activities of the Company, its management and operations and provides an overall industry perspective as well as issues being faced by the industry.

Independent Directors' Meeting:

The Independent Directors met on 30.03.2024 without the attendance of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole; the performance of the Chairman of the Company, taking into account the views of Executive Director and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Opinion of the Board with regard to integrity, expertise and experience (including the proficiency) of the independent directors appointed during the year:

During the year, the Company has appointed three Independent directors Shri. Sethuraman Ganesh, Shri Raman Uberoi and Shri Kannan. In the opinion of the Board all the Independent Directors of your Company possess integrity, experience, expertise and requisite proficiency required under all applicable laws and policies of your Company.

Board Evaluation:

The Board adopted a formal mechanism for evaluating its performance as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Board functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

Change in the nature of business:

There was no change in the nature of business of the Company during the financial year 2023-24.

Number of meetings of the Board of Directors:

During the financial year 2023-24, the Board of Directors have met seven times viz 30.05.2023, 14.07.2023, 11.08.2023, 17.08.2023, 10.11.2023, 13.02.2024 and 20.03.2024 The details of which are given in the Corporate Governance Report. The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013 and Secretarial Standard-1.

Audit Committee:

The Composition of the Audit Committee is provided in the Corporate Governance Report forming part of this report. All the recommendations made by the Audit Committee were accepted by the Board.

Nomination and Remuneration Policy:

The Nomination and Remuneration Policy containing guiding principles for payment of remuneration to Directors, Senior Management, Key Managerial Personnel and other employees including Non-executive Directors along with Board Evaluation criteria are provided in the Corporate Governance Report. The terms of reference are placed on Company's website and can be accessed through the web-link https://www.ikffinance.com/assets/pdf/policies/Nomination%20and%20Remuneration%20Policy%20-%20July%202024.pdf

Criteria of making payments to non-executive directors is provided in the Corporate Governance Report.

Particulars of loans, guarantees or investments under Section 186:

The Company, being a non-banking finance company registered with the Reserve Bank of India and engaged in the business of giving loans, is exempt from complying with the provisions of Section 186 of the Companies Act, 2013. Accordingly, the disclosures of the loans given as required under the aforesaid section have not been given in this Report.

Remuneration ratio of the Directors / Key Managerial Personnel (KMP):

The provisions of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company.

During the financial year 2023-24, there were no employees in the Company whose details are to be given pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Particulars of contracts or arrangements with related parties:

All transactions entered by the Company with Related Parties were in the Ordinary course of Business and are at Arm's Length basis. The Audit Committee granted approvals for the transactions and the same were reviewed by the Committee and the Board of Directors.

There were no materially significant transactions with Related Parties during the financial year 2023-24 which were in conflict with the interest of the Company. The details of contracts and arrangements with related parties as referred to in Section 188(1) of the Companies Act, 2013 were given as **Annexure-IV** to the Board's Report in form No: AOC-2 pursuant to Section 134 (3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules 2014.

Your Company has framed a Policy on Related Party Transactions, which intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and its related parties. The policy is uploaded on website of the Company at https://www.ikffinance.com/assets/pdf/policies/Policy%20on%20Related%20Party%20Transactions%20-%20July%202024.pdf

Related Party Disclosure – As per Point no A of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended the detailed disclosures were covered in the Financial Statements, which forms part of this Report.

Directors' Responsibility Statement:

Pursuant to Section 134(5) of the Companies Act, 2013, Directors of your Company hereby state and confirm that:

(a) in the preparation of the annual accounts for the period ended 31st March, 2024, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis;

(e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

(f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Company's Policy on Prohibition, Prevention and Redressal of Sexual Harassment of Women at Workplace:

The Company prohibits any form of sexual harassment and any such incidence is immediately investigated and appropriate action taken in the matter against the offending employee(s) based on the nature and the seriousness of the offence. The Company has a policy on Prohibition, Prevention and Redressal of Sexual Harassment of Women at Workplace (the Policy) and matters connected therewith or incidental thereto covering all the aspects as contained under the "The Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013" notified by the Government of India vide Gazette Notification dated 23rd April, 2013.

The Company has complied with provisions relating to the constitution of Internal Complaints Committee. There was no case of sexual harassment reported during the year under review.

Details in respect of frauds reported by auditors under Section 143 (12) other than those which are reportable to the central government:

There were no frauds as reported by the Statutory Auditors under Sub-section 12 of Section 143 of the Companies Act, 2013 along with Rules made there-under other than those which are reportable to the Central Government.

Disclosure under Regulation 53(e) of SEBI LODR:

Name of the debenture trustees with full contact details

1 IDBI Capital Trusteeship Services Limited
Asian Building, Ground Floor, 17, R. Kamani Marg,
Ballard Estate, Mumbai – 400 001, Maharashtra, India
Contact No: 022-40807000
E-mail Id: itsl@idbitrustee.com

2 Vardhman Trusteeship Private Limited,
3rd Floor, Room No - 15 6, Lyons Range,
Turner Morrison House
Kolkata – 700 001, West Bengal, India
Contact No: 022 42648335
E-mail Id: Corporate@vardhamantrustee.com

Details of revision of financial statement - Nil

Details of utilization of funds raised through preferential allotment or qualified institutions placement:

During the year under review, the Company had raised 119,99,99,925 (Rupees One Hundred Nineteen Crores Ninety Nine Lac Ninety Nine Thousand Nine Hundred and Twenty Five only) through preferential issue/private placement of Equity Shares & 1,50,00,00,000 (Rupees One Hundred and Fifty Crores through preferential issue/private placement of Non-Convertible Debentures ('NCDs'). The funds were utilised by the Company for its general corporate purposes. There has been no deviation in the utilisation of issue proceeds of Private Placement of Non-Convertible Debentures ('NCDs'), and Tier II Debt, from the Objects stated in the Private Placement Offer Letter.

compliance with Secretarial Standards:

In terms of Section 118 (10) of the Act, your company is in compliance with Secretarial Standards (SS-1) on Meetings of the Board of Directors and Secretarial Standards (SS-2) on General Meeting specified by the Institute of Company Secretaries of India constituted under Section 3 of the Company Secretaries Act, 1980.

Other Disclosures:

Reasons for delay, if any, in holding the annual general meeting- Nil

Disclosures by NBFC Systemically Important Non-Deposit Taking Company and Deposit taking Company Auction: Nil

Pecuniary relationship/transaction with non-executive directors:

During the year under review, there were no pecuniary relationship/transactions of any non–executive directors with the Company, apart from sitting fees for attending meetings as directors.

Customer Complaints:

Particulars	As at March 31, 2024	As at March 31, 2023
(a) No. of complaints pending at the beginning of the year	0	0
(b) No. of complaints received during the year	55	48
(c) No. of complaints redressed during the year	55	48
(d) No. of complaints pending at the end of the year	-	-

Perpetual Debt Instruments (PDI):

During the financial year, the Company has not issued any Perpetual Debt Instruments (PDI).

Registrar and Share Transfer Agency:

The Company has appointed M/s. Bigshare Services Private Limited situated at Plot No-306, 3rd Floor, Right Wing, Amrutha Ville Opp. Yashoda Hospital, Rajbhavan Road Somajiguda, Hyderabad-500 082, as its Registrar and Share transfer agency for handling both physical and electronic transfers.

Details of significant changes in key financial ratios, along with detailed explanations thereof: the key financial ratios were disclosed in the Financial Statements, which forms part of this Report.

Human Resources:

Your Company treats its "human resources" as one of its most important assets. Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

Awards and recognition:

The Company has not received any award during the Financial Year.

Cautionary Statement:

Statements in these reports describing company's projections statements, expectations and hopes are forward looking. Though, these expectations are based on reasonable assumption, the actual results might differ.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

The Company, being a non–banking finance company (NBFC), does not have any manufacturing activity. The directors, therefore, have nothing to report on conservation of energy and technology absorption.

Foreign Exchange Earnings and Outgo

Total foreign exchange earned	Nil
Total foreign exchange outgo	5,52,264

Code of conduct:

The Company has adopted Code of Conduct for the Board and for the senior level employees of the Company and they are complying with the said code.

Industrial Relations:

Industrial relations continued to be cordial throughout the year under review.

The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year:

During the year under review, Company has not made any application under The Insolvency and Bankruptcy Code, 2016 (31 of 2016).

The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the banks or financial institutions along with the reasons thereof

The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof is not applicable.

Acknowledgments:

Your Company will always keep interest of its customers, employees and the stakeholders as a priority and shall reciprocate their confidence reposed in the Company. It has been a mutually beneficial relationship and looks forward to their continued support.

For and on behalf of the Board
IKF FINANCE LIMITED

Vupputuri Gopala Kishan Prasad
Chairman & Executive Director
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Place: Vijayawada
Date: 13.08.2024

Report on Corporate Governance

Your Company has voluntarily adopted Corporate Governance Report as per Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. This section on Corporate Governance forms part of the Report of the Directors to the Members.

(1) Company's Philosophy on Code of Governance

Our Corporate Governance policies recognise the accountability of the Board and the importance of its decisions to all our constituents, including Customers, Investors and the Regulatory Authorities. The strong foundation of the Company is supported by the pillars of Customer faith, Debenture holders Confidence, Bankers Trust, Investor Steadfastness and Employee Loyalty. The Company has been growing over the past thirty years on the principles of dedicated customer service, fair business practices, efficient and trusted financial policies. It continues to maintain high standards of integrity through excellence in service to all its stakeholders.

The Board is fully aware of its fiduciary responsibilities and recognises its responsibilities to shareholders and other stakeholders to uphold the highest standards in economic, social and ethical matters by ensuring that the company conducts its activities in accordance with corporate governance best practices.

(2) Board of Directors

Composition and category:

Directors possess the highest personal and professional ethics, integrity and values, and are committed to representing the long-term interests of the stakeholders. The basic responsibility of the Board is to provide effective governance over the company's affairs exercising its reasonable business judgement on behalf of the Company.

The Board has been constituted in a manner, which will result in an appropriate mix of executive/non-executive and independent Directors to ensure proper governance and management. As on 31.03.2024, the Board comprises 2 executive Directors, 2 Nominee Directors, 5 independent Director, one Non-Executive Non-Independent Director. and one alternate Director who have experience in diverse fields like Finance, Accounts and Management. Non-Executive Directors bring independent judgement in the Board's deliberations and decisions. During the year there were change in the composition of Board of Directors, Shri Sethuraman Ganesh who was appointed as an additional director (Non-Executive & Independent), w.e.f. 14.07.2023 was appointed as an independent director by the shareholders at the Annual General Meeting held on 29.09.2023. Shri Raman Uberoi who was appointed as an additional director (Non-Executive & Independent), w.e.f. 13.02.2024 was appointed as an independent director by the shareholders at the Extra ordinary General Meeting held on 29.06.2024. Shri Kannan who was appointed as an additional director (Non-Executive & Independent), w.e.f. 13.02.2024 was appointed as an independent director by the shareholders at the Extra ordinary General Meeting held on 29.06.2024

Further Shri. Abhishek Agrawal (DIN: 06760344) was appointed as Nominee Director of Accion Digital Transformation Fund LP (New Investor) by the Board of Directors with effect from 30.05.2023.

The Executive Directors as on 31.03.2024 were Shri Vupputuri Gopala Kishan Prasad – Chairman & Executive Director, and Smt. Vasumathi Devi Koganti – Managing Director. Smt. Indira Devi Vupputuri - Whole-time Director, resigned from the Company w.e..f 14.07.2023.

As on 31.03.2024, the Independent Directors were Shri Satyanarayana Prasad Kanaparti, Shri Sunil Rewachand Chandiramani, Shri Sethuraman Ganesh, and, Shri. Satyanand Sinha Chunduri was the Non-Executive Non-Independent Director. Smt. Vupputuri Vasantha Lakshmi is the alternate director to Shri Satyanand Sinha Chunduri. Shri. Vinit Mukesh Mehta and Shri Abhishek Agrawal were the Nominee Director(s) of Private Equity Investor(s). Shri Raman Uberoi and Shri Kannan were the Additional Director(s) (Non Executive and Independent)

Relationship between Directors:

Shri Vupputuri Gopala Kishan Prasad is father of Smt. Vasumathi Devi Koganti, Managing Director and Smt. Vupputuri Vasantha Lakshmi, Alternate Director. Shri Satyanand Sinha Chunduri, is Brother-In-Law of Shri Vupputuri Gopala Kishan Prasad.

Board Meetings:

The Board of Directors meets at regular intervals with a formal schedule of matters specifically reserved for its attention to ensure that it exercises full control over significant strategic, financial, operational and compliance matters. The Board is regularly briefed and updated on the key activities of the business and is provided with briefings on other matters concerning the company on a need basis. The Board of Directors generally meets every quarter to review the business performance. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas.

During the year under review, seven meetings of the Board of Directors were held on the following dates.

30-05-2023	14-07-2023	11-08-2023	17-08-2023
10-11-2023	13-02-2024	20-03-2024	

The details of attendance at Board Meetings and details of other Directorships, Committee Chairmanships / Memberships held by the Directors during the period from 1st April, 2023 to 31st March, 2024 are as follows:

Name of the Director	Category of Board Directorship	No. of Board Meetings attended	% of total meetings attended	Attendance at the last AGM	No of other Directorships	*No of other Committee in which director is a Chairman or Member	Names of the Listed entity (including Debt Listed Companies)	Category of Directorship
Vupputuri Gopala Kishan Prasad	Chairman & Executive Director	7	100%	Yes	2	0	IKF Home Finance Limited	Promoter
Indira Devi Vupputuri (Resigned on 14.07.2024)	Whole Time Director	2	100%	Yes	1	0	-	Promoter
Vasumathi Devi Koganti	Managing Director	7	100%	Yes	1	1	IKF Home Finance Limited	Promoter
Satyanarayana Prasad Kanaparti	Independent Director	7	100%	Yes	1	0	-	Independent
Vupputuri Vasantha Lakshmi Alternate Director to Satyanand Sinha Chunduri	Alternate Director	7	100%	Yes	1	0	IKF Home Finance Limited	Promoter
Vinit Mukesh Mehta	Nominee Director	7	100%	No	-	0	-	
Sunil Rewachand Chandiramani	Independent Director	7	100%	Yes	8	7	1. Updater Services Limited 2. Sapphire Foods India Limited 3. Rupa & Company Ltd	Independent Director
Shri Nageswara rao Yalamanchili (Resigned on 11.08.2023)	Independent Director	3	100%	No	4	1	Capital Small Finance Bank Limited	Independent Director

Name of the Director	Category of Board Directorship	No. of Board Meetings attended	% of total meetings attended	Attendance at the last AGM	No of other Directorships	*No of other Committee in which director is a Chairman or Member	Names of the Listed entity (including Debt Listed Companies)	Category of Directorship
Gopala Krishna Gurrappa (Resigned on 11.08.2023)	Independent Director	3	100%	No	4	4	1. ICICI Prudential Pension Funds Management Company limited 2. Axis Mutual Fund Trustee Limited 3. ICICI Home Finance Company Limited 4. Krazybee Services Private Limited	Independent Director
Abhishek Agrawal	Nominee Director	7	100%	Yes	3	3	1. Annapurna Finance Private Limited 2. IFMR Rural Channels And Services Private Limited	Nominee Director
Sethuraman Ganesh	Independent Director	6	100%	Yes	1	1	Indel Money Limited	Independent Director
Raman Uberoi (Appointed on 13.02.2024)	Additional Director (Non Executive and Independent)	1	100%	No	3	3	1. Dvara Kshetriya Gramin Financial Services Private Limited 2. Pg Electroplast Limited	Independent Director
Kannan(Appointed on 13.02.2024)	Additional Director (Non Executive and Independent)	1	100%	No	1	1	MAXIMUS ARC LIMITED	Independent Director

Shri Sunil Rewachand Chandiramani, Shri Sethuraman Ganesh and Shri Gopala Krishna Gurrappa, Shri Raman Uberoi holds directorship in other listed entities.

During the financial year, the Board has accepted all the recommendation(s) of all the Committees of the board.

* Board Committees for this purpose means only Audit Committee and Stakeholders Relationship Committee.

Committees:

(3) Audit Committee:

The terms of reference of the Audit Committee are broadly inter alia as follows:

a. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

b. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

c. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

d. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;

e. Review of compliances and review of systems and controls;

f. approval or any subsequent modification of transactions with related parties.

The Audit Committee provides direction to the Audit function and monitors the quality of internal controls and systems. The responsibilities of the Audit Committee include the overseeing of financial reporting process to ensure fairness, sufficiency and credibility of financial statements, review of the quarterly and annual financial statements before submission to the Board, review of adequacy of internal control systems and the internal audit functions. On 30.05.2023 the Audit Committee was reconstituted with Shri. Nageswara rao Yalamanchili, Independent Director as Chairman of the Committee and Shri. Gopala Krishna Gurrappa, Independent Director, Shri Satyanarayana Prasad Kanaparti, Independent Director, Shri. Vinit Mukesh Mehta, Nominee Director and Shri Abhishek Agrawal, Nominee Director as members of the Committee. Due to resignation(s) of Shri Nageswara rao Yalamanchili and Shri Gopala Krishna Gurrappa, Independent Directors the Committee was reconstituted on 10.11.2023 comprises of Shri Satyanarayana Prasad Kanaparti, Independent Director as Chairman of the Committee and Shri. Sunil Rewachand Chandiramani, Independent Director, Sri Sethuraman Ganesh, Independent Director, Shri Vinit Mukesh Mehta, Nominee Director and Shri Abhishek Agrawal, Nominee Directors as members of the Committee. The Executive Directors, Statutory Auditors, Internal Auditors and other Functional Heads are invitees to the Committee Meetings. During the year there were changes in the composition of the Audit Committee.

During the year the committee met 6 times on 30.05.2023,14.07.2023, 11.08.2023, 10.11.2023, 12.02.2024 and 20.03.2024. The details of members and their attendance at the committee meetings are given below:

Name of the Director	No of Audit Committee Meetings entitled to attend	No of Audit Committee Meetings attended	% of total Meetings attended
Shri. Nageswara rao Yalamanchili (Resigned on 11.08.2023)	3	3	100%
Shri. Satyanarayana Prasad Kanaparti	6	6	100%
Shri Vinit Mukesh Mehta	6	6	100%
Shri Abhishek Agrawal (From 14.07.2023)	5	5	100%
Shri Gopala Krishna Gurrappa (Resigned on 11.08.2023)	3	3	100%
Shri Sunil Rewachand Chandiramani (From 10.11.2023)	3	3	100%
Shri Sethuraman Ganesh (From 10.11.2023)	3	3	100%

The previous Annual General Meeting ("AGM") of the Company was held on September 29, 2023 and was attended by Shri. Satyanarayana Prasad Kanaparti, Chairman of the audit committee.

(4) Nomination, Remuneration &Compensation Committee:

The Nomination, Remuneration & Compensation Committee was constituted in accordance with the provisions of Section 178 of the Companies Act, 2013. On 30.05.2023, the Committee was again reconstituted with Shri. Nageswara rao Yalamanchili, Independent Director as Chairman of the Committee and Shri Satyanarayana Prasad Kanaparti, Independent Director, Shri. Vinit Mukesh Mehta, Nominee Director and Shri Abhishek Agrawal, Nominee Director as members of the Committee. Due to resignation of Shri Nageswara rao Yalamanchili, Independent Director, the Committee was reconstituted on 10.11.2023 with Shri Satyanarayana Prasad Kanaparti, Independent Director, Shri Sethuraman Ganesh, Independent Director, Shri. Vinit Mukesh Mehta, Nominee Director and Shri Abhishek Agrawal, Nominee Director as members of the Committee. During the year, the committee met four times on 30.05.2023, 14.07.2023, 10.11.2023 and 12.02.2024.

The terms of reference of the Committee, inter alia, includes formulation of criteria for determining qualifications, positive attributes and independence of a director, recommendation of persons to be appointed to the Board and senior management and specifying the manner for effective evaluation of performance of Board, its Committees, Chairperson and individual directors, recommendation of remuneration policy for directors, key managerial personnel and other employees, formulation of criteria for evaluation of performance of independent directors and the Board. The Committee

also reviews the remuneration of the senior management team.

Attendance of each Director at Nomination &Compensation Committee Meeting

Name of the Director	Category	Number of committee meetings	
		entitled to attend	Attended
Shri Vinit Mukesh Mehta	Nominee Director	4	4
Shri Nageswara rao Yalamanchili (Resigned on 11.08.2023)	Independent Director	2	2
Shri Satyanarayana Prasad Kanaparti	Independent Director	4	4
Shri Abhishek Agrawal	Independent Director	3	3
Shri Sethuraman Ganesh	Independent Director	1	1

Criteria for Performance evaluation:

(i) Remuneration Policy:

The Policy inter alia provides for the following:

(a) attract, recruit, and retain good and exceptional talent;

(b) list down the criteria for determining the qualifications, positive attributes, and independence of the directors of the Company;

(c) ensure that the remuneration of the directors, key managerial personnel and other employees is performance driven, motivates them, recognises their merits and achievements and promotes excellence in their performance;

(d) motivate such personnel to align their individual interests with the interests of the Company, and further the interests of its stakeholders;

(e) ensure a transparent nomination process for directors with the diversity of thought, experience, knowledge, perspective and gender in the Board; and

(f) fulfill the Company's objectives and goals, including in relation to good corporate governance, transparency, and sustained long-term value creation for its stakeholders.

(ii) Remuneration paid to Directors

Remuneration to Executive Directors:

The Managing Director, Whole Time Director and Executive Director of the company have been appointed on contractual terms, based on the approval of the shareholders. The remuneration package comprises of salary, allowances and perquisites. The details of remuneration paid to the Executive Directors during the year 2023-2024 are given below:

Name of the Director	Remuneration (in ₹)	Allowances	Commission (in ₹)
Vupputuri Gopala Kishan Prasad	₹ 119,60,000	NIL	₹ 1,35,52,000
Indira Devi Vupputuri	₹ 10,40,000	NIL	-
Vasumathi Devi Koganti	₹ 65,00,000	NIL	₹ 68,23,000

The remuneration is within the limits prescribed under Schedule V to the Companies Act, 2013.

Remuneration to Non-Executive Directors

a) Details of Sitting Fees paid to Non-Executive Directors during the financial year 2023-24

The details of sitting fees paid/payable to Non-Executive Directors during the financial year 2023-24 was.

Name of the Director	Sitting Fee (in ₹)					Total
	Board Meetings	Audit Committee Meetings	N & R Committee Meetings	Risk Management Committee Meeting	Stakeholders Relationship Committee Meetings	
Shri. Nageswara Rao Yalamanchili	1,50,000	-	-	-	-	1,50,000
Shri Sunil Rewachand Chandiramani	4,50,000	1,25,000	-	-	50,000	6,25,000
Shri Gopala Krishna Gurrappa	1,00,000	-	-	-	-	1,00,000
Shri Satyanarayana Prasad Kanaparthi	3,00,000	1,50,000	-	-	-	4,50,000
Shri Sethuraman Ganesh	3,25,000	1,50,000	1,00,000	-	-	5,75,000
Shri Kannan	75,000	-	-	-	-	75,000
Shri Raman Uberoi	75,000	-	-	-	-	75,000

The Sitting fees paid is as per Rule 4 of Companies (Appointment and Remuneration of Directors) Rules, 2014.

b) Number of Shares and Convertible Instruments held by Non-executive Directors

Name of the Non-Executive Director	No. of Equity Shares	No. of Convertible Instruments
Shri. Sethuraman Ganesh	Nil	Nil
Shri. Satyanarayana Prasad Kanaparti	Nil	Nil
Shri. Satyanand Sinha Chunduri	1,17,700	Nil
Smt. Vupputuri Vasantha Lakshmi	24,91,794	Nil
Shri. Sunil Rewachand Chandiramani	69,768	Nil
Shri Kannan	Nil	Nil
Shri Raman Uberoi	Nil	Nil

c) Familiarisation Programme:

The Company has Familiarisation Programme for the Independent Directors with respect to the Company, their roles, rights, responsibilities and details of such Familiarisation Programme is available in the Company's website and can be accessed through the web-link https://www.ikffinance.com/assets/pdf/policies/Policy%20on%20Familiarization%20Program%20for%20Independent%20Directors.pdf.

d) The list of core skills/ expertise/competencies as identified by the Board of Directors as required in the context of business and sector for it to function effectively and those actually available with the Board of Directors:

Industry, Accounts & Finance, Taxes, Legal, Marketing, Branding, Risks, Administration and Governance.

List of Directors possessing the skills/expertise and competencies:

Name of the Director	Skills/Expertise and Competencies
Shri Vupputuri Gopala Kishan Prasad	Industry, Marketing, Branding, Risks, Administration
Smt. Vasumathi Devi Koganti	Industry, Marketing, Branding, Risks, Administration and IT
Shri Satyanarayana Prasad Kanaparti	Risks, Administration and Governance
Shri Satyanand Sinha Chunduri	Accounts & Finance
Shri Vinit Mukesh Mehta	Accounts & Finance, Taxes, Legal & Governance
Shri Sunil Rewachand Chandiramani	Accounts & Finance, Taxes, Legal & Governance
Shri Abhishek Agrawal	Accounts & Finance, Taxes, Legal & Governance
Shri Sethuraman Ganesh	Compliance, Risk and Governance
Shri Raman Uberoi	Business Administration, Risk and Governance
Shri Kannan	Banking, Risk, Administration and Governance

e) Confirmation by the Board:

The Board hereby confirms that the independent directors fulfil the conditions specified in these regulations and are independent of the management.

f) Resignation of Independent Director:

During the year Shri Nageswara rao Yalamanchili, Independent Director and Shri Gopala Krishna Gurrappa, Independent Director has resigned from the Board. The Board wishes to place on record its deep appreciation and gratitude for the extraordinary contributions made by Shri Nageswara rao Yalamanchili and Shri Gopala Krishna Gurrappa, Independent Directors during their association with the Company.

(5) Stakeholder Relationship and Redressal Committee:

The Stakeholder Relationship Committee was constituted in accordance with the provisions Section 178 of the Companies Act, 2013 and Rules made thereunder. During the year there was no complaints received by the Company.

The Committee was reconstituted on 30.05.2023 with Shri. Nageswara rao Yalamanchili, Independent Director as Chairman of the Committee and Shri Satyanarayana Prasad Kanaparti, Independent Director, Shri Abhishek Agrawal, Nominee Director as members of the Committee.

Due to resignation of Shri Nageswara rao Yalamanchili, Independent Director, the Committee was reconstituted on 10.11.2023 with Shri. Sunil Rewachand Chandiramani, Independent Director as Chairman of the Committee and Shri Satyanarayana Prasad Kanaparti, Independent Director, Sri Abhishek Agrawal, Nominee Director as members of the Committee.

During the period under review, the Company has not received any complaints.

(6) Risk Management Committee:

On 30.05.2023, the Risk Management Committee was reconstituted with Shri Vupputuri Gopala Kishan Prasad, as Chairman of the Committee and Smt. Vasumathi Devi Koganti, Managing Director, Shri. Vinit Mukesh Mehta, Nominee Director and Shri Abhishek Agrawal, Nominee Director as members of the Committee. The Risk Management Committee was formed to review and monitor Risk Management policies and systems from time to time. During the year 2023-2024 the committee met 4 times on 30.05.2023, 11.08.2023, 10.11.2023 and 12.02.2024. The terms of reference of the Committee include review of operational, reputational and market risks. The other terms inter alia, include, managing the integrated risk, laying down procedures to inform the Board about risk assessment and minimisation procedures in the Company, and framing, implementing, monitoring the risk management plan for the Company.

Attendance of each Director at Risk Management Committee Meetings

Name of the Director	Category	Number of committee meetings	
		Entitled to attend	Attended
Vupputuri Gopala Kishan Prasad	Executive Director	4	4
Abhishek Agrawal	Nominee Director	3	3
Vasumathi Devi Koganti	Managing Director	4	4
Vinit Mukesh Mehta	Nominee Director	4	4

Other Committees:

(a) Asset Liability Management Committee:

The Asset Liability Management Committee comprises of Shri Vupputuri Gopala Kishan Prasad as Chairman of the Committee and Smt. Vasumathi Devi Koganti, Managing Director, Shri. Vinit Mukesh Mehta, Nominee Director and Shri Abhishek Agrawal, Nominee Director as members of the Committee w.e f 30.05.2023. The Asset Liability Management Committee was formed to review and monitor liquidity and interest rate risk arising out of maturity mismatch of assets and liabilities and to address the mismatches, if any, from time to time. During the financial year 2023-24 the committee met 4 times on 30.05.2023, 11.08.2023, 10.11.2023 and 12.02.2024.

Attendance of each Director at Asset Liability Management Committee Meeting

Name of the Director	Category	Number of committee meetings	
		Entitled to attend	Attended
Vupputuri Gopala Kishan Prasad	Executive Director	4	4
Abhishek Agrawal	Nominee Director	3	3
Vasumathi Devi Koganti	Managing Director	4	4
Vinit Mukesh Mehta	Nominee Director	4	4

(b) Management Committee:

The Management Committee comprises Shri Vupputuri Gopala Kishan Prasad as Chairman, Shri. Satyanarayana Prasad Kanaparti, Independent Director and Smt. Vasumathi Devi Koganti as Members. During the year there was no change in the composition of Committee. The management Committee was formed to review and monitor borrowings, assignment and securitization transactions, day to day management activities, etc, from time to time. During the year 2023-24, the committee met 37 times 04.04.2023, 26.06.2023, 19.07.2023, 24.07.2023, 25.07.2023, 28.07.2023, 31.07.2023, 03.08.2023, 11.08.2023, 17.08.2023, 25.08.2023, 05.09.2023, 14.09.2023, 21.09.2023, 26.09.2023, 25.10.2023, 30.10.2023, 08.11.2023 20.11.2023, 24.11.2023, 07.12.2023, 20.12.2023, 29.12.2023, 24.01.2024, 01.02.2024, 08.02.2024, 16.02.2024, 20.02.2024, 21.02.2024, 23.02.2024, 06.03.2024, 16.03.2024, 20.03.2024, 25.03.2024, 26.03.2024, 27.03.2024, and 30.03.2024.

Name of the Director	Category	Number of committee meetings	
		Entitled to attend	Attended
Vupputuri Gopala Kishan Prasad	Executive Director	37	37
Satyanarayana Prasad Kanaparti	Independent Director	37	37
Vasumathi Devi Koganti	Managing Director	37	37

(6) Remuneration of directors

Pecuniary relationship/transaction with non-executive directors

During FY 2023-24, there were no pecuniary relationship/ transactions of any non–executive directors with the Company, except payment of sitting fees for attending Board Meetings. During FY 2023-24, the Company did not advance any loans to any of its directors.

Criteria of making payments to non-executive directors

Non-executive directors of the Company play a crucial role in the independent functioning of the Board. They bring in an external perspective to decision-making and provide leadership and strategic guidance while maintaining objective judgment. They also oversee the corporate governance framework of the Company.

Details of Remuneration of directors

Non-Executive Directors do not receive any remuneration from the company and except sitting fee of ₹ 75,000/- per Board Meetings and ₹ 50,000 per committee meeting(s). Details of remuneration, sitting fees and commission paid to the Directors are provided in the Form MGT-7 (annual return) which is hosted on the website of the Company and can be accessed through the web-link https://www.ikffinance.com/investors.php#heading7new.

(7) General Body Meetings:

a) Time and location of last three Annual General Meetings and Special Resolutions passed by the members in the past 3 AGMs.

AGM	Day	Date	Time	Venue	Special Resolutions passed
32nd AGM	Friday	29.09.2023	11.00 AM	40-1-144, 03rd Floor, Corporate Centre, M.G. Road, Vijayawada – 520010, Andhra Pradesh, India	• Authorization to issue of Non-Convertible Debentures (NCD)/Tier II Debt(s)/Commercial Papers/Bonds on Private Placement Basis: • To revise the remuneration of Shri. Vupputuri Gopala Kishan Prasad (DIN: 01817992), Chairman and Executive Director of the Company: • Appointment of Shri Sethuraman Ganesh (DIN: 07152185), Additional Director as an Independent Director of the Company: • Amendment in the Articles of Association of the Company
31st AGM	Friday	30.09.2022	11.00 AM	Through Video Conference / Audio-visual means	• Renew the Borrowing Powers of the Company of ₹ 5000 crores. • Renew the power of Board of Directors of the Company to lease and mortgage of the property (ies) of the Company. • Issue of Non-Convertible Debentures (NCD)/ Tier II Debt(s)/ Commercial Papers/Bonds on Private Placement Basis. • Approve re-appointment of Sri. Vupputuri Gopala Kishan Prasad as Chairman and Executive Director of the Company. • Approve re-appointment of Smt. Indira Devi Vupputuri as Whole-Time Director of the Company. • Approve re-appointment of Smt. Vasumathi Devi Koganti as Managing Director of the Company.
30th AGM	Tuesday	30.11.2021	11.00 AM	Through Video Conference / Audio-visual means	• Renew the Borrowing Powers of the Company of ₹ 5000 crores. • Renew the power of Board of Directors of the Company to lease and mortgage of the property (ies) of the Company. • Issue of Non-Convertible Debentures (NCD)/ Tier II Debt(s)/ Commercial Papers/Bonds on Private Placement Basis.

b) No special resolution was proposed to be passed through postal ballot.

c) No special resolution is proposed to be passed through postal ballot.

(8) Means of Communication:

The half yearly financial results are published in “Business Line” (English) and “Praja Shakthi” (Telugu) and website of the Company and can be accessed through the web-link https://www.ikffinance.com/investors.php#heading7new.

The Company has not made any presentations to institutional investors or to the analysts.

(9) General Information to Shareholder:

General Body Meeting, Day, Date, Time &Location

33rd Annual General Meeting will be held on Monday, 30th September 2024 at 11.00 A. M., at the Registered Office of the Company situated at #40-1-144, 3rd Floor, Corporate Center, M.G. Road, Vijayawada – 520010, Andhra Pradesh.

Financial Calendar

Financial Year - 1st April 2023 to 31st March 2024.

Dividend Payment

Your Directors' have not recommended payment of dividend for the financial year ended 31st March 2024 since it is proposed to retain the same in the business.

Stock Exchange(s) at which the securities are listed

None of the equity shares and convertible securities are listed on any Stock Exchange.

The Non-convertible Debentures are listed on the debt market of BSE.

Annual listing fees, as prescribed, have been paid to the said stock exchange.

Stock Code:

959773, 974327, 974714, 975026, 975569

Suspension from trading

No securities of the Company were suspended from trading during the FY 2023-24.

Market price data - high, low during each month in last financial year

Not Applicable as the Equity Shares of the Company are not listed on the Stock Exchange.

Performance in comparison to broad-based indices such as BSE Sensex, CRISIL Index etc.,

Not Applicable as the Equity Shares of the Company are not listed on the Stock Exchange.

Book Closure dates

September 23rd 2024 to September 30th 2024

Share Transfers

There was no physical transfer of shares.

The company's shares are being compulsorily traded in dematerialized form with effect from 1st April, 2003. M/s. Bigshare Services Private Limited, who have been appointed as the Registrar and Share Transfer Agents of the company for both physical and electronic segments have attended to the share transfer formalities regularly. The Registrars and Share Transfer Agents can be contacted by the investors at the following address

M/s. Bigshare Services Private Limited, 306, 3rd Floor, Right Wing, Amrutha Ville, Opp.: Yashoda Hospital, Rajbhavan Road, Somajiguda, Hyderabad – 500 082, Tel. No.: 040-23374967, Fax No.: 040-23374295, Email: bsshyd@bigshareonline.com.

Outstanding GDRs or ADRs or Warrants or any Convertible Instruments, conversion date and likely impact on equity

Not Applicable as the Company doesn't issue any GDRs or ADRs or Warrants or any Convertible Instruments.

Commodity price risk or foreign exchange risk and hedging activities

The Company does not hedge its exposure to commodity price risks. The Company also does not hedge foreign exchange risks.

Plant location

Not Applicable

Distribution of Shareholding as on 31st March, 2024:

Shareholdings		Shareholders		Share Amount	
₹	₹	No	% of total	₹	% of total
Upto	5,000	1014	70.02	1832870	0.26
5,001	10,000	173	11.95	1518200	0.22
10,001	20,000	90	6.22	1441020	0.21
20,001	30,000	33	2.28	849130	0.12
30,001	40,000	20	1.38	732720	0.10
40,001	50,000	18	1.24	859480	0.12
50,001	1,00,000	19	1.31	1531420	0.22
1,00,001	& above	81	5.59	692799610	98.75
Total		**1448**	**100.00**	**701564450**	**100.00**

Shareholding Pattern as on 31st March, 2024:

Category	Total Shareholders	% of Shareholders	Total Shares	%
Clearing Member	6	0.41%	94087	0.13%
Corporate Bodies	38	2.62%	1536762	2.19%
Foreign Company	3	0.21%	24214336	34.51%
Foreign Promoters	2	0.14%	1611800	2.30%
Non-Resident Indians	15	1.03%	7521	0.01%
Promoters	5	0.31%	28441453	40.54%
Public	1377	95.10%	6296468	8.98.32%
Trusts (Domestic Companies)	2	0.14%	7954018	11.34%
Total	**1448**	**100.00%**	**70156445**	**100%**

Dematerialization of Shares & Liquidity

Total No of Shares as on 31st March, 2024 is 7,01,56,445. Shares in demat form as on 31st March, 2024 was 7,00,58,807 and physical form 97,638. Further 75,81,418 Equity Shares allotted were dematerialized in the FY 2023-24.

Address for correspondence and any assistance/clarification

Compliance Officer:

Shri Ch. Sreenivasa Rao, Company Secretary, IKF Finance Limited, D. No.: 40-1-144, Corporate Centre, M.G. Road, Vijayawada – 520010.

List of all credit ratings obtained during the year:

The credit ratings obtained during the year were disclosed in the Directors' Report, which forms part of this Report.

(10) Other Disclosures:

Materially significant related party transactions

There are no materially significant transactions with related parties i.e., Associate Companies, Promoters, Directors or the key management personnel and their relatives conflicting with the Company's interest that may have potential conflict with the interests of listed entity at large.

Details of non-compliance by the listed entity – Nil

Details of establishment of vigil mechanism / whistle blower policy – The details of establishment of vigil mechanism / whistle blower policy are disclosed in the Directors' Report, which forms part of this Report.

Details of compliance with mandatory requirements and adoption of the nonmandatory requirements – The Company has complied with all the mandatory requirements and regulations as applicable to the Company.

Web link where policy for determining 'material' subsidiaries is disclosed – https://www.ikffinance.com/assets/pdf/policies/Policy%20on%20Material%20Subsidiaries%20-%20July%202024.pdf Web link where policy on dealing with related party transactions – https://www.ikffinance.com/assets/pdf/policies/Policy%20on%20Related%20Party%20Transactions%20-%20July%202024.pdf.

Details of utilization of funds raised through preferential allotment or qualified institutions placement – The details of utilization of funds raised through preferential allotment are disclosed in the Directors' Report, which forms part of this Report.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 – The disclosures in relation to the Sexual Harassment of Women at Workplace are disclosed in the Directors' Report, which forms part of this Report.

Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount' – The disclosures in relation to the Loans and Advances are disclosed in the Directors' Report and Financial Statements, which forms part of this Report.

Details of material subsidiaries:

Name of the Material Subsidiary	IKF HOME FINANCE LIMITED
Date of Incorporation	05.08.2002
Address of the Registered Office	40-1-144, 01st Floor, Corporate Centre, M.G. Road, Vijayawada – 520010, Andhra Pradesh, India
Address of the Corporate Office	My Home Twitza, 11th Floor, Plot no's – 30/A, Survey no - 83/1 Diamond Hills, Lumbini Avenue, beside 400/220/132kv GIS Substation, APIIC Hyderabad Knowledge City, Raidurg, Hyderabad – 500081, Telangana, India
Place of Incorporation	Vijayawada
Name of the Statutory Auditors	K.S. RAO & CO
Date of Appointment	30.09.2022

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part

Sl. No	Payments to the Statutory Auditors (excluding taxes)	Fees paid in Lakhs
1.	Statutory Audit fees paid for Audit of the IKF Finance Limited including Limited Review & fee paid for any other services	33.05 Lakhs
2.	Statutory Audit fees paid for Audit of the IKF Home Finance Limited including Limited Review & fee paid for any other services	05 Lakhs

The Company has complied with the requirement of Corporate Governance Report of sub-paras (2) to (10) as mentioned under Clause (C) of Schedule V of Listing Regulations.

Discretionary requirements as specified in Part E of Schedule II of Listing Regulations – Not applicable

The Company is in compliance with the requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations, as applicable, with regard to Corporate Governance – Not applicable

Total fees for all services paid by to the statutory auditor (in Lacs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Auditor's remuneration		
- Audit fees	31.00	16.00
In other capacity	-	-
- Certification services	2.05	10.20
Other of pocket expenses	-	-
Total	**33.05**	**26.20**

DECLARATION BY MANAGING DIRECTOR REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

As required by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, applicable to the Company, I affirm that Board Members and the Senior Management Personnel have confirmed compliance with the Codes of Conduct, as applicable to them, for the year ended March 31, 2024.

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Place: Vijayawada
Date: 13.08.2024

Annexure-I

Statement containing the salient features of the financial statements of subsidiaries / associate companies / joint ventures

[Pursuant to first proviso to Sub-section (3) of Section 129 of the Companies Act, 2013, read with Rule 5 of the Companies (Accounts) Rules, 2014]

AOC-1

Part "A": Subsidiaries

(Amount in Lakhs, unless otherwise stated)

Name of the subsidiary	IKF Home Finance Limited
Financial period ended	31.03.2024
Exchange rate	Not Applicable
Share capital	6924.82
Reserves & surplus	14389.88
Total assets	95201.21
Total liabilities (excluding share capital and reserves & surplus)	73886.52
Investments	1.00
Turnover	14436.66
Profit/(Loss) before taxation	3248.67
Provision for taxation	880.42
Profit / (Loss) after taxation	2368.25
% of shareholding	90.55%

1. Names of subsidiaries which are yet to commence operations: Nil
2. Names of subsidiaries which have been liquidated or sold during the year: Nil

Part "B": Associate Company

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Company.

As on 31.03.2024, the Company did not have any associate or joint venture company.

1. Names of associates or joint ventures which are yet to commence operations: Nil
2. Names of associates or joint ventures which have been liquidated or sold during the year: Nil

For and on behalf of the Board
IKF FINANCE LIMITED

Vupputuri Gopala Kishan Prasad
Chairman & Executive Director
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Place: Vijayawada
Date: 13.08.2024

Annexure-II

Form No. MR-3

Secretarial Audit Report

For the Financial Year ended on March 31, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 andRule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
IKF Finance Limited,
40-1-144, 3rd Floor, Corporate Centre,
M.G. Road, Vijayawada - 520010.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **IKF Finance Limited** (hereinafter called **"the Company"**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company, during the audit period covering the financial year ended on March 31, 2024, complied with the statutory provisions listed hereunder and also the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

(i) The Companies Act, 2013 (**"the Act"**) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 (**"SCRA"**) and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**"SEBI Act"**):

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not applicable to the Company during the audit period)**

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the audit period)**

(d) The Securities Exchange Board of India (Share Based Employee Benefit) Regulations, 2014; **(Not applicable to the Company during the audit period)**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the Company during the audit period)**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the audit period)** and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the audit period)**

(vi) The Employees Provident Fund and Miscellaneous Provisions Act, 1952;

(vii) Employees State Insurance Act, 1948;

(viii) Employers Liability Act, 1938;

(ix) Equal Remuneration Act, 1976;

(x) Maternity Benefits Act, 1961;

(xi) Minimum Wages Act, 1948;

(xii) Negotiable Instruments Act, 1881;

(xiii) Payment of Bonus Act, 1965;

(xiv) Payment of Gratuity Act, 1972;

(xv) Payment of Wages Act, 1936 and other applicable labour laws;

(xvi) Laws specially applicable to the industry to which the Company belongs, as identified by the Management:

i. NBFC – The Reserve Bank of India Act, 1934 and all applicable Laws, Rules, Regulations, Guidelines, Circulars, Notifications, etc.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by the Institute of Company Secretaries of India;

(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable to the Company

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that on examination of the relevant documents and records and based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, and also on the review of compliance reports by respective department heads / Company Secretary of the Company, in our opinion, there exist adequate systems and processes and control mechanism in the Company to monitor and ensure compliance with applicable general laws.

We further report that the compliances by the Company of applicable financial laws, like direct and indirect tax laws, have not been reviewed in this audit since the same is not within the scope of our audit.

We further report that the Board of Directors of the Company has been duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

We further report that adequate notice was given to all directors to schedule the Board Meetings and agenda with detailed notes thereon were sent to all the directors at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications as may be required on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, all the decisions of the Board were without any dissent.

We further report that there are adequate systems and processes in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that, during the audit period, the following material events / actions have taken place: During the year under review:

(a) the Company has made private placement of Equity shares as well as Non-Convertible Debentures as per the applicable provisions of the Companies Act, 2013 and rules made thereunder;

(b) the Articles of Association of the Company have been amended and adopted restated Articles of Association.

for **B S S & Associates**
Company Secretaries

Sd/-
B. Sathish
Partner
ACS No.: 27885
C P No.: 10089
Peer review No: 726/2020
UDIN: A027885F000948189

Place: Hyderabad
Date: 12.08.2024

This Report is to be read with our letter of even date which is annexed as '**Annexure A**' and forms an integral part of this report.

Annexure-A

To,
The Members,
IKF Finance Limited,
40-1-144,3rd Floor, Corporate Centre,
M.G. Road, Vijayawada - 520010.

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, that we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit report is not an assurance as to the future viability of the Company or of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

for **B S S & Associates**
Company Secretaries

Sd/-
B. Sathish
Partner
ACS No.: 27885
C P No.: 10089
Peer review No: 726/2020
UDIN: A027885F000948189

Place: Hyderabad
Date: 12.08.2024

Annexure-III

Annual Report on CSR Activities

[Pursuant to Clause (o) of sub section (3) of Section 134 of the Act and Rule 8 of the Companies (Corporate Social Responsibility) Rules 2014

1. Brief outline on CSR Policy of the Company:

Brief outline of the Company's CSR Policy, including overview of projects or programmes proposed to be undertaken:

a. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water;

b. Promoting education, including special education and employment enhancing vocation skills and livelihood enhancement projects;

c. Promoting gender equality, empowering women;

d. Ensuring environmental sustainability, ecological balance;

e. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central / State Government for socio-economic development and relief;

f. Rural Development projects;

g. Any other measures with the approval of Board of Directors on the recommendation of CSR Committee subject to the provisions of Section 135 of Companies Act, 2013 and rules made there-under.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri Satyanarayana Prasad Kanaparti	Chairman	2	2
2	Shri Vupputuri Gopala Kishan Prasad	Member	2	2
3	Shri. Vinit Mukesh Mehta	Member	2	2
4	Shri. Abhishek Agrawal	Member	2	2

3. Provide the web-link(s) where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company

The details are available on our website at: https://www.ikffinance.com/assets/pdf/policies/CSR%20POLICY%20-%20July%202024.pdf.

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:

As the Company is not having average CSR obligation of ₹ 10 Crores or more in pursuance of subsection (5) of section 135 of the Act, impact assessment is not applicable to the Company.

5. (a) Average net profit of the company as per sub-section (5) of section 135: ₹ 55,26,09,450/-

(b) Two percent of average net profit of the company as per sub-section (5) of section 135: ₹ 1,10,52,189/-

(c) Surplus arising out of the CSR projects or programs or activities of the previous financial years: Nil

(d) Amount required to be set off for the financial year, if any: Nil

(e) Total CSR obligation for the financial year [(b)+(c)-(d)]: ₹ 1,10,52,189/-

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 1,11,10,450

(b) Amount spent in Administrative Overheads: Nil

(c) Amount spent on Impact Assessment, if applicable: Nil

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 1,11,10,450

(e) CSR amount spent or unspent for the Financial Year

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 1,11,10,450	–	–	–	–	–

(f) Excess amount for set off, if any

Sl. No.	Particulars	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub section 5 of section 135	1,10,52,189/-
(ii)	Total amount spent for the Financial Year	1,11,10,450
(iii)	Excess amount spent for the financial year [(ii)-(i)]	58,261
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	–
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	58,261

7. (a) Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to unspent CSR Account under sub section (6) of Section 135 (in ₹)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1	2022-23	Nil	Nil	Nil	Nil	-	-	-
2	2021-22	Nil	Nil	Nil	Nil	-	-	-
3	2020-21	Nil	Nil	Nil	Nil	-	-	-
Total				Nil				

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Not Applicable

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135: Not Applicable

for and on behalf of the Board of Directors of
IKF FINANCE LIMITED

Satyanarayana Prasad Kanaparti
Chairman of CSR Committee
DIN: 03598603

Devi Koganti
Managing Director
DIN: 03161150

Place: Vijayawada
Date: 13.08.2024

Annexure-IV

Particulars of contracts / arrangements made with related parties

[Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013, and Rule 8(2) of the Companies (Accounts) Rules, 2014]

AOC-2

This Form pertains to the disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in Section 188(1) of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. **Details of contracts or arrangements or transactions not at arm's length basis**

   There were no contracts or arrangements or transactions entered in to during the year ended March 31, 2024, which were not at arm's length basis.

2. **Details of material contracts or arrangement or transactions at arm's length basis**

   There were no material contracts or arrangements or transactions entered in to during the year ended March 31, 2024.

For and on behalf of the Board
IKF FINANCE LIMITED

Vupputuri Gopala Kishan Prasad
Chairman & Executive Director
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Place: Vijayawada
Date: 13.08.2024

Independent Auditor's Report

To the Members of

IKF FINANCE Limited

Report on the Audit of Standalone Financial Statements.

We have audited the accompanying Standalone Financial Statements of **IKF FINANCE Limited** (hereinafter referred to as "the Company"), which comprise the Standalone Balance Sheet as at March 31, 2024, the Standalone Statement of Profit and Loss, (including Other Comprehensive Income), the Standalone Cash Flow Statement and the Statement of Changes in Equity for the year then ended and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SA), as specified under section 143(10) of the Act. Our responsibilities under those Standards on Auditing are further described in the 'Auditor's Responsibilities for the Audit of the Standalone financial statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India ("The ICAI"} together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Standalone financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the Standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit Matters	Auditors' Response
Expected Credit Loss – Impairment of carrying value of loans and advances.	
Assessment of impairment loss allowance on Expected Credit loss (ECL) on Loans (Refer Note 43 of the financial statements) Management estimates impairment provision using Expected Credit loss model for the loan exposure as per the Board approved policy which is in line with Ind AS 109. Measurement and Recognition of loan impairment involves application of significant judgement by the management. The most significant judgements are: • Timely identification and classification of the impaired loans, including classification of assets to stage 1, 2, or 3 using criteria in accordance with Ind AS 109	• Our Audit procedures include following: • We tested the completeness of loans and advances included in the Expected Credit Loss calculations as of March 31, 2024 by reconciling it with the balances as per loan balance register as on the date. • We tested assets in stage 1, 2 and 3 on sample basis to verify that they were allocated to the appropriate stage.

Key audit Matters	Auditors' Response
• The segmentation of financial assets when their ECL is assessed on a collective basis, • Determination of probability of defaults (PD) and loss given defaults (LGD) based on the default history of loans, subsequent recoveries made and other relevant factors and • Assessment of qualitative factors having an impact on the credit risk. The Company has also recorded a management overlay as part of its ECL, Management overlay is based on various uncertain variables, which could result in actual credit loss being different than that being estimated. We have considered ECL as Key Audit Matter because the estimates on which these amounts are based involve a significant degree of management judgment and accounting estimates.	• Tested samples to ascertain the completeness and accuracy of the input data used for determining the PD and LGD rates and agreed the data with underlying books of accounts and records. • For samples of exposure, we tested the appropriateness of determining EAD, PD and LGD • We performed an overall assessment of the ECL provision levels at each stage including management's assessment and provision on account of Company's portfolio, risk profile, credit risk management practices. • Management's controls over authorization and calculation of management overlays. • We assessed the adequacy and appropriateness of disclosures in the financial statements.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Directors' Report including Annexures to Directors' Report and Report on Corporate Governance but does not include the Standalone Financial Statements and our auditors' report thereon. The above-referred information is expected to be made available to us after the date of this audit report.

Our opinion on the Standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the Standalone financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Responsibilities of Management and Those Charged with Governance for the Standalone financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, including Other Comprehensive Income, Changes in Equity and Cash Flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone financial statements, as a whole,

are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the Standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements

- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone financial statements of the Financial year ended on 31st March 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2020 ("the Order"} issued by the Central Government of India in terms of sub-section (11} of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   (b) In our opinion, proper books of account as required by law have been Kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   (c) The Balance Sheet, the Statement of Profit and Loss, including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

   (d) On the basis of written representations received from the directors as on March 31, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of section 164 (2) of the Act;

   (e) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";

   (f) In our opinion and to the best of our information and according to the explanations given to us, the managerial remuneration paid / provided by the Company to its directors during the year is in accordance with the provisions of Section 197 read with Schedule V of the Act.

   (g) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 38 to the Standalone Financial Statements;

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

   iv. (a) The Management has represented that to the best of it's knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or other wise , that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (b) The Management has represented, that, to the best of it's knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

vi. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023.

Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares at application level. However, for the database level we are unable to comment as the necessary information required for Reporting under this section was not available.

Further, during the course of audit, we have not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024

For **SGCO & CO. LLP**
Chartered Accountants
Firm Reg. No.:- 112081W/W100184

Sudha Jaideep Shetty
Partner
Membership No.: 047684
UDIN: 24047684BKHXQT2494

Place: Hyderabad
Date: 29th May 2024

ANNEXURE A

REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

To the best of our information and according to the explanations provided to us by the Company and the books of accounts and records examined by us in the normal course of audit, we state that:

(i) In respect of Company's property, plant and equipment, right-of-use assets and intangible assets:

(a) (1) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

(2) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of physical verification of property, plant and equipment and right-of-use assets once in a every three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the above said Programme Physical Verification of Fixed assets was conducted in the previous year and there were no material discrepancies observed.

(c) According to the information and explanations given to us, the title deeds of immovable properties included in investment property are held in the name of the Company.

(d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-us assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The Company does not have any inventory. Hence, clause 3(ii)(a) of the said order is not applicable to the Company.

(b) As disclosed in note 14 to the financial statements, the Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks and financial institutions during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the audited books of accounts of the Company.

(iii) During the year, in the ordinary course of its business, the Company has made investments in, provided guarantee / security to and granted loans and advances in the nature of loans, secured and unsecured, to companies, firms, limited liability partnerships and other parties. With respect to such investments, guarantees /security and loans and advances:

(a) The Company's principal business is to give loans and, accordingly, the requirements under paragraph 3(iii)(a) of the Order is not applicable to the Company.

(b) The investments made and the terms and conditions of the grant of all the loans and advances in the nature of loans, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(c) According to the information and explanations given to us and based on examination of the books and records, in respect of the loans and advances in the nature of loans granted by the company, the schedule of repayment of principle and payment of interest has been stipulated by the Company. Having regard to the voluminous nature of transactions, it is not practicable to furnish entity-wise details of amount, due date for repayment or receipt and the extent of delay in this report as suggested in the Guidance Note on CARO 2020, issued by the Institute of Chartered Accountants of India for reporting under this clause, in respect of loans and advances which were not repaid / paid when they were due or were repaid / paid with a delay, in the normal course of lending business. Further, except for loans where there are delays or defaults in repayment of principal and / or payment of interest as at the balance sheet date, in respect of which the company has disclosed asset classification / staging in Note 43 to the Ind AS Financial Statements in accordance with Indian Accounting Standards (Ind AS) and the

guidelines issued by the Reserve Bank of India, the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest, as applicable.

(d) The total amount overdue for more than ninety days, in respect of loans and advances in the nature of loans, as at the year-end is ₹. 7,728.84 Lacs. Reasonable steps are being taken by the company for recovery of the principal and interest as stated in the applicable regulations and loan agreements.

(e) The Company's principal business is to give loans and, accordingly, the requirements under paragraph 3(iii)(e) of the Order are not applicable to the Company.

(f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

(iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investment made and guarantees, and securities given have been complied with by the Company.

(v) The Company has not accepted any deposits from the public. Hence, reporting under clause 3(v) of the order is not applicable.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the services of the Company. Hence, reporting under clause 3

(vi) of the Order is not applicable to the Company.

(vii) In respect of statutory dues:

(a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities. As informed, the provisions relating to service tax, wealth tax, sales tax, value added tax, excise duty and customs duty are currently not applicable to the Company.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. As informed, the provisions relating to service tax, wealth tax, sales tax, value added tax, excise duty and customs duty are currently not applicable to the Company.

(b) According to the information and explanations given to us, there are no dues of income tax, sales tax, goods and service tax, cess and other material statutory dues which have not been deposited with the appropriate authorities on account of any dispute.

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) In our opinion and according to the information and explanations given to us, The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has applied term loans for the purpose for which the loans were obtained.

(d) The Company has not utilised fund raised on short term basis for long term purposes.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures.

(f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting on clause 3(ix)(f) of the Order is not applicable.

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable

(xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable.

(xiii) According to the information and explanations given to us, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable Indian accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not entered into any non-cash transactions with directors or persons connected with directors and hence, the requirement to report on paragraph 3(xv) of the Order is not applicable.

(xvi) (a) The Company has registered as required, under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).

(b) The company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) In our opinion, the Company is not a core investment company (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi) (c) and (d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the Statutory auditors of the Company during the year.

(xix) According to the information and explanations given to us and on the basis of the financial ratios Also refer Note 41 to the standalone financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) There are no unspent amounts towards CSR on ongoing requiring transfer to special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.

For **SGCO & CO. LLP**
Chartered Accountants
Firm Reg. No.:- 112081W/W100184

Sudha Jaideep Shetty
Partner
Membership No.: 047684
UDIN: 24047684BKHXQT2494

Place: Hyderabad
Date: 29th May 2024

ANNEXURE B

REFERRED TO IN PARAGRAPH 3 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REOUIREMENTS" OF OUR REPORT OF EVEN DATE

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to Standalone Financial Statements of IKF Finance Limited ("the Company") as of March 31, 2024, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these Standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with reference to these financial statements

A Company's internal financial control with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to Standalone Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements

Inherent Limitations of Internal Financial Controls Over Financial Reporting with Reference to these financial statements

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to Standalone Financial Statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI

For **SGCO & CO. LLP**
Chartered Accountants
Firm Reg. No.:- 112081W/W100184

Sudha Jaideep Shetty
Partner
Membership No.: 047684
UDIN: 24047684BKHXQT2494

Place: Hyderabad
Date: 29th May 2024

IKF FINANCE
"LEGACY THAT INSPIRES, TECHNOLOGY THAT DELIVERS"

Balance Sheet

as at March 31, 2024

(All amounts in lakhs, except as stated otherwise)

(Currency : ₹ in lakhs)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	3	4,407.96	23,039.43
(b) Bank Balance other than included in (a) above	4	3,023.41	5,573.17
(c) Receivables			
(I) Trade receivables	5	145.64	-
(II) Other receivables		-	-
(d) Loans	6	325,530.75	210,754.51
(e) Investments	7	27,624.85	30,810.55
(f) Other financial assets	8	2,754.99	2,220.12
Subtotal		**363,487.60**	**272,397.79**
(2) Non-financial assets			
(a) Current Tax Assets (Net)		43.25	372.98
(b) Deferred Tax Assets (Net)	30	-	-
(c) Investment Property	9	130.03	72.14
(d) Property, Plant and Equipment	10	237.54	250.23
(e) Right of use asset	10	262.17	270.26
(f) Capital work in progress	11	47.59	-
(g) Intangibles assets under development	11A	13.20	-
(h) Other Intangible assets	11B	123.99	156.38
(i) Other non-financial assets	12	3,265.05	2,909.85
Subtotal		**4,122.82**	**4,031.85**
Total assets		**367,610.42**	**276,429.64**
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial liabilities			
(a) Payables			
(i) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(ii) Other Payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
b) Debt securities	13	15,989.65	18,838.54
c) Borrowings (other than debt securities)	14	240,928.87	168,496.32
d) Subordinated Liabilities	15	16,372.47	16,345.06
e) Other financial liabilities	16	5,470.71	2,921.34
		278,761.70	**206,601.26**
(2) Non-financial liabilities			
(a) Provisions	17	288.37	210.50
(b) Deferred tax liabilities (Net)	30	218.55	188.82
(c) Other non-financial liabilities	18	275.74	179.07
		782.66	**578.39**
EQUITY			
(a) Equity share capital	19	7,015.65	6,457.51
(b) Other equity	20	81,050.41	62,792.48
		88,066.06	**69,249.99**
Total liabilities and equity		**367,610.42**	**276,429.64**
Material Accounting policies and key accounting estimates and judgments	2		

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

For and on behalf of the Board of Directors of

IKF Finance Limited

CIN: U65992AP1991PLC012736

For **SGCO & CO.LLP**
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

Sudha Jaideep Shetty
Partner
Membership No.047684
Place: Hyderabad
Date: 29 May 2024

V.G.K Prasad
Chairman
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Ch.Sreenivasa Rao
Company Secretary & Chief Financial Officer
M.No. ACS14723
Place: Hyderabad
Date: 29 May 2024

Statement of Profit and Loss

for the year ended on March 31, 2024

(All amounts in lakhs, except per share data and as stated otherwise)

(Currency : ₹ in lakhs)

Particulars		Notes	Year ended March 31, 2024	Year ended March 31, 2023
Revenue From operations				
(i)	Interest income	21	43,304.01	28,398.32
(ii)	Fees and commission income	22	98.89	93.92
(iii)	Other Operating Income	23	19.64	3.20
(I)	**Total revenue from operations**		**43,422.54**	**28,495.44**
(II)	Other income	24	325.04	164.24
(III)	**Total income (I + II)**		**43,747.58**	**28,659.68**
Expenses				
(i)	Finance costs	25	22,022.85	15,402.63
(ii)	Impairment on financial instruments	26	1,640.51	539.85
(iii)	Employee benefits expenses	27	7,329.16	4,297.44
(iv)	Depreciation, amortization and impairment	28	340.89	264.23
(v)	Others expenses	29	2,076.54	1,424.80
(IV)	**Total expenses**		**33,409.95**	**21,928.95**
(V)	**Profit before tax (III - IV)**		**10,337.63**	**6,730.73**
(VI)	**Tax Expense:**			
	(1) Current Tax	30	2,600.55	1,461.47
	(2) Deferred Tax	30	30.82	255.84
	(3) Adjustment of tax relating to earlier periods	30	8.82	12.91
			2,640.19	**1,730.22**
(VII)	**Profit for the period (V-VI)**		**7,697.44**	**5,000.51**
(VIII)	**Other comprehensive income**			
	(A) Items that will not be reclassified to profit or loss (specify items and amounts)		(4.36)	13.18
	(a) Remeasurements of the defined benefit plans	31	1.10	(3.32)
	Other comprehensive income / (loss)		**(3.26)**	**9.86**
(IX)	**Total comprehensive income for the period (VII + VIII)**		**7,694.18**	**5,010.37**
(X)	**Earnings per share (equity share, par value of ₹.10 each)**			
	Basic	32	11.32	9.31
	Diluted	32	11.32	9.31
Material accounting policies and key accounting estimates and judgments		2		

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

For and on behalf of the Board of Directors of

IKF Finance Limited

CIN: U65992AP1991PLC012736

For **SGCO & CO.LLP**
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

Sudha Jaideep Shetty
Partner
Membership No.047684
Place: Hyderabad
Date: 29 May 2024

V.G.K Prasad
Chairman
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Ch.Sreenivasa Rao
Company Secretary & Chief Financial Officer
M.No. ACS14723
Place: Hyderabad
Date: 29 May 2024

Standalone Cash Flow Statement

for the year ended March 31, 2024

(Currency : ₹ in lakhs)

Particular	For the Year ended March 31, 2024	For the Year ended March 31, 2023
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	**10,337.63**	**6,730.73**
Adjustments for:		
Depreciation, amortisation and impairment	340.89	264.23
Interest Income	(43,304.01)	(28,398.32)
Interest expenses	22,022.85	15,402.63
Impairment on financial instrument	1,640.51	539.85
Share based payment expense	1.08	(3.99)
Provision for expenses	12.75	2.25
Employee benefit expenses	82.35	(57.21)
Rental income on Investment property	(9.15)	(7.63)
(Profit)/ Loss on sale of property, plant and equipment	(0.04)	1.14
(Profit)/ Loss on sale of immovable Property	-	3.15
Cash generated from / (used in) operations before working capital changes and adjustments for interest received and interest paid	**(8,875.15)**	**(5,523.17)**
Adjustments for changes in Working Capital :		
Decrease / (Increase) in trade receivable	(145.64)	-
Decrease / (Increase) in loans	(114,911.49)	(55,475.48)
Decrease / (Increase) in bank balances other than cash and cash equivalents	2,549.76	(3,364.52)
Decrease / (Increase) in other financial assets	(36.54)	43.49
Decrease / (Increase) in other non-financial assets	(355.20)	(1,842.43)
(Decrease) / Increase in other financial liabilities	2,537.90	622.18
(Decrease) / Increase in provisions	(8.83)	(25.48)
(Decrease) / Increase in other non-financial liabilities	96.67	79.57
Interest received	41,283.73	27,451.64
Interest paid	(22,397.69)	(15,826.72)
	(100,262.47)	**(53,860.90)**
Income tax paid (net of refunds)	(2,279.64)	(1,664.32)
Deferred tax adjustment	0.01	0.00
NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES	**(102,542.10)**	**(55,525.22)**
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and capital work in progress	(119.47)	(67.99)
Purchase of intangible assets under development	(13.20)	
Purchase of Investment property	(58.06)	0.00
Rental income on Investment property	9.15	7.63
Proceeds from sale of property, plant and equipment	0.04	0.82
Proceeds from sale of Investment property	-	38.85
Purchase of intangible assets	(20.00)	(50.25)
Purchase of investments measured at Amortised cost and FVTPL	3,185.70	(24,557.63)
NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES	**2,984.16**	**(24,628.57)**

Standalone Cash Flow Statement (Cont.)

for the year ended March 31, 2024

CASH FROM FINANCING ACTIVITIES		
Proceeds from issue of equity shares (including securities premium)	12,000.00	25,506.83
Share issue expenses	(879.18)	
Amount received from debt securities	15,000.00	7,000.00
Repayment of debt securities	(17,500.00)	(3,400.00)
Amount received from borrowings other than debt securities	140,850.00	109,340.00
Repayment of borrowings other than debt securities	(68,326.67)	(48,983.70)
Amount received from subordinated Liabilities	-	14,000.00
Repayment of subordinated debt	(0.00)	(3,500.00)
Payment of principal portion of lease liabilities	(180.25)	(113.49)
Payment of interest on lease liabilities	(37.43)	(33.63)
NET CASH GENERATED FROM / (USED IN) FROM FINANCING ACTIVITIES	**80,926.47**	**99,816.01**
Net Increase / (Decrease) in Cash and Cash Equivalents	**(18,631.47)**	**19,662.22**
Cash and Cash Equivalents at the beginning of Year	23,039.43	3,377.21
Cash and Cash Equivalents at the end of the Year	4,407.96	23,039.43

The above Cash Flow Statement has been prepared under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows'.

As per our report of even date

For **SGCO & CO.LLP**
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

Sudha Jaideep Shetty
Partner
Membership No.047684
Place: Hyderabad
Date: 29 May 2024

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

V.G.K Prasad
Chairman
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Ch.Sreenivasa Rao
Company Secretary & Chief Financial Officer
M.No. ACS14723
Place: Hyderabad
Date: 29 May 2024

Statement of Changes in Equity

for the year ended March 31, 2024

A. Equity share capital

Current Reporting Period

(Currency : ₹ in lakhs)

Particulars	Balance at the beginning of the current reporting period As at March 31, 2023	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period As at March 31, 2024
Issued, Subscribed and paid up - fully paid	6,457.51	-	6,457.51	558.14	**7,015.65**
(Equity shares of ₹ 10 each, Fully paid-up)					
Issued, Subscribed and paid up - partly paid	0.00	-	0.00	-	**0.00**

Previous Reporting Period

(Currency : ₹ in lakhs)

Particulars	Balance at the beginning of the current reporting period As at March 31, 2023	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period As at March 31, 2024
Issued, Subscribed and paid up - fully paid	5,265.91	-	5,265.91	1,191.60	**6,457.51**
(Equity shares of ₹ 10 each, Fully paid-up)					
Issued, Subscribed and paid up - partly paid	0.00	-	0.00		**0.00**

B. Other equity

(Currency : ₹ in lakhs)

Particulars	Reserves and Surplus						Total
	Statutory Reserve	Capital Reserve	Securities Premium	General Reserve	Share based payment Reserve	Retained Earnings	
Balance at April 01, 2022	**4,993.49**	**32.50**	**10,576.37**	**1,221.45**	**24.62**	**16,622.41**	**33,470.84**
Changes in Accounting Policies / Prior Period Errors	-	-	-	-	-	-	**-**
Restated balance as at April 01, 2022	4,993.49	32.50	10,576.37	1,221.45	24.62	16,622.43	**33,470.86**
Profit for the year	-	-	-	-	-	5,000.51	**5,000.51**
Other comprehensive income for the year	-	-	-	-	-	9.86	**9.86**

Statement of Changes in Equity (Cont.)

for the year ended March 31, 2024

(Currency : ₹ in lakhs)

Particulars	Reserves and Surplus						Total
	Statutory Reserve	Capital Reserve	Securities Premium	General Reserve	Share based payment Reserve	Retained Earnings	
Total comprehensive income for the year (net of tax)	-	-	-	-	-	5,010.37	**5,010.37**
Transfer to Statutory Reserve	1,000.10	-	-	-	-	(1,000.10)	**-**
Transfer to General Reserve	-	-	-	250.03	-	(250.03)	**-**
Issue of equity shares	-	-	24,315.23	-	-	-	**24,315.23**
Share based payment expense	-	-	-	-	(3.99)	-	**(3.99)**
Balance at March 31, 2023	**5,993.59**	**32.50**	**34,891.60**	**1,471.48**	**20.63**	**20,382.67**	**62,792.48**
Changes in Accounting Policies / Prior Period Errors	-	-	-	-	-	-	**-**
Restated balance as at April 01, 2023	**5,993.59**	**32.50**	**34,891.60**	**1,471.48**	**20.63**	**20,382.67**	**62,792.48**
Profit for the year	-	-	-	-	-	7,697.44	**7,697.44**
Other comprehensive income for the year	-	-	-	-	-	(3.26)	**(3.26)**
Total comprehensive income for the year (net of tax)	**-**	**-**	**-**	**-**	**-**	**7,694.18**	**7,694.18**
Transfer to Statutory Reserve	1,539.49	-	-	-	-	(1,539.49)	**-**
Transfer to General Reserve	-	-	-	384.87	-	(384.87)	**-**
Issue of equity shares	-	-	11,441.85	-	-	-	**11,441.85**
Share issue expenses	-	-	(879.18)				**(879.18)**
Share based payment expense	-	-	-	-	1.08	-	**1.08**
Balance at March 31, 2024	**7,533.08**	**32.50**	**45,454.27**	**1,856.35**	**21.71**	**26,152.49**	**81,050.41**

As per our report of even date

For **SGCO & CO.LLP**
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

Sudha Jaideep Shetty
Partner
Membership No.047684
Place: Hyderabad
Date: 29 May 2024

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

V.G.K Prasad
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DIN: 03161150

Ch.Sreenivasa Rao
Company Secretary & Chief Financial Officer
M.No. ACS14723
Place: Hyderabad
Date: 29 May 2024

Notes

to Financial Statements for the year ended March 31, 2024

1 Company Overview

IKF Finance Limited ('the Company') is a public company domiciled in India and incorporated under the provision of the Companies Act, 1956. The Company was registered as a non-deposit accepting Non-Banking Financial Company ('NBFC-ND') with the Reserve Bank of India ('RBI') and classified as a Non-Banking Financial Company- Asset Finance Company ('NBFC-AFC') with effect from May12,2014.The Company provides finance for commercial vehicles, construction equipment and other loans.

2 Material Accounting Policies

2.1 Basis of preparation

The financial statements for the year ended March 31, 2024 have been prepared by the Company in accordance with Indian Accounting Standards ("Ind AS") notified by the Ministry of Corporate Affairs, Government of India under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016, as amended from time to time, in this regard. Any application guidance/ clarifications/ directions issued by RBI or other regulators are implemented as and when they are issued/ applicable.

2.2 Presentation of Financial Statements

The financial statement of the company are presented as per Division III of the Schedule III to the Companies Act 2013 as amended from time to time, for Non-Banking Financial Companies ('NBFCs') that are required to comply with Ind-AS. The Statement of Cash Flows has been presented as per the requirements of Ind-AS 7 Statement of Cash Flows. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non–current) is presented in Note 35 – Maturity analysis of assets and liabilities.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Company and/or its counterparties

2.3 Basis of Measurement

The financial statements have been prepared under the historical cost convention on the accrual basis except for certain financial instruments, plan assets of defined benefit plans and share based payment plans, which are measured at fair values at the end of each reporting period as explained in the material accounting policies below. All amounts disclosed in the financial statements and notes have been rounded off to the nearest INR Lakhs in compliance with Schedule III of the Act, unless otherwise stated.

2.4 Accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) at the date of the financial statements and the reported amounts of revenues and expenses for the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual results could differ from these estimates. Any revisions to accounting estimates are recognized prospectively in the current and future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Key sources of estimation of uncertainty at the date of financial statements, which may cause a material adjustment to the carrying amount of assets and liabilities within the next financial year are included in the following notes:

a. Business model assessment

Classification and measurement of financial assets depends on the results of the solely payments of principal and interest (SPPI) and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This

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to Financial Statements for the year ended March 31, 2024

assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

b. Effective Interest Rate (EIR) method

The Company recognizes interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loans given / taken.

This estimation, by nature, requires an element of judgement regarding the expected behaviour and lifecycle of the instruments, as well as expected changes to other fee income/expense that are integral parts of the instrument.

c. Impairment of loans portfolio

The measurement of impairment losses on loan assets requires judgement, in estimating the amount and timing of future cash flows and recoverability of collateral values while determining the impairment losses and assessing a significant increase in credit risk.

The Company's Expected Credit Loss (ECL) calculation is the output of a complex model with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL model that are considered accounting judgements and estimates include:

- PD calculation includes historical data, benchmarking, assumptions and expectations of future conditions.
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life-time expected credit loss and the qualitative assessment.
- The segmentation of financial assets when their ECL is assessed on a collective basis.
- Development of ECL models, including the various formulas and the choice of inputs.

It is the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

The impairment loss on loans and advances is disclosed in more detail in Note 6-Loans and Note 43- Risk Management.

d. Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

e. Fair value measurement:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

f. Operating leases

Company as a lessee:

The Company has applied Ind AS 116 using the partial retrospective approach.

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to Financial Statements for the year ended March 31, 2024

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right of use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short term lease

The Company has elected not to recognise right of use asset and lease liabilities for short term leases of property that has lease term of 12 months or less. The Company recognises lease payment associated with these leases as an expense on a straight line basis over lease term.

g. Share based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

2.5 Revenue recognition

a. Interest Income on loans

Interest income is recorded using effective interest rate (EIR) method for all financial assets measured at amortised cost.

EIR is the rate that exactly discounts the estimated future cash flows through the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset except for credit impaired asset.

The calculation of the effective interest rate includes transaction costs and fees (loan processing fees, commission paid to direct selling agents and other premiums or discounts) that are an integral part of the contract. Transaction costs include incremental costs that are directly attributable to the acquisition of financial asset.

b. Rental Income

Rental income arising from operating leases is recognised on a straight-line basis over the

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to Financial Statements for the year ended March 31, 2024

lease term. In cases where the increase is in line with expected general inflation rental income is recognised as per the contractual terms.

Operating leases are leases where the Company does not transfer substantially all of the risk and benefits of ownership of the asset.

c. Interest income on fixed deposits

Interest on fixed deposits is recognised on a time proportion basis taking into account the amount outstanding and the applicable rate.

d. Other income

Other charges including application fees (penal interest, cheque bouncing charges, etc.) are recognised on realization basis.

2.6 Financial instruments

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Recognised financial assets and financial liabilities are initially measured at transaction price, which equates fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

A financial asset and a financial liability are offset and presented on net basis in the balance sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

a. Classification and measurement of Financial assets

Based on the business model, the contractual characteristics of the financial assets and specific elections where appropriate, the Company classifies and measures financial assets in the following categories:

- Amortised cost
- Fair value through other comprehensive income ('FVOCI')
- Fair value through profit and loss ('FVTPL')

Financial assets at amortised cost

Financial assets are measured at amortised cost using the effective interest rate (EIR) if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement and based on the assessment of the business model as asset held to collect contractual cash flows and SPPI, such financial assets are subsequently measured at amortised cost using effective interest rate ('EIR') method. Interest income and impairment expenses are recognised in statement of profit and loss. Any gain or loss on derecognition is also recognised in statement of profit and loss.

The EIR method is a method of calculating the amortised cost of a financial instrument and of allocating interest over the relevant period. The EIR is the rate that exactly discounts estimated future cash flows (including all fees paid or received that form an integral part of the EIR, transaction costs and other premiums or discounts) through the expected life of the instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

The Company records loans at amortised cost.

Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model

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to Financial Statements for the year ended March 31, 2024

whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to sole payments of principal and interest on the principal amount outstanding and by selling financial assets.

Movements in the carrying amount of such financial assets are recognised in Other Comprehensive Income ('OCI'), except dividend income and interest income which is recognised in statement of profit and loss. Equity instruments at FVOCI are not subject to an impairment assessment.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

b. Financial Liabilities

Financial liabilities are measured at amortised cost. The carrying amounts are determined based on the EIR method. Interest expense is recognised in statement of profit and loss. Any gain or loss on de-recognition of financial liabilities is also recognised in statement of profit and loss.

c. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company is recognised at the proceeds received, net of directly attributable transaction costs.

d. Reclassification

Financial assets and liabilities are not reclassified subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line or in the period the Company changes its business model for managing financial assets.

e. De-recognition of financial assets and financial liabilities

i. Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Company has transferred the financial asset if, and only if, either:

i. The Company has transferred its contractual rights to receive cash flows from the financial asset, or

ii. It retains the rights to the cash flows but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement.

Pass-through arrangements are transactions whereby the Company retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

i. The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.

ii. The Company cannot sell or pledge the original asset other than as security to the eventual recipients.

iii. The Company has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Company is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the

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to Financial Statements for the year ended March 31, 2024

period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

i. The Company has transferred substantially all the risks and rewards of the asset, or

ii. The Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

ii. Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying value of the original financial liability and the new financial liability with modified terms is recognised in statement of profit and loss.

f. Impairment of Financial Assets

The Company recognises impairment allowances for Expected Credit Loss (ECL) on all the financial assets that are not measured at FVTPL:

The ECL provision is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss.

The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on financial assets that are possible within the 12 months after the reporting date.

The Company performs an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Company categorises its loans into three stages as described below:

For non-impaired financial instruments

- Stage 1 is comprised of all non-impaired financial instruments which have not experienced a significant increase in credit risk (SICR) since initial recognition. A 12-month ECL provision is made for stage 1 financial instruments. In assessing whether credit risk has increased significantly, the Company compares the risk of a default occurring on the financial instrument as at the reporting date, with the risk of a default occurring on the financial instrument as at the date of initial recognition.
- Stage 2 is comprised of all non-impaired financial instruments which have

experienced a SICR since initial recognition. The Company recognises lifetime ECL for stage 2 financial instruments. In subsequent reporting periods, if the credit risk of the financial instrument improves such that there is no longer a SICR since initial recognition, then entities shall revert to recognizing 12 months of ECL.

For impaired financial instruments:

Financial instruments are classified as stage 3 when there is objective evidence of impairment as a result of one or more loss events that have occurred after initial recognition with a negative impact on the estimated future cash flows of a loan or a portfolio of loans. The Company recognises lifetime ECL for impaired financial instruments.

The calculation of ECLs

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

Probability of Default (PD) -

The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognized and is still in the portfolio. The concept of PD is further explained in Note 43- Risk Management.

Exposure at Default - The Exposure at Default is an estimate of the exposure at a future default date, considering expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

Loss Given Default – The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive.

Collateral Valuation

To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. The collateral comes in various forms, such as movable and immovable assets, guarantees, etc. However, the fair value of collateral affects the calculation of ECLs. To the extent possible, the Company uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using other methodologies. Non-financial collateral, such as vehicles, is valued based on data provided by third parties or management judgements.

Collateral repossessed

In its normal course of business whenever default occurs, the Company may take possession of properties or other assets in its retail portfolio and generally disposes such assets through auction, to settle outstanding debt. Any surplus funds are returned to the customers/obligors. As a result of this practice, assets under legal repossession processes are not recorded on the balance sheet.

Write-offs

Loans are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when it is determined that the customer does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

g. Determination of fair value

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, the Company measures certain categories of financial instruments (as explained in Note 42 - Fair Value Measurement) at fair value on each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is

Notes
to Financial Statements for the year ended March 31, 2024

based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1 financial instruments - Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2 financial instruments - Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.

Level 3 financial instruments - Those that include one or more unobservable input that is significant to the measurement as whole.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. No such instances of transfers between levels of the fair value hierarchy were recorded during the reporting period.

2.7 Property, plant and equipment

Property, plant and equipment are carried at cost of acquisition less accumulated depreciation and accumulated impairment loss (if any). The total cost of the asset comprises the purchase price, taxes, duties, freight (net of rebates and discounts) and any other directly attributable costs of bringing the assets to their working condition for their intended use. Borrowing costs directly attributable to acquisition of those assets which necessarily take a substantial period of time to get ready for their intended use are capitalised. Advances paid towards the acquisition of assets outstanding at each balance sheet date are disclosed as other non-financial assets. The cost of assets not ready for their intended use at each balance sheet date is disclosed as capital work-in-progress.

Depreciation is provided on a straight-line method, over the estimated useful life of each asset as prescribed in Schedule II of the Companies Act, 2013 as follows:

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to Financial Statements for the year ended March 31, 2024

Asset	Useful Life
Building (Investment Property)	60 years
Office Equipment	5 years
Furniture and Fixture	10 years
Computers	3 years
Vehicles (Car, Lorry, Bus)	8 years
Vehicles (Bike, Moped, Cycle)	10 years
Servers	6 years

An item of property, plant and equipment, is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment, is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.8 Intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Cost comprise the purchase price and any attributable cost of bringing the asset to its working condition for its intended use

Intangible assets are amortised on a straight line basis over their estimated useful life.

The estimated useful life of intangible assets are as follows:

Asset	Useful Life
Software	6 years

2.9 Investment in Subsidiaries

Ind AS 101 permits a first time adopter to measure its investment, at the date of transition, at cost determined in accordance with Ind AS 27, or deemed cost. The deemed cost of such investment shall be its fair value at the Company's date of transition to Ind AS, or Previous GAAP carrying amount at that date. The Company has elected to measure its investment in subsidiary at the Previous GAAP carrying amount as its deemed cost on the transition date.

2.10 Impairment of non-financial assets

Assessment is done at each balance sheet date as to whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, the recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting years may no longer exist or may have decreased.

2.11 Employee benefits

Defined Contribution Plan:

The Company has a defined contribution plan for post-employment benefits in the form of Provident Fund. Under the Provident Fund Plan, the Company contributes to a Government administered provident

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to Financial Statements for the year ended March 31, 2024

fund / recognized provident fund on behalf of the employees. The Company has no further obligation beyond making the contributions.

The Company's contributions to the above Plan are charged to the Statement of Profit and Loss.

Defined Benefit Plan:

The Company provides for gratuity to all employees. The benefit is in the form of lump sum payments to vested employees on resignation, retirement, or death while in employment or on termination of employment of an amount equivalent to 15 days basic salary payable for each completed year of service as required under 'The Payment of Gratuity Act, 1972'. Vesting occurs upon completion of five years of service.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non- routine settlements; and
- Net interest expense or income

An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Other Employee Benefits:

The employees of the Company are entitled to compensated absence and deferred compensation as per the policy of the Company, the liability in respect of which is provided, based on an actuarial valuation carried out by an independent actuary as at the year end. The actuarial valuation method used by the independent actuary for measuring the liability is the Projected Unit Credit Method.

Actuarial gains and losses comprise experience adjustments and the effects of changes in the actuarial assumptions are recognized immediately in the Statement of Profit and Loss in the year in which they arise.

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. Unutilised leave balance that accrues to employees as at the year end is charged to the Statement of Profit and Loss on an undiscounted basis.

2.12 Income Taxes

Income-tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income-tax expense is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in equity or in OCI.

(a) Current tax

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961, enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- has a legally enforceable right to set off the recognised amounts; and

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to Financial Statements for the year ended March 31, 2024

- intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(b) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are reviewed at each reporting date and based on management's judgement, are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if the Company:

- has a legally enforceable right to set off current tax assets against current tax liabilities; and
- the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

2.13 Provision and contingencies

A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost.

A contract is considered as onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

2.14 Earnings per share

The Company reports basic and diluted earnings per share in accordance with Indian Accounting Standard 33 – "Earnings Per Share". Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share reflects the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by weighted average number of equity

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to Financial Statements for the year ended March 31, 2024

shares considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all potential equity shares.

2.15 Cash and cash equivalent

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

2.16 Statement of cash flows

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash future, any deferrals or accruals of past or future operating cash receipts or payments and item of expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.17 Share based payments

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting year, based on the Company₹s estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting year, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve.

2.18 Statutory Reserve

In accordance with section 45-IC of the RBI Act, 1934, the Company creates a reserve fund and transfers therein a sum not less than twenty per cent of its net profit every year as disclosed in the Statement of Profit and loss before any dividend is declared.

3 Cash and cash equivalents

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on hand	139.51	221.31
Balances with banks in current accounts	4,268.45	22,818.12
Total	**4,407.96**	**23,039.43**

4 Bank balance other than cash and cash equivalents

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks to the extent held as margin money*	3,023.41	5,573.17
Total	**3,023.41**	**5,573.17**

*Represent margin money deposits placed to avail term loans from banks, financial institutions

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to Financial Statements for the year ended March 31, 2024

5 Receivables

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(I) Trade receivables		
Receivables considered good - Secured		
Receivables considered good - Unsecured	145.64	-
Receivables which have significant increase in credit risk; and		
Receivables – credit impaired		
	145.64	**-**
Less: Provision for impairment	0.00	-
Total	**145.64**	**-**

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person, or from firms or private companies respectively in which any director is a partner, a director or a member.

Trade Receivables aging schedule

As at March 31st 2024

(Currency : ₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	145.64	-	-	-	-	145.64
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Total	**145.64**	**-**	**-**	**-**	**-**	**145.64**

As at March 31st 2023

(Currency : ₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	-	-	-	-	-
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**

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6 Loans (at Amortised Cost)

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Term loans	323,511.66	208,734.39
(ii) term loans - related parties	0.00	-
(iii) Staff loans	68.39	83.39
(iv) others		
(a) Trade advances	5,523.72	4,910.17
Total	**329,103.77**	**213,727.95**
Less: Impairment loss allowance	3,573.02	2,973.44
Total - Net of impairment loss allowance	**325,530.75**	**210,754.51**
(i) Secured by tangible assets*	323,511.66	208,734.39
(ii) Secured by intangible assets	-	-
(iii) Covered by Bank/ Government Guarantees	-	-
(iv) Unsecured	5,592.11	4,993.56
Total	**329,103.77**	**213,727.95**
Less: Impairment loss allowance	3,573.02	2,973.44
Total - Net of impairment loss allowance	**325,530.75**	**210,754.51**
(i) Public sectors	-	-
(ii) Others	329,103.77	213,727.95
Total	**329,103.77**	**213,727.95**
Less: Impairment loss allowance	3,573.02	2,973.44
Total - Net of impairment loss allowance	**325,530.75**	**210,754.51**
(i) Loans in India	329,103.77	213,727.95
(ii) Loans outside India		
Total	**329,103.77**	**213,727.95**
Less: Impairment loss allowance	3,573.02	2,973.44
Total - Net of impairment loss allowance	**325,530.75**	**210,754.51**

*Secured against hypothecation of automobiles, book debts, equitable mortgage of immovable property etc.

6.1 The table below discloses credit quality and the maximum exposure to credit risk based on the company's year end stage classification. The numbers presented are gross of impairment loss allowance:

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Term loans		
Stage I	297,782.39	169,430.51
Stage II	23,524.15	38,155.73
Stage III	7,728.83	6,058.32
Total	**329,035.38**	**213,644.56**

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to Financial Statements for the year ended March 31, 2024

6.2 Gross movement of loans for the year ended March 31, 2024

(Currency : ₹ in lakhs)

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount as at April 1, 2023				
Term loans	**169,430.51**	**38,155.74**	**6,058.32**	**213,644.56**
Staff loans	**83.39**	**-**	**-**	**83.39**
New loans originated during the year				-
Term loans	208,929.41	6,339.01	432.55	215,700.97
Staff loans	15.00			15.00
Inter-stage movements:				
- Term loans				
Transfers to Stage 1	7,530.54	(7,335.14)	(195.40)	-
Transfers to Stage 2	(8,845.49)	9,036.91	(191.42)	-
Transfers to Stage 3	(2,413.01)	(2,378.10)	4,791.11	-
Interest on stage 3 loans			142.38	142.38
Amounts written off				
Term loans	(383.26)	(288.85)	(352.10)	(1,024.21)
Staff loans				-
Assets derecognised or repaid (excluding write offs)				
Term loans	(76,466.30)	(20,005.41)	(2,956.60)	(99,428.32)
Staff loans	(30.00)	-	-	(30.00)
Gross carrying amount as at March 31, 2024				
Term loans	**297,782.39**	**23,524.15**	**7,728.83**	**329,035.38**
Staff loans	**68.39**	**-**	**-**	**68.39**

6.3 Gross movement of loans for the year ended March 31, 2023:

(Currency : ₹ in lakhs)

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount as at April 1, 2022				
Term loans	129,809.42	25,161.20	4,338.15	159,308.77
Staff loans	35.04	-	-	35.04
New loans originated during the year				-
Term loans	118,581.75	7,959.69	729.63	127,271.07
Staff loans	48.80	-	-	48.80
Inter-stage movements:				
-Term loans				
Transfers to Stage 1	1,555.80	(1,542.59)	(13.21)	-
Transfers to Stage 2	(21,396.99)	21,423.38	(26.39)	-
Transfers to Stage 3	(1,577.21)	(1,524.33)	3,101.54	-

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to Financial Statements for the year ended March 31, 2024

(Currency : ₹ in lakhs)

Particulars	Stage I	Stage II	Stage III	Total
Interest on stage 3 loans	-	-	69.56	69.56
Amounts written off				
Term loans	(123.40)	(27.92)	(343.48)	(494.81)
Staff loans	-	-	-	-
Assets derecognised or repaid (excluding write offs)				
Term loans	(57,418.86)	(13,293.70)	(1,797.48)	(72,510.03)
Staff loans	(0.45)	-	-	(0.45)
Gross carrying amount as at March 31, 2023				
Term loans	**169,430.51**	**38,155.74**	**6,058.32**	**213,644.56**
Staff loans	**83.39**	**-**	**-**	**83.39**

6.4 ECL movement of term loans during the year ended March 31, 2024:

(Currency : ₹ in lakhs)

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount as at April 1, 2023	**973.33**	**711.90**	**1,288.21**	**2,973.44**
New loans originated during the year	931.13	104.84	77.16	1,113.12
Inter-stage movements:				
Transfers to Stage 1	245.28	(217.57)	(27.71)	-
Transfers to Stage 2	(86.60)	96.23	(9.62)	-
Transfers to Stage 3	(15.21)	(60.77)	75.98	-
Amounts written off	(14.70)	(17.15)	(294.08)	(325.94)
Assets derecognised or repaid (excluding write offs)	(90.90)	(108.60)	(261.29)	(460.78)
Net Remeasurement of ECL arising from transfer of stage	(565.21)	(138.00)	976.39	273.18
Gross carrying amount as at March 31, 2024	**1,377.12**	**370.87**	**1,825.02**	**3,573.02**

6.5 ECL movement of term loans during the year ended March 31, 2023:

(Currency : ₹ in lakhs)

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount as at April 1, 2022	**989.64**	**563.47**	**1,465.31**	**3,018.42**
New loans originated during the year	709.16	140.40	87.58	937.14
Inter-stage movements:				
Transfers to Stage 1	45.96	(42.41)	(3.55)	-
Transfers to Stage 2	(276.13)	294.27	(18.14)	-
Transfers to Stage 3	(18.96)	(53.80)	72.76	-
Amounts written off	(4.80)	(4.38)	(320.19)	(329.36)
Assets derecognised or repaid (excluding write offs)	(130.05)	(150.56)	(321.64)	(602.25)
Net Remeasurement of ECL arising from transfer of stage	(341.49)	(35.09)	326.07	(50.50)
Gross carrying amount as at March 31, 2023	**973.33**	**711.90**	**1,288.21**	**2,973.44**

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7 Investments

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Investment in Equity instruments		
- Subsidiary (at cost)		
IKF Home finance limited*	15,219.23	10,762.73
(March 31,2024:5,74,04,177 Equity shares of ₹ 10 each fully paid &96,88,043 Equity shares of ₹ 5 partly paid;March 31, 2023: 5,74,04,177 Equity shares of ₹ 10 each fully paid)		
Investment in Market Linked Debentures (at Fair Value through Profit or loss)	-	15,960.75
Investment in Debentures (at Amortised cost)	12,405.62	4,087.07
Total (A)	**27,624.85**	**30,810.55**
(i) Investments in India	27,624.85	30,810.55
(ii) Investments outside India	-	-
Total (B)	**27,624.85**	**30,810.55**

8 Other Financial Assets

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Rent and utility deposit	303.42	239.69
Excess Interest Spread (EIS) Receivables	2,429.00	1,926.33
Other -unsecured, considered good	22.57	54.11
Total	**2,754.99**	**2,220.12**

9 Investment Property

(Currency : ₹ in lakhs)

Particulars	Buildings	Land	Total
Gross carrying amount			
As at March 31, 2022	**6.98**	**108.01**	**114.99**
Additions	-	-	-
Disposals	-	(42.00)	(42.00)
As at March 31, 2023	**6.98**	**66.01**	**72.99**
Additions		58.06	
Disposals			
As at March 31, 2024	**6.98**	**124.07**	**72.99**
As at March 31, 2022	0.68	-	0.68
Depreciation for the year	0.17	-	0.17
Disposals	-	-	-
As at March 31, 2023	**0.85**	**-**	**0.85**
Depreciation for the year	0.17		0.17
Disposals			-
As at March 31, 2024	**1.02**	**-**	**1.02**
Net book value			
As at March 31, 2022	6.30	108.01	114.31
As at March 31, 2023	6.13	66.01	72.14
As at March 31, 2024	**5.96**	**124.07**	**130.03**

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(i) Amounts recognised in Statement of Profit and Loss for Investment Property

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Rental Income	9.15	7.63
Direct operating expense from property that generated rental income		-
Profit from investment properties before depreciation	**9.15**	**7.63**
Depreciation	0.17	0.17
Profit from investment properties	**8.98**	**7.46**

(ii) Contractual obligations

The Company has no contractual obligations to purchase, construct or develop investment property. However, the responsibility for its repairs, maintenance or enhancements is with the Company.

(iii) Fair value

The fair valuation of investment property as at March 31,2024 is INR 448.18 lakhs(PY: INR 394.18 lakhs)

(iv) Pledged details

Building is pledged in favor of consortium leader central bank for cash credit facility.

(v) Estimation of fair value

The fair values of investment property is determined by guidance value given by the local government of the area where the investment properties are located.

(vi) Revaluation

The Company has not revalued any of its investment property during the years ended March 31, 2024 and March 31, 2023. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/ reversals is nil.

10 Property, plant and equipment

(Currency : ₹ in lakhs)

Particulars	Furniture and Fixtures	Computer & Printer	Office equipment	Vehicles	Total	Right to Use Assets
Gross carrying amount						
As at March 31, 2022	**299.04**	**139.76**	**11.16**	**75.51**	**525.48**	**133.39**
Additions	6.35	55.80	5.84	-	67.99	399.37
Disposals	(2.47)	(27.70)	(0.54)	-	(30.71)	(13.97)
As at March 31, 2023	**302.92**	**167.86**	**16.46**	**75.51**	**562.76**	**518.79**
Additions	2.34	43.23	0.32	26.00	71.89	195.66
Disposals	-	(0.08)	-	-	(0.08)	-
As at March 31, 2024	**305.26**	**211.00**	**16.78**	**101.51**	**634.57**	**714.45**
Accumulated depreciation and impairment:						
As at March 31, 2022	**132.95**	**78.68**	**7.20**	**46.56**	**265.37**	**122.64**
Depreciation for the year	33.60	29.55	2.24	10.52	75.91	139.86
Disposals	(1.96)	(26.31)	(0.48)	-	(28.75)	(13.97)

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to Financial Statements for the year ended March 31, 2024

(Currency : ₹ in lakhs)

Particulars	Furniture and Fixtures	Computer & Printer	Office equipment	Vehicles	Total	Right to Use Assets
As at March 31, 2023	**164.59**	**81.92**	**8.96**	**57.08**	**312.53**	**248.53**
Depreciation for the year	27.86	43.96	2.35	10.41	84.58	203.75
Disposals	-	(0.08)	-	-	(0.08)	-
As at March 31, 2024	**192.45**	**125.80**	**11.31**	**67.50**	**397.03**	**452.28**
Net book value						
As at March 31, 2022	166.08	61.09	3.97	28.94	260.11	10.75
As at March 31, 2023	138.33	85.94	7.50	18.42	250.23	270.26
As at March 31, 2024	112.81	85.19	5.48	34.02	237.54	262.17

Note: The Company has not revalued any of its property, plant and equipment during the years ended March 31, 2024 and March 31, 2023. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/ reversals is nil.

11 Capital work in Progress

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening Balance	-	-
Additions	**47.59**	-
Deductions	-	-
Closing Balance	**47.59**	**-**

Ageing for Capital work in Progress

(Currency : ₹ in lakhs)

Particulars	As at	Amount for a Period of				Total
		less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	**31st March 2024**	47.59	-	-	-	47.59
Projects in Progress	**31st March 2023**	-	-	-	-	-

11A Intangible assets under development

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening Balance	-	-
Additions	**13.20**	-
Deductions	-	-
Closing Balance	**13.20**	**-**

Notes

to Financial Statements for the year ended March 31, 2024

Ageing for Intangibles assets under development

(Currency : ₹ in lakhs)

Particulars	As at	Amount for a Period of				Total
		less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	**31st March 2024**	13.20	-	-	-	13.2
Projects in Progress	**31st March 2023**	-	-	-	-	0

11B Other Intangible assets

(Currency : ₹ in lakhs)

Particulars	Computer software
Gross carrying amount	
As at March 31, 2022	**297.78**
Additions	50.25
Disposal	-
As at March 31, 2023	348.03
Additions	20.00
Disposal	-
As at March 31, 2024	**368.03**
Accumulated amortisation and impairment	
As at March 31, 2022	**143.37**
Amortisation for the year	48.29
Disposal	-
As at March 31, 2023	191.65
Amortisation for the year	52.39
Disposal	-
As at March 31, 2024	**244.04**
Net book value	
As at March 31, 2022	154.42
As at March 31, 2023	156.38
As at March 31, 2024	123.99

Note: The Company has not revalued any of its intangible assets during the years ended March 31, 2024 and March 31,2023. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is nil.

12 Other Non-Financial Assets

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Prepaid expenses	597.40	354.73
Advances to employees	0.28	0.27
GST input credit	629.19	523.41
Advance for expenses	38.18	31.44
Advance given for purchase of property	2,000.00	2,000.00
Total	**3,265.05**	**2,909.85**

Notes

to Financial Statements for the year ended March 31, 2024

13 Debt Securities

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
At amortised cost		
Secured		
Non convertible debentures	12,497.99	10,125.66
Unsecured		
Other non convertible debentures	3,491.66	8,712.88
Total	**15,989.65**	**18,838.54**
Debt Securities:		
Within India	15,989.65	18,838.54
Outside India	-	-
Total	**15,989.65**	**18,838.54**

Nature of security

Non convertible debentures (secured)

Non convertible debentures are secured by an exclusive charge by way of hypothecation of specific loan receivable created out of the loan proceeds and mortgage of personal properties of directors in addition to their personal guarantees.

The Company has utilised the funds raised from banks and financial institutions for the specific purpose for which they were borrowed.

The Company has borrowed funds from banks and financial institutions on the basis of security of current assets. It has filed quarterly returns or statements of current assets with banks and financial institutions and the said returns/statements are in agreement with books of accounts.

Terms of repayment of Debt securities as on March 31,2024

(Currency : ₹ in lakhs)

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Monthly repayment schedule								
1-7 Years	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Quarterly repayment schedule								
1-5 Years	9.01%-10.00%	8	6,666.65	10	5,833.35	-	-	12,500.00
	10.01%-11.00%	4	3,500.00	-	-	-	-	3,500.00
	11.01%-12.00%	-	-	-	-	-	-	-
	12.01%-12.50%	-	-	-	-	-	-	-
Bullet repayment schedule								
1-7 Years	8.51%-9.50%	-	-	-	-	-	-	-
	9.51%-10.50%	-	-	-	-	-	-	-
	10.51%-11.50%	-	-	-	-	-	-	-
	11.51%-12.50%	-	-	-	-	-	-	-
Total			**10,166.65**	**-**	**5,833.35**	**-**	**-**	**16,000.00**
Add : Interest accrued but not due								100.62
Less : Unamortized Finance Cost								(110.97)
Total Amortized Cost			**10,166.65**		**5,833.35**		**-**	**15,989.65**

Notes

to Financial Statements for the year ended March 31, 2024

Terms of repayment of Debt securities as on March 31,2023

(Currency : ₹ in lakhs)

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Monthly repayment schedule								
1-7 Years	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Quarterly repayment schedule								
1-5 Years	9.01%-10.00%	-	-	-	-	-	-	-
	10.01%-11.00%	4	3,500.00	4	3,500.00	-	-	7,000.00
	11.01%-12.00%	-	-	-	-	-	-	-
	12.01%-12.50%	-	-	-	-	-	-	-
Bullet repayment schedule								
1-7 Years	8.51%-9.50%	1	5,000.00	-	-	-	-	5,000.00
	9.51%-10.50%	2	6,500.00	-	-	-	-	6,500.00
	10.51%-11.50%	-	-	-	-	-	-	-
	11.51%-12.50%	-	-	-	-	-	-	-
Total			**15,000.00**	**-**	**3,500.00**	**-**	**-**	**18,500.00**
Add : Interest accrued but not due								385.72
Less : Unamortized Finance Cost								(47.18)
Total Amortized Cost			**15,000.00**		**3,500.00**		**-**	**18,838.54**

14 Borrowings (other than debt securities)

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
At amortised cost		
Term loans (Secured)		
from banks	153,795.49	111,172.40
from non banking financial companies	45,148.80	26,757.56
from financial institutions	10,501.29	4,454.33
Loans repayable on demand (Secured):		
Cash credit from Bank	31,483.29	26,112.03
Associated liabilities in respect of securitisation transactions	-	-
Total	**240,928.87**	**168,496.32**
Borrowings:		
Within India	240,928.87	168,496.32
Outside India		
Total	**240,928.87**	**168,496.32**

Nature of security

Term loans (secured)

Term Loans from bank, financial institutions and NBFCs are secured by an exclusive charge by way of hypothecation of specific loan receivable created out of the loan proceeds and cash collateral by way of fixed deposits and mortgage of personal properties of directors in addition to their personal guarantees.

Notes

to Financial Statements for the year ended March 31, 2024

Loans repayable on demand (Secured)

These loans are secured against the first pari passu charge on current assets, book debts and receivables including loans & advances of the Company as per the agreement. Further, the loan has been guaranteed by personal guarantee of director/ promoter to the extent of INR 386.20Cr (March 31, 2023: INR 332.20 Cr).

The Company has utilised the funds raised from banks and financial institutions for the specific purpose for which they were borrowed.

The Company has borrowed funds from banks and financial institutions on the basis of security of current assets. It has filed quarterly returns or statements of current assets with banks and financial institutions and the said returns/statements are in agreement with books of accounts.

Terms of repayment of borrowings (other than debt) as on March 31, 2024

(Currency : ₹ in lakhs)

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Monthly repayment schedule								
1-7 Years	6.00%-7.00%	-	-	-	-	-	-	-
	7.01%-8.00%	-	-	-	-	-	-	-
	8.01%-9.00%	42	3,855.56	30	2,094.16	-	-	5,949.72
	9.01%-10.50%	477	38,149.63	707	59,524.06	-	-	97,673.69
	10.51%-11.50%	65	6,938.07	7	1,028.54	-	-	7,966.61
	11.51%-12.50%	-	-	-	-	-	-	-
Quarterly repayment schedule								
1-5 Years	6.00%-7.00%	-	-	-	-	-	-	-
	7.01%-8.00%	4	1,820.00	3	1,360.00	-	-	3,180.00
	8.01%-9.00%	11	2,734.81	6	1,363.52	-	-	4,098.33
	9.01%-10.50%	97	26,271.68	183	52,257.31	2.00	625.00	79,153.99
	10.51%-11.50%	7	2,534.09	8	2,209.42	-	-	4,743.51
	11.51%-12.50%	-	-	-	-	-	-	-
Bullet repayment schedule								
1-14 Years	7.01%-8.00%	-	-	1	7,500	-	-	7,500.00
	8.01%-9.00%	-	-	-	-	-	-	-
	9.01%-10.50%	-	-	-	-	-	-	
	10.51%-11.50%	-	-	-	-	-	-	
Total			**82,303.85**		**127,337.01**		**625.00**	**210,265.86**
Add : Interest accrued but not due								498.28
Less : Unamortized Finance Cost								(1,318.56)
Total Amortized Cost			**82,303.85**	**-**	**127,337.01**	**-**	**625.00**	**209,445.58**

Notes

to Financial Statements for the year ended March 31, 2024

Terms of repayment of borrowings (other than debt) as on March 31, 2023

(Currency : ₹ in lakhs)

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Monthly repayment schedule								
1-7 Years	6.00%-7.00%	-	-	-	-	-	-	-
	7.01%-8.00%	-	-	-	-	-	-	-
	8.01%-9.00%	71	5,190.28	100	7,240.50	-	-	12,430.78
	9.01%-10.50%	275	22,070.18	417	32,909.19	-	-	54,979.37
	10.51%-11.50%	36	2,262.97	38	2,463.37	-	-	4,726.34
	11.51%-12.50%	3	115.38	-	-	-	-	115.38
Quarterly repayment schedule								
1-5 Years	6.00%-7.00%	-	-	-	-	-	-	-
	7.01%-8.00%	4	1,820.00	7	3,180.00	-	-	5,000.00
	8.01%-9.00%	25	6,060.44	37	9,988.05	-	-	16,048.49
	9.01%-10.50%	62	14,416.67	112	26,683.06	-	-	41,099.73
	10.51%-11.50%	9	3,333.20	16	5,380.49	-	-	8,713.69
	11.51%-12.50%	-	-	-	-	-	-	-
Total			**55,269.12**		**87,844.66**		**-**	**143,113.78**
Add : Interest accrued but not due								196.30
Less : Unamortized Finance Cost								(925.79)
Total Amortized Cost			**55,269.12**	**-**	**87,844.66**	**-**	**-**	**142,384.29**

15 Subordinated Liabilities

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured - At amortised cost		
Non convertible debentures (Tier-II)	16,372.47	16,345.06
Indian rupee loan from banks (Tier-II)	-	-
Total	**16,372.47**	**16,345.06**
Subordinated Liabilities:		
Within India	16,372.47	16,345.06
Total	**16,372.47**	**16,345.06**

Terms of repayment of subordinated liabilities as on March 31, 2024

(Currency : ₹ in lakhs)

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Bullet repayment schedule								
1-7 Years	11.51%-12.50%	-	-	-	-	-	-	-
	>12.51%			2	16,500.00	-	-	16,500.00
Total					**16,500.00**		**-**	**16,500.00**
Add : Interest accrued but not due								10.59
Less : Unamortized Finance Cost								(138.12)
Total Amortized Cost					**6,500.00**		**-**	**16,372.47**

Notes
to Financial Statements for the year ended March 31, 2024

Terms of repayment of subordinated liabilities as on March 31, 2023

(Currency : ₹ in lakhs)

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Bullet repayment schedule								
1-7 Years	11.51%-12.50%	-	-	-	-	-	-	-
	>12.51%			1	2,500.00	1	14,000.00	16,500.00
Total					**2,500.00**		**14,000.00**	**16,500.00**
Add : Interest accrued but not due								8.98
Less : Unamortized Finance Cost								(163.92)
Total Amortized Cost					**2,500.00**		**14,000.00**	**16,345.06**

16 Other financial liabilities

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Lease Liabilities	277.11	278.39
Employee benefits payable	478.37	318.14
Expenses payable	10.11	26.79
Other Payables	419.67	233.80
Security deposit from franchisees and Customers	1,979.77	431.47
Payable towards securitisation / assignment transactions	2,305.68	1,632.75
Total	**5,470.71**	**2,921.34**

17 Provisions

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for gratuity	226.21	154.38
Provision for leave benefits	62.16	56.12
Total	**288.37**	**210.50**

18 Other non-financial liabilities

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory dues payable	275.74	179.07
Total	**275.74**	**179.07**

Notes

to Financial Statements for the year ended March 31, 2024

19. Equity share capital

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number	Amount	Number	Amount
Authorised Capital				
Equity shares of INR 10 each	80,000,000	8,000.00	80,000,000	8,000.00
Preference shares of INR 100 each	2,500,000	2,500.00	2,500,000	2,500.00
	82,500,000	**10,500.00**	**82,500,000**	**10,500.00**
Issued, subscribed and fully paid-up shares				
Equity Shares of INR 10 each fully paid up	70,156,445	7,015.64	64,575,050	6,457.51
Coverted from Partly Paid to Fully Paid Equity Shares	-	-		
	70,156,445	**7,015.64**	**64,575,050**	**6,457.51**
Issued, subscribed and fully paid-up shares				
Equity Shares of INR 10 each, Fully paid up INR 10 per share	-	-	-	-
Converted to Fully Paid Equity Shares			-	-
	-	-	-	-
Total	**70,156,445**	**7,015.64**	**64,575,050**	**6,457.51**

A. Reconciliation of number of shares

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number	Amount	Number	Amount
Fully paid equity share of INR 10 each				
At the beginning of the year	64,575,050	6,457.51	52,659,067	5,265.91
Shares issued during the year	5,581,395	558.14	11,915,983	1,191.60
Coverted from Partly Paid to Fully Paid Equity Shares	-	-		
Outstanding at the end of the year	**70,156,445**	**7,015.64**	**64,575,050**	**6,457.51**
Partly paid up equity share of INR 10 each, partly paid up INR 10 per share				
At the beginning of the year	-	-	-	-
Amount called/Issued during the year	-	-	-	-
Converted to Fully Paid Equity Shares	-	-	-	-
Outstanding at the end of the year	**-**	**-**	**-**	**-**

Notes:

B. Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of INR 10 per share fully paid up. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend if and when proposed by the Board of Directors will be subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, if any, in proportion to the number of equity shares held by the shareholder.

Notes

to Financial Statements for the year ended March 31, 2024

C. Details of shareholder(s) holding more than 5% of equity shares in the Company :

(Currency : ₹ in lakhs)

Name of shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of shares held	% Holding	No. of shares held	% Holding
Equity shares of INR 10 each fully paid up				
Vupputuri Gopala Kishan Prasad	19,853,581	28.30%	19,853,581	30.74%
India Business Excellence Fund-IIA	13,051,546	18.60%	13,051,546	20.21%
Vistra ITCL (India) Limited (formerly known as IL and FS Trust Company Limited) (Trustee of Business Excellence Trust-II - India Business Excellence Fund II)	7,804,018	11.12%	7,804,018	12.09%
Accion Digital Transformation Fund , LP	5,581,395	7.96%	5,581,395	8.64%
Teachers Insurance And Annuity Association Of America	5,581,395	7.96%	-	-

As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

D. Shareholding of Promotors

(Currency : ₹ in lakhs)

Name of shareholder	As at March 31, 2024			As at March 31, 2023		
	No. of Shares	% of Total Shares	% Change during the year	No. of Shares	% of Total Shares	% Change during the year
a. Equity shares of INR 10 each fully paid up						
Vupputuri Gopala Kishan Prasad	19,853,581	28.30%	0.00%	19,853,581	30.74%	0.56%
Vupputuri Indira Devi	1,648,142	2.35%	0.00%	1,648,142	2.55%	0.00%
Koganti Vasumathi Devi	2,647,266	3.77%	0.00%	2,647,266	4.10%	0.00%
Devineni Vasantha Lakshmi	2,491,794	3.55%	0.00%	2,491,794	3.86%	0.00%
Vupputuri Raghu Ram	1,800,670	2.57%	0.00%	1,800,670	2.79%	0.00%
Durga Rani Chunduri	1,494,100	2.13%	0.00%	1,494,100	2.31%	0.00%
Sinha Satyanand Chunduri	117,700	0.17%	0.00%	117,700	0.18%	0.00%

E. Aggregate number of equity shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Equity shares of ₹ 10 each, fully paid up, allotted on conversion of 19,53,125/- 0.01% Compulsorily convertible preference share of INR 100 each, Fully paid-up	-	-	-		

Notes

to Financial Statements for the year ended March 31, 2024

20. Other equity

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Capital reserve	32.50	32.50
Securities premium reserve	45,454.27	34,891.60
Share Based Payment reserve	21.71	20.63
Statutory Reserve under section 45-IC of the Reserve Bank of India Act, 1934	7,533.09	5,993.60
General reserve	1,856.36	1,471.49
Retained earnings	26,152.48	20,382.66
Total	**81,050.41**	**62,792.48**

A. Nature and purpose of reserve

a. Capital reserve

This reserve was created to record the excess carrying value of optionally convertible debentures provided through securities premium. The excess value is recorded by reversing the capital reserve with corresponding debit to debentures.

b. Securities premium reserve

The securities premium reserve is used to record the premium received on issue of shares. The reserve cab be utilised only for limited purpose such as issuance of bonus shares in accordance with provision of the Companies Act, 2013.

c. Statutory reserve

Reserves created under Section 45IC of The Reserve Bank of India Act, 1934

d. Share based payment reserve

The share based payment reserve is used to recognise the grant date fair value of options issued to employees of the Company and its subsidiaries under stock option schemes of the Company.

e. Retained earnings

Retained earnings represents surplus / accumulated earnings of the Company and are available for distribution to shareholders.

f. General Reserve

It is a free reserve which is created by appropriation from profits of the current year and/or undistributed profits of previous years, before declaration of dividend duly complying with any regulations in this regard.

Notes
to Financial Statements for the year ended March 31, 2024

B. Movement in Other equity

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
I. Capital Reserve		
Opening balance	32.50	32.50
Add : Share issued during the year	-	-
	32.50	**32.50**
II. Securities premium reserve		
Opening balance	34,891.60	10,576.37
Add : Premium received on issue of securities	11,441.85	24,315.23
Less : Share issue expenses	(879.18)	
	45,454.27	34,891.60
Impact of first time adoption of Ind AS	-	-
	45,454.27	**34,891.60**
III. Share Based Payment reserve		
Opening balance	20.63	24.62
Add : During the year	1.08	(3.99)
	21.71	**20.63**
IV. Statutory Reserve under section 45-IC of the Reserve Bank of India Act, 1934		
Opening balance	5,993.60	4,993.50
Add : Transfer from retained earnings	1,539.49	1,000.10
	7,533.09	**5,993.60**
V. General Reserve		
Opening balance	1,471.49	1,221.46
Add : Transfer from retained earnings	384.87	250.03
	1,856.36	**1,471.49**
VI. Retained earnings		
Opening balance	20,382.66	16,622.42
Add : Profit for the year	7,697.44	5,000.51
Add : Other comprehensive income	(3.26)	9.86
Appropriations:		
Transfer to Statutory Reserve u/s 45-IC of the Reserve Bank of India Act, 1934	(1,539.49)	(1,000.10)
Transfer to General reserve	(384.87)	(250.03)
Total	**26,152.48**	**20,382.66**

21 Interest income

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
On financial assets measured at amortised cost		
Interest on loans	41,274.15	27,669.51
Interest on deposits with banks	221.35	122.43
Interest on investment in debentures	1,808.29	606.38
Income from investment from Mutual Funds	0.22	-
Total	**43,304.01**	**28,398.32**

Notes

to Financial Statements for the year ended March 31, 2024

22 Fees and commission income

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Other fees and charges	98.89	93.92
Total	**98.89**	**93.92**

23 Other Operating Income

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Bad debts recovered	19.64	3.20
Total	**19.64**	**3.20**

24 Other income

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest on income tax refund	16.48	-
Rental income	9.15	7.63
Miscellaneous Income	299.41	156.60
Total	**325.04**	**164.24**

25 Finance costs

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
On financial liabilities measured at amortised cost		
Interest on deposits	67.09	50.07
Interest on borrowings	16,816.32	11,440.35
Interest on commercial paper and bonds	-	-
Interest on debentures	1,554.49	1,354.17
Interest on subordinated liabilities	2,353.96	1,506.21
Interest on ICD	-	126.42
Interest on lease liabilities	37.43	33.63
Interest on securitisation	-	99.70
Bank Charges	6.74	5.51
Other finance cost	1,186.82	786.57
Total	**22,022.85**	**15,402.63**

26 Impairment on financial instruments

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
On financial instruments measured at amortised cost		
Loans	599.58	(44.98)
Trade receivables	-	-
Bad debts and write offs	1,040.93	584.83
Total	**1,640.51**	**539.85**

Notes

to Financial Statements for the year ended March 31, 2024

27 Employee benefits expenses

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries and wages	6,744.35	4,057.01
Contribution to provident and other funds	324.99	216.75
Share based payment to employees	1.08	(3.99)
Staff welfare expenses	176.39	84.87
Gratuity	73.57	47.37
Leave encashment	8.78	(104.57)
Total	**7,329.16**	**4,297.44**

28 Depreciation, amortization and impairment

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation on property, plant and equipment	84.58	75.91
Depreciation on right to use assets	203.75	139.86
Depreciation on investment property	0.17	0.17
Amortization of intangible assets	52.39	48.29
Total	**340.89**	**264.23**

29 Other expenses

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Rent	326.31	245.30
Communication cost	86.06	75.23
Travelling and conveyance	315.09	212.14
Rates and taxes	553.54	379.17
Insurance	2.48	3.31
Commission and Brokerage	47.14	49.38
Repairs and maintenance	106.01	72.54
Printing and stationary	29.46	40.64
Payment to auditors (Refer Note 27.1)	33.05	26.20
Advertisement, publicity and sales promotion expenses	11.39	11.49
Operation Cost	44.67	31.30
Legal and professional fees	234.25	144.54
Corporate social responsibility (Refer Note 27.2)	111.10	91.29
Director sitting fees	20.75	7.50
Loss on sale of property, plant and equipment	-	1.91
Loss on sale of Investment Property	-	3.15
Miscellaneous expenses	155.24	29.71
Total	**2,076.54**	**1,424.80**

Notes

to Financial Statements for the year ended March 31, 2024

29.1 Payment to the auditors:

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Auditor's remuneration		
- Audit fees (including Limited review fees)	31.00	25.00
In other capacity		
- Certification services	2.05	1.20
Other of pocket expenses	-	-
Total	**33.05**	**26.20**

29.2 Corporate social responsibility:

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
a) Amount required to be spent by the company during the year	110.52	90.94
b) Amount of expenditure incurred		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	111.10	91.29
c) Shortfall at the end of the year	-	-
d) Total of previous years shortfall	-	-
e) Net Shortfall	-	-
f) Reason for shortfall	NA	NA
g) Nature of CSR activities	HealthCare , Education & Skill Development , Gender Equality and Empowerment ,Environment.	Disaster relief, Sanitation and Hygiene.
h) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Indian Accounting Standards	-	-
i) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	-	-

30 Income tax

(a) Income tax expense

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Current tax		
Current tax on profits for the year	2,600.55	1,461.47
Adjustment for current tax of the prior periods	8.82	12.91
Subtotal (A)	**2,609.37**	**1,474.38**
Deferred tax		
Decrease/(Increase) in deferred tax assets	(236.31)	(91.42)
(Decrease)/Increase in deferred tax liabilities	268.22	343.94
Subtotal (B)	**31.91**	**252.53**
Deferred tax asset/ (liability) relating to items recognised in other Comprehensive Income (C)	**1.10**	**(3.32)**
Income tax expense for the year (A+B+C)	**2,640.19**	**1,730.22**

Notes

to Financial Statements for the year ended March 31, 2024

(b) Deferred tax

The major components of deferred tax (liabilities) arising on account of timing differences for the year ended March 31, 2024:

(Currency : ₹ in lakhs)

Particulars	Net balance March 31, 2023	Recognised in profit or loss	Recognised in OCI	Net balance March 31, 2024
Deferred tax assets				
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	52.98	18.50	1.10	72.58
Impact of provision for expected credit loss on loans	605.48	150.90		756.38
Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	8.68	5.77		14.44
Impact of leases under Ind AS 116	70.06	(0.32)		69.74
Share based payment	5.20	0.27		5.47
Others	-	-		-
EIR impact of financial asssets and liabilities	11.06	62.29		73.35
(A)	**753.46**	**237.40**	**1.10**	**991.95**
Deferred tax liabilities				
Impact of amortisation of anciallary borrowing cost	286.13	108.35		394.48
EIR impact of financial asssets and liabilities				
Impact of direct assignment and securitisaton transactions	475.01	126.07		601.08
Interest income recognised on stage 3 loans	113.11	35.83		148.94
Others	68.03	(2.04)		65.99
(B)	**942.28**	**268.22**	**-**	**1,210.50**
Deferred tax liabilities (net) (A-B)	**(188.82)**	**(30.82)**	**1.10**	**(218.55)**

The major components of deferred tax (liabilities) arising on account of timing differences for the year ended March 31, 2023:

(Currency : ₹ in lakhs)

Particulars	Net balance March 31, 2022	Recognised in profit or loss	Recognised in OCI	Net balance March 31, 2023
Deferred tax assets				
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	77.11	(20.81)	(3.32)	52.98
Impact of provision for expected credit loss on loans	617.45	(11.97)	-	605.48
Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	4.98	3.70	-	8.68
Impact of leases under Ind AS 116	2.92	67.14	-	70.06
Share based payment	6.21	(1.01)	-	5.20
Others	-		-	-
EIR impact of financial asssets and liabilities	(39.98)	51.05		11.06
(A)	**668.67**	**88.10**	**(3.32)**	**753.46**

Notes

to Financial Statements for the year ended March 31, 2024

(Currency : ₹ in lakhs)

Particulars	Net balance March 31, 2022	Recognised in profit or loss	Recognised in OCI	Net balance March 31, 2023
Deferred tax liabilities				
Impact of amortisation of anciallary borrowing cost	120.56	165.58	-	286.13
EIR impact of financial asssets and liabilities	-	-	-	-
Impact of direct assignment and securitisaton transactions	379.46	95.55	-	475.01
Interest income recognised on stage 3 loans	95.60	17.51	-	113.11
Others	2.71	65.31	-	68.03
(B)	**598.33**	**343.94**	**-**	**942.28**
Deferred tax liabilities (net) (A-B)	**70.34**	**(255.84)**	**(3.32)**	**(188.82)**

(c) Reconciliation of effective tax rate

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	INR	INR
Profit before tax as per Statement of profit and loss (A)	10,337.63	6,730.73
Applicable income tax rate	25.17%	25.17%
Expected Income Tax Expense (B)	2,601.77	1,693.99
Tax effect of:		
Effect of income exempt from tax	(0.66)	(0.55)
Effect of expenses/provisions not deductible in determining taxable profit	28.32	23.31
Effect of differential tax rate	-	-
Adjustment related to tax of prior years	8.82	12.91
Others	1.93	0.56
Income tax expense	**2,640.19**	**1,730.22**

31 Employee Benefits

a. Defined contribution plan - provident funds

In accordance with Employees' Provident Fund and Miscellaneous Provisions Act, 1952, employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which, both the employee and the Company contribute monthly at a determined rate. These contributions are made to a recognized provident fund administered by Regional Provident Fund Commissioner. The employees contribute 12% of their basic salary and the Company contributes an equal amount.

The Company recognised INR 324.99 lakhs (PY: INR 216.75 lakhs) for year ended March 31, 2024, for provident fund and other contributions in the Statement of profit and loss.

b. Defined Benefit Plan - Gratuity

The Company has a defined benefit gratuity plan (unfunded). Every employee who has completed five years or more of service is eligible for gratuity on cessation of employment and it is computed at 15 days salary (last drawn salary) for each completed year of service subject to limit of INR 20 lakhs as per The Payment of Gratuity Act. 1972.

Notes

to Financial Statements for the year ended March 31, 2024

The following tables summarizes the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the Balance Sheet for the gratuity plan.

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of obligation (A)	226.21	154.38
Fair Value of plan assets (B)	-	-
Present value of obligation (A- B)	**226.21**	**154.38**

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Obligation expected to be settled in the next 12 months	21.44	15.02
Obligation expected to be settled beyond next 12 months	204.77	139.37

Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

(Currency : ₹ in lakhs)

Particulars	Defined Benefit Obligation		Fair Value of plan assets		Net defined benefit (asset) liability	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Opening balance	154.38	122.20	-	-	154.38	122.20
Current service cost	62.18	38.50	-	-	62.18	38.50
Past service cost	-	-	-	-	-	-
Interest cost (income)	11.39	8.87	-	-	11.39	8.87
Defined benefit cost included in P&L	73.57	47.37	-	-	73.57	47.37
Other comprehensive income						
Remeasurement loss (gain) due to:						
Demographic assumptions	-	-	-	-	-	-
Financial assumption	4.30	(1.89)	-	-	4.30	(1.89)
Experience adjustments	(0.63)	(10.87)	-	-	(0.63)	(10.87)
Total remeasurements in OCI	3.67	(12.77)	-	-	3.67	(12.77)
Others						
Benefits paid	(5.42)	(2.42)	-	-	(5.42)	(2.42)
Closing balance	226.21	154.38	-	-	226.21	154.38

Notes

to Financial Statements for the year ended March 31, 2024

Actuarial assumptions:

The following were the principal actuarial assumptions at the reporting date:

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Discount rate	7.23%	7.51%
Salary escalation rate	6.00%	6.00%
Withdrawal/attrition rate (based on categories)	9.00%	9.00%
Mortality rate (as % of IALM (2012-14) Ult. Mortality Table)	100.00%	100.00%
Disability rate(as % of above mortality rate)	0.00%	0.00%
Expected weighted average remaining working lives of employees	25.18 years	25.36 years

Notes:

a) The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields / rates available on applicable bonds as on the current valuation date.

b) The salary growth rate indicated above is the Company's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

c) Attrition rate indicated above represents the Company's best estimate of employee turnover in future (other than on account of retirement, death or disablement) determined considering various factors such as nature of business, retention policy, industry factors, past experience, etc.

d) Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities

Sensitivity analysis:

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(Currency : ₹ in lakhs)

Name of shareholder	As at March 31, 2024		As at March 31, 2023	
	Increase	Decrease	Increase	Decrease
Salary escalation Rate (+/- 1%)	242.47	211.65	165.19	144.64
	7.19%	-6.44%	7.00%	-6.31%
Discount Rate (+/- 1%)	211.53	242.88	144.60	165.47
	-6.49%	7.37%	-6.34%	7.18%
Withdrawal Rate (+/- 1%)	225.68	226.63	154.54	154.13
	-0.23%	0.18%	0.10%	-0.17%

The Sensitivity is performed on the defined benefit obligation at the respective valuation date by modifying one parameter whilst retaining other parameters constant. There are no changes from the previous year to the methods and assumptions underlying the sensitivity analyses.

Notes
to Financial Statements for the year ended March 31, 2024

Expected future contributions

The Best Estimate Contribution for the Company during the next year would be INR Nil

Expected cash flow for following years:

Maturity Profile of Defined Benefit Obligations	
Year 1	21.64
Year 2	32.61
Year 3	16.21
Year 4	27.08
Year 5	21.37
Year 6	19.59
Year 7	19.83
Year 8	21.61
Year 9	23.23
Year 10	20.59
Year 11+	200.47

The weighted average duration of the defined benefit obligation is 7.93

c. Compensated absences :

The Company provides for accumulated compensated absences as at the balance sheet date using projected unit credit method based on actuarial valuation.

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of unfunded obligation	62.16	56.12
Expenses recognised in the Statement of Profit and Loss	8.78	(104.57)

32 Earnings per share

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Profit for the year	7,697.44	5,000.51
Weighted average number of equity shares used in calculating basic earnings per share	680.00	536.99
Effect of potential dilutive Equity Shares on account of unexercised employee stock options	0.23	0.19
Weighted average number of equity shares and potential equity shares used in calculating diluted earnings per share	680.23	537.18
Basic earnings per share	**11.32**	**9.31**
Diluted earnings per share	**11.32**	**9.31**

Notes

to Financial Statements for the year ended March 31, 2024

33 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Promoters of the Company. The Company operates only in one Business Segment i.e. lending, since the nature of the loans are exposed to similar risks and return profiles, hence they are collectively operating under a single segment. Accordingly the Company does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

34 Transfer of financial assets

Transfer of financial assets that are not derecognised in their entirety

(i) Securitisations:

The Company uses securitisations as a source of finance. Such transactions generally result in the transfer of contractual cash flows from portfolios of financial assets to holders of issued debt securities. Securitisation has resulted in the continued recognition of the securitised assets.

The table below outlines the carrying amounts and fair values of all financial assets transferred that are not derecognised in their entirety and associated liabilities.

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Carrying amount of transferred assets measured at amortised cost	-	-
Carrying amount of associated liabilities	-	-

The carrying amount of above assets and liabilities is a reasonable approximation of their fair values.

Transfer of financial assets which qualify for derecognition in their entirety

(i) Assignment transaction

The Company has sold loans and advances measured at amortised cost under assignment deals, as a source of finance. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the buyer, the assets have been derecognised from the Company's balance sheet.

The gain arising on said transactions are recorded upfront by discounting the future cash flows accruing in the form of differential interest on such assigned loan to their present values.

The table below summarises the carrying amount of the Excess Interest Spread (EIS) receivable on above transaction which are derecognised

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Carrying amount of EIS receivable	2,429.00	1,926.33

(ii) Transferred financial assets that are derecognised in their entirety but where the Company has continuing involvement

The Company has not transferred any assets that are derecognised in their entirety where the Company continues to have continuing involvement

Notes

to Financial Statements for the year ended March 31, 2024

35 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

(Currency : ₹ in lakhs)

Name of shareholder	As at March 31, 2024			As at March 31, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	4,407.96		4,407.96	23,039.43	-	23,039.43
Bank Balance other than cash and cash equivalents	2678.96	344.45	3,023.41	4280.30	1292.87	5,573.17
Receivables						
(I) Trade receivables	145.64		145.64			-
(II) Other receivables			-			-
Loans	114359.15	211171.59	325,530.74	76173.43	134581.08	210,754.51
Investments	12,405.62	15,219.23	27,624.85	20,047.82	10,762.73	30,810.55
Other Financial assets	1,700.08	1,054.91	2,754.99	1,385.83	834.30	2,220.13
Sub total	**135,697.42**	**227,790.18**	**363,487.60**	**124,926.82**	**147,470.98**	**272,397.79**
Non-financial assets						
Current Tax assets (Net)	43.25		43.25	372.98	-	372.98
Deferred Tax assets (Net)		-	-	-	-	-
Investment Property		130.03	130.03	-	72.14	72.14
Property, plant and equipment		237.54	237.54	-	250.23	250.23
Right to Use Assets		262.17	262.17	-	270.26	270.26
Capital work in progress		47.59	47.59			
Intangibles assets under development		13.20	13.20			
Intangible assets		123.99	123.99	-	156.38	156.38
Other non-financial assets	0.28	3,264.77	3,265.05	31.71	2,878.14	2,909.85
Sub total	**43.53**	**4,079.29**	**4,122.81**	**404.69**	**3,627.16**	**4,031.85**
Total assets	**135,740.95**	**231,869.47**	**367,610.42**	**125,331.50**	**151,098.13**	**276,429.64**
LIABILITIES AND EQUITY						
LIABILITIES						
Financial liabilities						
Debt Securities	10,267.27	5,722.38	15,989.65	15,385.72	3,452.82	18,838.53
Borrowings (Other than Debt Securities)	114,285.41	126,643.45	240,928.87	81,577.44	86,918.88	168,496.32
Subordinated Liabilities	10.59	16,361.88	16,372.47	8.98	16,336.07	16,345.06
Other Financial liabilities	3,615.27	1,855.45	5,470.71	2,641.02	280.32	2,921.34
Sub total	**128,178.54**	**150,583.16**	**278,761.69**	**99,613.16**	**106,988.10**	**206,601.25**
Non-Financial liabilities						
Provisions	-	288.37	288.37	26.62	183.87	210.50
Deferred tax liabilities (Net)	-	218.55	218.55	188.82		188.82
Other non-financial liabilities	188.72	87.02	275.74	179.07	-	179.07
Sub total	**188.72**	**593.94**	**782.65**	**394.51**	**183.87**	**578.38**
Total liabilities	**128,367.25**	**151,177.10**	**279,544.35**	**100,007.67**	**107,171.97**	**207,179.64**

Notes

to Financial Statements for the year ended March 31, 2024

36 Changes in liabilities arising from financing activities

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023	Cash Flows (net)	Others (net)*	As at March 31, 2024
Subordinated liabilities	16,345.05	(0.00)	27.41	16,372.45
Debt securities	18,838.55	(2,500.00)	(348.89)	15,989.66
Borrowing other than debt securities	168,496.31	72,523.33	(90.78)	240,928.86
	203,679.91	**70,023.33**	**(412.26)**	**273,290.98**

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2022	Cash Flows (net)	Others (net)*	As at March 31, 2023
Subordinated liabilities	6,003.44	10,500.00	(158.39)	16,345.05
Debt securities	15,186.48	3,600.00	52.07	18,838.55
Borrowing other than debt securities	109,462.84	60,356.30	(1,322.82)	168,496.31
	130,652.75	**74,456.30**	**(1,429.14)**	**203,679.91**

*Others column includes the effect of accrued but not paid interest on borrowing, amortisation of processing fees and cash flows from securitisation etc.

37 Employee Stock Option Plan (ESOP)

The Company had granted 5,62,860 Equity shares (face value of INR 10/- each) under Employee Stock Option Plan 2019 on June 11, 2019 to the employees of IKF Finance Limited. The shares will vest gradually and vesting of these shares is dependent on continued employment with the company.

A. Expenses arising from share-based payment transactions

Total expenses arising from equity - settled share-based payment transaction recognised in profit or loss as part of employee benefit expense for the year ended March 31, 2024 is INR 1.08 lakhs (March 31, 2023 - INR (4.00) lakhs).

B. Movement during the year

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year:

(Currency : ₹ in lakhs)

	As at March 31, 2024		As at March 31,2023	
Particulars	**Number**	**WAEP**	**Number**	**WAEP**
Outstanding at 1 April	146,800.00	120.00	206,000.00	120.00
Granted during the year	-		-	
Forfeited during the year		120.00	59,200.00	120.00
Exercised during the year	-		-	
Expired during the year	-		-	
Outstanding at 31 March	146,800.00	120.00	146,800.00	120.00
Exercisable at 31 March	146,800.00	120.00	102,760.00	120.00

Notes
to Financial Statements for the year ended March 31, 2024

No Share options granted during the year. No options were vested or exercised during the year.

The weighted average remaining contractual life for the share options outstanding as at March 31, 2024 is 0 years (March 31, 2023: 0.15 years).

The weighted average fair value of options granted during the year ending March 31, 2020 was 14.79

C. Fair value of options granted

The weighted average fair value of options granted during the year ending March 31, 2020 was 14.79. The fair value of options was determined using the Black Scholes Model using the following inputs as follows :

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Weighted average fair values at the measurement date	14.79	14.79
Expected volatility (%)	0.36%	0.36%
Risk–free interest rate (%)	4.50%	4.50%
Expected life of share options/SARs (years)	1.30 years to 4.30 years	1.30 years to 4.30 years
Weighted average share price (INR)	120.00	120.00

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

38 Contingent liabilities and commitments

In the ordinary course of business, the Company faces claims and assertions by various parties. The Company assesses such claims and assertions and monitors the legal environment on an ongoing basis, with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

The Company believes that the outcome of these proceedings will not have a materially adverse effect on the Company's financial position and results of operations.

38.1 Contingent Liability

There are no Contingent Liabilities as on March 31, 2024 (March 31, 2023: INR 0.)

38.2 Commitment

There is a capital commitment of INR 4478.10 lakhs as on March 31, 2024 (March 31, 2023: INR 0.)

39 Leases

Company as a Lessee

The Company's lease asset classes primarily consist of leases for office spaces. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:(i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

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At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) . For these short-term leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Following are the changes in the carrying value of right of use assets

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening	270.29	10.78
Additions	195.63	399.37
Deletion	-	-
Depreciation	(203.75)	(139.86)
Closing Balance	**262.17**	**270.29**

The following is the movement in lease liabilities :

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning	278.39	11.61
Additions	178.98	380.28
Finance cost accrued during the period	37.43	33.63
Payment of lease liabilities	(217.69)	(147.12)
Balance at the end	**277.11**	**278.39**

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to Financial Statements for the year ended March 31, 2024

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Less than 3 months	59.08	38.51
Over 3 months & upto 6 months	59.75	38.51
Over 6 months & upto 1 year	119.55	77.05
Over 1 year & upto 3 years	51.22	164.28
Over 3 years	2.10	-

The following are the amounts recognised in statement of profit or loss:

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Depreciation expense of right-of-use assets	203.75	139.86
Interest expense on lease liabilities	37.43	33.63
Expense relating to short-term leases	326.31	245.30
Total amount recognised in profit or loss	**567.49**	**418.79**

Future Commitments:

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024
Future undiscounted lease payments for which the leases have not yet commenced	-

Extension / Termination Options:

Some of the leases contain extension and termination options. Such options are taken into account in the determination of the lease term only if extension or non-termination can be assumed with reasonable certainty. On this basis, there were no such amounts included in the measurement of lease liabilities as at March 31, 2024.

40 Capital Management

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements iron its regulators and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

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(Currency : ₹ in lakhs)

	As at March 31, 2024			As at March 31,2023
Particulars	**Numerator**	**Denominator**	**Ratio**	**Ratio**
Capital to Risk Weighted Assets Ratio (CRAR)	93,682.81	353527.41	26.50%	33.02%
Tier I CRAR	80,105.69	353527.41	22.66%	26.25%
Tier II CRAR	13,577.12	353527.41	3.84%	6.77%

41 Analytical Ratios

(Currency : ₹ in lakhs)

	As at March 31, 2024			As at March 31,2023	% Variance	Reasons for Variance (if above 25%)
Particulars	**Numerator**	**Denominator**	**Ratio**	**Ratio**		
Capital to Risk Weighted Assets Ratio (CRAR)	93,682.81	353527.41	26.50%	33.02%	-19.74%	NA
Tier I CRAR	80,105.69	353527.41	22.66%	26.25%	-13.67%	NA
Tier II CRAR	13,577.12	353527.41	3.84%	6.77%	-43.28%	No new Tier II capital raised during current financial year 2023-24
Liquidity Coverage Ratio	-	-	NA	NA	NA	NA

Note: As per the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, liquidity coverage ratio is not applicable on the company.

42 Fair Value Measurement:

A. Valuation Principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques:

Level 1 - Valuation technique using quoted market price: financial instruments with quoted prices for identical instruments in active markets that Company can access at the measurement date.

Level 2 - Valuation technique using observable inputs: Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life.

Level 3 - Valuation technique with significant unobservable inputs: Those that include one or more unobservable input that is significant to the measurement as whole.

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to Financial Statements for the year ended March 31, 2024

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value

(Currency : ₹ in lakhs)

Particulars		Fair Value		Fair Value Hierarchy	Valuation Technique	Key Inputs for Level 2 & Level 3	Significant unobservable input(s) for Level 3
Financial Assets	**Category**	**As at March 31, 2024**	**As at March 31, 2023**				
Investment in Market Linked Debentures	FVTPL	0.00	15,960.75	Level 2	Mark-to-Market of the debt instrument	Valuation received from the rating agency	NA

B. Fair value of financial instrument not measured at fair value:

The table below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non-financial assets and non-financial liabilities.

(Currency : ₹ in lakhs)

Particulars	Level	Carrying value		Fair value	
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Financial Assets					
Cash and cash equivalents	1	4,407.96	23,039.43	4,407.96	23,039.43
Bank Balance other than cash and cash equivalents	1	3,023.41	5,573.17	3,023.41	5,573.17
Trade receivables	2	145.64	-	145.64	-
Loans	2	325,530.75	210,754.51	327,908.23	212,021.80
Rent and utility deposits	2	303.42	239.69	303.42	239.69
EIS receivable	2	2,429.00	1,926.33	2,429.00	1,926.33
Other financial assets	2	22.57	54.11	22.57	54.11
Investment in debentures	2	12,405.62	4,087.07	12,405.62	4,087.07
		348,268.38	**245,674.31**	**350,645.86**	**246,941.60**
Financial Liabilities					
Debt securities	2	15,989.65	18,838.54	16,107.29	19,252.78
Borrowings (other than debt securities)	2	240,928.87	168,496.32	240,821.61	168,231.86
Subordinated Liabilities	2	16,372.47	16,345.06	16,509.34	16,458.38
Other financial liabilities	2	5,470.71	2,921.34	5,470.71	2,921.34
Total Financial liabilities		**278,761.70**	**206,601.26**	**278,908.95**	**206,864.36**

Investment in subsidiary is measured at cost in accordance with Ind AS 27.

Valuation Methodologies of Financial Instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for

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disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables and, as such, may differ from the techniques and assumptions explained in notes.

Short Term Financial Assets and Liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, bank balance other than cash and cash equivalents, trade receivables, rent and utility deposits and other financial liabilities.

Loans and advances to customers

The fair values of loans are estimated by discounted cash flow models based on contractual cash flows using actual or estimated yields.

Borrowings other than debt securities, Debt securities and Subordinated liabilities

The fair value of issued debt is estimated by a discounted cash flow model incorporating the Company's own credit risk.

EIS receivable

EIS receivable is calculated by discounting the contractual future cash flows. The carrying value closely approximates its fair value.

C. Categories of Financial Instruments :

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024			
	Amortised cost	At Fair Value Through profit or loss	At Deemed Cost	Total
Cash and cash equivalents	4,407.96	-	-	4,407.96
Bank Balance other than included in (a) above	3,023.41	-	-	3,023.41
Receivables		-	-	-
(I) Trade receivables	145.64	-	-	145.64
(II) Other receivables		-	-	-
Loans	325,530.75	-	-	325,530.75
Investments	12,405.62	-	15,219.23	27,624.85
Other financial assets	2,754.99	-	-	2,754.99
Total	**348,268.37**	**-**	**15,219.23**	**363,487.60**
Debt securities	15,989.65	-	-	15,989.65
Borrowings (other than debt securities)	240,928.87	-	-	240,928.87
Deposits	-	-	-	-
Subordinated Liabilities	16,372.47	-	-	16,372.47
Other financial liabilities	5,470.71	-	-	5,470.71
Total	**278,761.70**	**-**	**-**	**278,761.70**

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(Currency : ₹ in lakhs)

Particulars	As at March 31, 2023			
	Amortised cost	At Fair Value Through profit or loss	At Deemed Cost	Total
Cash and cash equivalents	23,039.43	-	-	23,039.43
Bank Balance other than included in (a) above	5,573.17	-	-	5,573.17
Receivables		-	-	-
(I) Trade receivables		-	-	-
(II) Other receivables		-	-	-
Loans	210,754.51	-	-	210,754.51
Investments	4,087.07	15,960.75	10,762.73	30,810.55
Other financial assets	2,220.12	-	-	2,220.12
Total	**245,674.31**	**15,960.75**	**10,762.73**	**272,397.79**
Debt securities	18,838.54	-	-	18,838.54
Borrowings (other than debt securities)	168,496.32	-	-	168,496.32
Deposits		-	-	-
Subordinated Liabilities	16,345.06	-	-	16,345.06
Other financial liabilities	2,921.34	-	-	2,921.34
Total	**206,601.26**	**-**	**-**	**206,601.26**

43 Risk management

Risk is an integral part of the Company's business and sound risk management is critical to the success. As a financial intermediary, the Company is exposed to risks that are particular to its lending and the environment within which it operates and primarily includes credit, liquidity and market risks. The Board of Directors of the Company are responsible for the overall risk management approach and for approving the risk management strategies and principles. The Company has a risk management policy which covers all the risk associated with its assets and liabilities.

43.1 Introduction and Risk Profile

Risk management and mitigation

The Company's risks are measured using a method that reflects both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the ultimate actual loss. The models make use of probabilities derived from historical experience, adjusted to reflect the economic environment, as necessary.

The Company's policy is to measure and monitor the overall risk-bearing capacity in relation to the aggregate risk exposure across all risk types and activities.

It is the Company's policy to ensure that a robust risk awareness is embedded in its organisational risk culture. Employees are expected to take ownership and be accountable for the risks the Company is exposed to that they decide to take on. The Company's continuous training and development emphasises that employees are made aware of the Company's risk appetite and they are supported in their roles and responsibilities to monitor and keep their exposure to risk within the Company's risk appetite limits.

The Company is generally exposed to credit risk, liquidity risk, market risk, prepayment risk and operational risk.

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43.2 Credit Risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical concentrations, and by monitoring exposures in relation to such limits. Credit risk is monitored by the credit department of the Company. It is their responsibility to review and manage credit risk. Credit risk consists of line credit managers who are responsible for their business lines and manage specific portfolios and experts who support both the line credit manager, as well as the business with tools like credit risk systems, policies, models and reporting. The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

Impairment assessment

The references below show where the Company's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the summary of material accounting policies.

Definition of default and cure

The Company considers a financial instrument as defaulted and therefore Stage 3 (credit-impaired) for Expected Credit Loss (ECL) calculations in all cases when the borrower becomes more than 3 months past due on its contractual payments.

The staging criteria used by the Company is as below:

Loans months past due	Stage
Upto 1 month	Stage 1
Between 1 month to 3 months	Stage 2
More than 3 months	Stage 3

The Company considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes past due for more than 3 months on its contractual payments.

It is the Company's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage 3 when the due amount have been paid. The decision whether to classify an asset as Stage 2 or Stage 1 once cured depends on the updated credit grade, at the time of the cure, and whether this indicates there has been a significant increase in credit risk compared to initial recognition.

Exposure at default (EAD)

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the ability to increase its exposure while approaching default and potential early repayments too.

To calculate the EAD for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12 months ECL.

For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments.

Probability of default (PD)

The Probability of Default is an estimate of the likelihood of default over a given time horizon. To calculate the ECL for

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a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12month ECL. For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments. The Company uses historical information wherever available to determine PD

Loss given Default (LGD)

LGD is the estimated loss that the Company might bear if the borrower defaults. The Company determines its recovery (net present value) by analysing the recovery trends, borrower rating, collateral value and expected proceeds from sale of asset.

LGD Rates have been computed internally based on the discounted recoveries in defaulted accounts that are closed/ written off/ repossessed and upgraded during the year.

When estimating ECLs on a collective basis for a group of similar assets, the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

Significant increase in credit risk

The Company continuously monitors all assets subject to ECLs in order to determine whether an instrument or a portfolio of instruments is subject to 12 month ECL or lifetime ECL. The Company assesses whether there has been an event which could cause a significantly increase in the credit risk of the underlying asset or the customers ability to pay and accordingly change the 12 month ECL to a lifetime ECL.

If contractual payments are more than 30 days past due, the credit risk is deemed to have increased significantly since initial recognition.

Gross movement of loans for the year ended March 31, 2024:

(Currency : ₹ in lakhs)

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount as at April 1, 2023				
Term loans	169,430.51	38,155.74	6,058.32	213,644.56
Staff loans	83.39	-	-	83.39
New loans originated during the year				-
Term loans	208,929.41	6,339.01	432.55	215,700.97
Staff loans	15.00	-	-	15.00
Inter-stage movements:				
- Term loans				
Transfers to Stage 1	7,530.54	(7,335.14)	(195.40)	-
Transfers to Stage 2	(8,845.49)	9,036.91	(191.42)	-
Transfers to Stage 3	(2,413.01)	(2,378.10)	4,791.11	-
Interest on stage 3 loans			142.38	142.38
Amounts written off				
Term loans	(383.26)	(288.85)	(352.10)	(1,024.21)
Staff loans				-
Assets derecognised or repaid (excluding write offs)				
Term loans	(76,466.30)	(20,005.41)	(2,956.60)	(99,428.32)
Staff loans	(30.00)	-	-	(30.00)
Gross carrying amount as at March 31, 2024				
Term loans	**297,782.39**	**23,524.15**	**7,728.83**	**329,035.38**
Staff loans	**68.39**	**-**	**-**	**68.39**

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Gross movement of loans for the year ended March 31, 2023:

(Currency : ₹ in lakhs)

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount as at April 1, 2022				
Term loans	129,809.42	25,161.20	4,338.15	159,308.77
Staff loans	35.04	-	-	35.04
New loans originated during the year				-
Term loans	118,581.75	7,959.69	729.63	127,271.07
Staff loans	48.80	-	-	48.80
Inter-stage movements:				
- Term loans				
Transfers to Stage 1	1,555.80	(1,542.59)	(13.21)	-
Transfers to Stage 2	(21,396.99)	21,423.38	(26.39)	-
Transfers to Stage 3	(1,577.21)	(1,524.33)	3,101.54	-
Interest on stage 3 loans	-	-	69.56	69.56
Amounts written off				
Term loans	(123.40)	(27.92)	(343.48)	(494.81)
Staff loans	-	-	-	-
Assets derecognised or repaid (excluding write offs)				
Term loans	(57,418.86)	(13,293.70)	(1,797.48)	(72,510.03)
Staff loans	(0.45)	-	-	(0.45)
Gross carrying amount as at March 31, 2023				
Term loans	**169,430.51**	**38,155.74**	**6,058.32**	**213,644.56**
Staff loans	**83.39**	**-**	**-**	**83.39**

ECL movement of term loans during the year ended March 31, 2024:-

(Currency : ₹ in lakhs)

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount as at April 1, 2023	973.33	711.90	1,288.21	2,973.44
New loans originated during the year	931.13	104.84	77.16	1,113.12
Inter-stage movements:				
Transfers to Stage 1	245.28	(217.57)	(27.71)	-
Transfers to Stage 2	(86.60)	96.23	(9.62)	-
Transfers to Stage 3	(15.21)	(60.77)	75.98	-
Amounts written off	(14.70)	(17.15)	(294.08)	(325.94)
Assets derecognised or repaid (excluding write offs)	(90.90)	(108.60)	(261.29)	(460.78)
Net Remeasurement of ECL arising from transfer of stage	(565.21)	(138.00)	976.39	273.18
Gross carrying amount as at March 31, 2024	**1,377.12**	**370.87**	**1,825.02**	**3,573.02**

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to Financial Statements for the year ended March 31, 2024

ECL movement of term loans during the year ended March 31, 2023:-

(Currency : ₹ in lakhs)

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount as at April 1, 2022	989.64	563.47	1,465.31	3,018.42
New loans originated during the year	709.16	140.40	87.58	937.14
Inter-stage movements:				
Transfers to Stage 1	45.96	(42.41)	(3.55)	-
Transfers to Stage 2	(276.13)	294.27	(18.14)	-
Transfers to Stage 3	(18.96)	(53.80)	72.76	-
Amounts written off	(4.80)	(4.38)	(320.19)	(329.36)
Assets derecognised or repaid (excluding write offs)	(130.05)	(150.56)	(321.64)	(602.25)
Net Remeasurement of ECL arising from transfer of stage	(341.49)	(35.09)	326.07	(50.50)
Gross carrying amount as at March 31, 2023	**973.33**	**711.90**	**1,288.21**	**2,973.44**

Concentration of Credit Risk

Company's loan portfolio is predominantly to finance commercial vehicle loans. The Company manages concentration of risk primarily by geographical region. The following tables show the region-wise concentrations of net terms loans.

(Currency : ₹ in lakhs)

Geography	March 31, 2024.	March 31, 2023.
West	101,475.53	59,658.29
Central	15,489.37	8,709.95
South	211,838.65	145,276.32
East	300.21	-
	329,103.76	**213,644.56**

Quantitative Information of Collateral

Net value of total term loans to value of collateral is as follows:

(Currency : ₹ in lakhs)

As at March 31, 2024	Loan to value			
	Upto 50%	51%-70%	More than 70%	Total
Cars & Muvs	2193.04	26,167.79	18,645.01	47,005.84
Commercial Vehicles	3,573.86	37,450.85	59,464.10	100,488.81
Construction Equipment	8,945.17	24,092.29	47,157.09	80,194.55
Three Wheeler	32.93	8,624.86	1,499.99	10,157.78
Tractor	207.46	3,210.61	725.6	4,143.67
Two Wheeler	961.67	2,460.66	208.71	3,631.04
SME	10,142.47	10,253.85	63,085.75	83,482.07
Total	**26,056.60**	**112,260.91**	**190,786.25**	**329,103.76**

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(Currency : ₹ in lakhs)

As at March 31, 2023	Loan to value			
	Upto 50%	51%-70%	More than 70%	Total
Cars & Muvs	1,130.94	23,463.73	12,695.19	37,289.86
Commercial Vehicles	1,578.17	31,736.73	29,246.64	62,561.54
Construction Equipment	4,047.76	17,681.56	23,318.34	45,047.66
Three Wheeler	34.88	10,852.93	1,572.51	12,460.32
Tractor	152.27	2,362.86	408.85	2,923.98
Two Wheeler	894.05	1,080.67	462.34	2,437.06
SME	39,829.78	4,335.27	6,759.09	50,924.14
Total	**47,667.85**	**91,513.75**	**74,462.96**	**213,644.56**

43.3 Liquidity Risk

In assessing the Company's liquidity position, consideration shall be given to: (1) present and anticipated asset quality (2) present and future earnings capacity (3) historical funding requirements (4) current liquidity position (5) anticipated future funding needs, and (6) sources of funds. The Company maintains a portfolio of marketable assets that are assumed to be easily liquidated and undrawn cash credit limits which can be used in the event of an unforeseen interruption in cash flow. The Company also enters into securitization deals (direct assignment as well as pass through certificates) of their loan portfolio, the funding from which can be accessed to meet liquidity needs. Net liquid assets consist of cash and short–term bank deposits. Borrowings from banks and financial institutions and issue of Non convertible debentures are considered as important sources of funds to finance lending to customers.

Analysis of financial assets and liabilities by remaining contractual maturities:

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at March 31, 2024.

(Currency : ₹ in lakhs)

Particulars	Less than 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years	Total
Financial assets						
Cash and cash equivalents	4,407.96	-	-	-	-	4,407.96
Bank Balance other than included in (a) above	1,347.34	454.81	876.81	344.45	-	3,023.41
Trade receivables	-	145.64	-	-	-	145.64
Loans	42,718.09	39,537.96	73,890.91	202,785.65	65,194.94	424,127.56
Investments	12,404.02	1.61	-	-	15,219.23	27,624.85
Other financial assets	600.54	469.45	715.44	1,184.73	10.42	2,980.60
Total undiscounted financial assets	**61,477.95**	**40,609.48**	**75,483.16**	**204,314.84**	**80,424.59**	**462,310.01**
Financial liabilities						
Trade payables	-	-	-	-	-	-
Other payables	-	-	-	-	-	-
Subordinated Liabilities	582.39	587.88	1,162.30	6,953.27	16,166.55	25,452.39
Debt securities	2,940.38	2,879.91	5,562.28	6,297.42	-	17,679.99
Borrowings (other than debt securities)	27,411.39	27,248.89	78,790.47	122,178.03	21,003.06	276,631.84
Other financial liabilities	3,049.04	384.63	213.59	1,531.40	429.04	5,607.72
Total undiscounted financial liabilities	**33,983.20**	**31,101.31**	**85,728.64**	**136,960.13**	**37,598.65**	**325,371.93**
Net undiscounted financial assets / (liabilities)	**27,494.75**	**9,508.17**	**(10,245.48)**	**67,354.71**	**42,825.94**	**136,938.08**

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to Financial Statements for the year ended March 31, 2024

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at March 31, 2023.

(Currency : ₹ in lakhs)

Particulars	Less than 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years	Total
Financial assets						
Cash and cash equivalents	6,239.43	-	16,800.00	-	-	23,039.43
Bank Balance other than included in (a) above	3,587.71	514.95	294.64	1,389.27	-	5,786.57
Loans	24,272.24	27,193.57	52,365.27	139,232.39	24,521.28	267,584.76
Investments	20,047.82	-	-	-	10,762.73	30,810.55
Other financial assets	521.66	385.06	580.15	692.05	254.36	2,433.27
Total undiscounted financial assets	**54,668.86**	**28,093.58**	**70,040.06**	**141,313.70**	**35,538.36**	**329,654.57**
Financial liabilities						
Subordinated Liabilities	566.01	571.32	1,137.10	4,539.82	20,644.59	27,458.84
Debt securities	6,310.82	2,983.62	7,116.57	3,732.82	-	20,143.83
Borrowings (other than debt securities)	20,277.82	17,255.58	56,758.18	85,377.77	11,035.39	190,704.73
Other financial liabilities	2,470.62	55.10	123.90	279.57	51.21	2,980.40
Total undiscounted financial liabilities	**29,625.26**	**20,865.62**	**65,135.76**	**93,929.97**	**31,731.19**	**241,287.80**
Net undiscounted financial assets / (liabilities)	**25,043.60**	**7,227.96**	**4,904.30**	**47,383.73**	**3,807.17**	**88,366.77**

The table below shows the contractual expiry by maturity of the Company's contingent liabilities and commitments. Each undrawn loan commitment is included in the time band containing the earliest date it can be drawn down.

(Currency : ₹ in lakhs)

Particulars	On demand	Less than 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years
As at March 31, 2024						
Guarantees and counter guarantees	-	-	-	-	-	-
Estimated amount of contracts remaining to be executed on capital account, net of advances	-	-	-	-	-	-
Total commitments	**-**	**-**	**-**	**-**	**-**	**-**
As at March 31, 2023						
Guarantees and counter guarantees	-	-	-	-	-	-
Estimated amount of contracts remaining to be executed on capital account, net of advances	-	-	-	-	-	-
Total commitments	**-**	**-**	**-**	**-**	**-**	**-**

43.4 Market Risk

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity, and other market changes. The objective of market risk management is to avoid excessive exposure of our earnings and equity to loss and reduce our exposure to the volatility inherent in financial instruments. There are broadly two types of market risks: (1) Interest rate risk, and (2) Price risk. The Company has not made investments in quoted equity instruments or other quoted investments and hence is not exposed to Equity price risk. Interest rate risk is discussed below:

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is subject to interest rate risk, primarily since it lends to customers at fixed rates and for maturity periods shorter than the funding sources.

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to Financial Statements for the year ended March 31, 2024

The Company has taken borrowings at floating rates gives rise to interest rate risk. Interest rates are highly sensitive to many factors beyond control, including the monetary policies of the Reserve Bank of India, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. In order to manage interest rate risk, the Company seek to optimize borrowing profile between short-term and long-term loans. The Company adopts funding strategies to ensure diversified resource-raising options to minimize cost and maximize stability of funds. Assets and liabilities are categorized into various time buckets based on their maturities. The Interest Rate Risk is mitigated by availing funds at very competitive rates through diversified borrowings and for different tenors.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the portion of borrowings affected. With all other variables held constant, the profit before taxes affected through the impact on floating rate borrowings are as follows:

(Currency : ₹ in lakhs)

Geography	March 31, 2024.	March 31, 2023.
On Floating Rate Borrowings:		
1% increase in interest rates	(1,475.56)	(1,215.02)
1% decrease in interest rates	**1,475.56**	**1,215.02**

43.5 Prepayment risk

Prepayment risk is the risk that the Company will incur a financial loss because its customers and counterparties repay or request repayment earlier or later than expected, such as fixed rate loans like ours when interest rates fall.

43.6 Operational and business risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

44 Related Party Disclosure

a. Name of related party and nature of relationship:

Enterprises having a significant influence	India Business Excellence Fund -IIA
	Vistra ITCL (india) Limied (formerly known as IL and FS trust Company Limited) (Trustee of Business Excellence Trust -II - India Business Excellence Fund - II)
Subsidiary	IKF Home Finance Limited (formerly known as IKF Housing Finance Private Limited)
Enterprises in which directors are interested	SVR Finance & Leasing Private Limited
Enterprises significantly influenced by Key Management Personnel and their relatives	IKF Infratech Private Limited
Relative of Key Management Personnel	Mrs. D. Vasantha Lakshmi Mr. V. Raghu Ram Mr. Sinha Satyanand Chunduri Mrs. Durga Rani Chunduri
Key Management Personnel (KMP)	Mr V.G.K.Prasad — Chairman Mrs. V. Indira Devi — Whole time Director(upto 14th July 2023) Mrs. K Vasumathi Devi — Managing Director Mr.Sreepal Gulabchand Jain-Chief Financial Officer(Upto 10th February 2023) Mr. Ch.Sreenivasa Rao - Company Secretary and Chief Financial Officer

b. Transaction with related parties:

(Currency : ₹ in lakhs)

Name of related party	Nature of transaction	For the FY 2023					For the FY 2024			
		As at March 31, 2022	Transaction value for the year ended March 31, 2023	Received During the year	Paid During The year	As at March 31, 2023	Transaction value for the year ended March 31, 2024	Received During the year	Paid During the Year	As at March 31, 2024
Key management personnel										
Mr. V G K Prasad	Rent paid	-	21.60	-	-	-	24.84	-	-	-
	Director's remuneration	-	84.00	-	-	-	119.60	-	-	-
	Director Commission Payable	51.02	63.27	-	51.02	63.27	135.52	-	63.27	135.52
	Rent deposit given	50.00	-	-	-	50.00	-	-	-	50.00
	Advance Received	-	-	-	-	-	-	-	-	-
	Interest paid on advance	-	-	-	-	-	-	-	-	-
	Share Capital (INR 10/- Paid up)	1974.32*	-	-	-	1985.36*	-	-	-	1985.36*
	Partly paid up shares (₹ 10 Paid Up) **	-	-	-	-	-	-	-	-	-
	Premium Received on Allotment of Partly Paid up Shares **	-	-	-	-	-	-	-	-	-
Mrs. V Indira Devi	Rent paid	-	48.00	-	-	-	55.20	-	-	-
	Director's remuneration	-	36.00	-	-	-	10.40	-	-	-
	Salary Paid						3.00			
	Director Commission Payable	21.71	26.92	-	21.71	26.92	-	-	26.92	-
	Rent deposit given	38.50	-	-	-	38.50	-	-	-	38.50
	Share Capital (INR 10/- Paid up)	164.81	-	-	-	164.81	-	-	-	164.81
	Partly paid up shares (₹ 10 Paid Up)**	-	-	-	-	-	-	-	-	-
	Premium Received on Allotment of Partly Paid up Shares **	-	-	-	-	-	-	-	-	-
Mrs.K.Vasumathi Devi	Director's remuneration	-	60.00	-	-	-	65.00	-	-	-
	Director Commission Payable	35.82	44.42	-	35.82	44.43	68.23	-	44.43	68.23
	Share Capital (INR 10/- Paid up)	264.73	-	-	-	264.73	-	-	-	264.73
	Partly paid up shares (₹ 10 Paid Up)**	-	-	-	-	-	-	-	-	-
	Premium Received on Allotment of Partly Paid up Shares **	-	-	-	-	-	-	-	-	-
Mr.Sreepal Gulabchand Jain	Salary Paid	-	55.40	-	-	-	-	-	-	-
Mr.Ch.Sreenivasa Rao	Salary Paid	-	25.41	-	-	-	30.49	-	-	-
	Staff Loan	-	-	-	-	-	-	-	-	-
	Interest Received	-	-				-			
	ESOP Compensation	-	-	-	-	-	-	-	-	-
Relatives of key management personnel										

Notes

to Financial Statements for the year ended March 31, 2024

(Currency : ₹ in lakhs)

Name of related party	Nature of transaction	For the FY 2023					For the FY 2024			
		As at March 31, 2022	Transaction value for the year ended March 31, 2023	Received During the year	Paid During The year	As at March 31, 2023	Transaction value for the year ended March 31, 2024	Received During the year	Paid During the Year	As at March 31, 2024
Mrs. D Vasantha Lakshmi	Share Capital (INR 10/- Paid up)	249.18	-	-	-	249.18	-	-	-	249.18
	Partly paid up shares (₹ 10 Paid Up) **	-	-	-	-		-	-	-	
	Premium Received on Allotment of Partly Paid up Shares**	-	-	-	-		-	-	-	
	Purchase of IKF Home Finance Limited Shares	-	-	-	-	-	-	-	-	-
Mr. V Raghu Ram	Share Capital (INR 10/- Paid up)	180.07	-	-	-	180.07	-	-	-	180.07
	Partly paid up shares (₹ 10 Paid Up) **	-	-	-	-	-	-	-	-	-
	Premium Received on Allotment of Partly Paid up Shares**	-	-	-	-		-	-	-	
Mr. Sinha Satyanand Chunduri	Share Capital (INR 10/- Paid up)	11.77	-	-	-	11.77	-	-	-	11.77
Mrs. Durga Rani Chunduri	Share Capital (INR 10/- Paid up)	149.41	-	-	-	149.41	-	-	-	149.41
IKF Home Finance Limited	Loan given	-	-	(400.00)	400.00	-	-	(4,470.00)	4,470.00	-
	Interest Received	-	1.42		-	-	0.62		-	-
	Inter Corporate deposits taken***	-	-	(27,000.00)	7,000.00	-	-	-	-	-
	Interest Paid	-	126.42	-	-	-	-	-	-	-
	Direct Assignment	2,782.98	-	(803.10)	-	1,979.88	-	(595.90)	-	1,383.98
	Interest Receivable on Direct Assignment	34.46	313.39	(318.87)	-	28.98	217.79	(225.96)	-	20.81
	Investments in equity shares by IKF Finance Ltd.,	6,252.92	-	-	4,509.81	10,762.73	-	-	4,456.50	15,219.23
	Investments in equity shares Refundable	1.75		(1.75)	-	-		-	-	-
	Service Fee Collected	-	28.35	-	-		38.11	-	-	
	Service Fee Paid	-	-	-	-		3.06	-	-	
	Purchase of IKF Home Finance Limited Shares	-		-	-			-	-	
Enterprises significantly influenced by key management personnel or their relatives										
IKF Infratech Private Limited	Non Convertible Debentures	-	-	-	-	-	-	-	-	-
	Interest Paid	-	-	-	-	-	-	-	-	-
Enterprises in which Directors are interested										
SVR Finance & Leasing Private Limited	Trade Advance	-	-	-	-	-	-	-	-	-
	Interest Paid	-	-		-	-	-	-	-	-
Enterprises having a significant influence										

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to Financial Statements for the year ended March 31, 2024

(Currency : ₹ in lakhs)

Name of related party	Nature of transaction	For the FY 2023					For the FY 2024			
		As at March 31, 2022	Transaction value for the year ended March 31, 2023	Received During the year	Paid During The year	As at March 31, 2023	Transaction value for the year ended March 31, 2024	Received During the year	Paid During the Year	As at March 31, 2024
India Business Excellence Fund-IIA	Share Capital (INR 10/- Paid up)	1,305.16	-	-	-	1,305.16	-	-	-	1,305.16
	Share Premium	-	-	-	-	-	-	-	-	
	Compulsorily Convertible Preference Shares of ₹ 100/- Each (Converted into equity shares during the FY 2018-19)			-						
	Share premium on preference shares	-	-	-	-	-				
Vistra ITCL (India) Limited (formerly known as IL and FS Trust Company Limited) (Trustee of Business Excellence Trust-II - India Business Excellence Fund II)	Share Capital (INR 10/- Paid up)	780.40	-	-	-	780.40	-	-	-	780.40
	Share premium on preference shares	-	-		-	-				

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Short-term employee benefits	429.24	395.42
Post-employment benefits#	-	-
Long-term employee benefits	-	-
Termination benefits	-	-
Employee-share based payment	-	-
Total compensation	**429.24**	**395.42**

#As the provision for gratuity is made for the Company as a whole, the amount pertaining to the Key Management Personnel is not specifically identified and hence is not included above.

* The Increased/Decreased value is relating to purchase of shares/debentures from the public.

** Partly paid shares are full paid and converted to fully paid equity shares .

*** Inter Corporate Deposits taken from IKF Home Finance Ltd are at Interest of 8%

Notes:

(i) Transaction values are excluding taxes and duties.

"(ii) Name of the related parties and nature of their relationships where control exists have been disclosed irrespective of whether or not there have been transactions with the Company. In other cases, disclosures have been made only when there have been transactions with those parties.

"(iii) Related parties as defined under clause 9 of the Ind AS 24 'Related party disclosures' have been identified based on representations made by key managerial personnel and information available with the Company. All above transactions are in the ordinary course of business

"(iv) The Company has not granted loans or advances to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, that is repayable on demand or without specifying any terms or period of repayment for the financial years ended March 31, 2024 and March 31, 2023.

Notes

to Financial Statements for the year ended March 31, 2024

45 Disclosure pursuant to Reserve Bank of India notification DOR (NBFC).CC.PD.No.109 /22.10.106/2019-20 dated 13th March 2020 - Implementation of Indian Accounting Standards:

A comparison between provision required under IRACP and impairment allowances under Ind AS 109:
As at March 31, 2024

Asset Classification as per RBI Norms	Asset Classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provision required as per IRACP norms*	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard	Stage 1	297,850.78	1,377.12	296,473.66	1,204.37	172.75
	Stage 2	23,524.14	370.87	23,153.27	93.17	277.70
Subtotal for Performing Assets		**321,374.92**	**1,748.00**	**319,626.92**	**1,297.54**	**450.46**
Non-Performing Assets (NPA)						
Substandard	Stage 3	5,408.61	1,029.20	4,379.40	512.75	516.45
Doubtful - upto 1 year	Stage 3	2,293.16	768.74	1,524.42	598.12	170.62
Doubtful - 1 to 3 years	Stage 3	27.08	27.08	-	4.88	22.20
Doubtful - more than 3 years	Stage 3	-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**7,728.84**	**1,825.02**	**5,903.82**	**1,115.75**	**709.27**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal for other items		-	-	-	-	-
Total	**Stage 1**	**297,850.78**	**1,377.12**	**296,473.66**	**1,204.37**	**172.75**
	Stage 2	**23,524.14**	**370.87**	**23,153.27**	**93.17**	**277.70**
	Stage 3	**7,728.84**	**1,825.02**	**5,903.82**	**1,115.75**	**709.27**
	Total	**329,103.76**	**3,573.02**	**325,530.74**	**2,413.29**	**1,159.73**

* Provision required as per IRACP norms is excluding provision on interest income from Stage 3 loans.

46 RBI Disclosures

The following additional information is disclosed in the terms of Master Direction - Non-Banking Financial Company - Systematically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 issued vide Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 01, 2016 as amended.

Notes

to Financial Statements for the year ended March 31, 2024

46.01 Capital to Risk Asset Ratio (CRAR)

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Tier I Capital	80,105.69	63,863.99
Tier II Capital	13,577.12	16,474.70
Total Capital	93,682.81	80,338.70
Total Risk Weighted Assets	353,527.41	243,322.36
CRAR (%)	26.50%	33.02%
CRAR - Tier I Capital (%)	22.66%	26.25%
CRAR - Tier II Capital (%)	3.84%	6.77%
Amount of subordinated debt raised as Tier - II Capital	16,500.00	16,500.00
Amount raised by issue of perpetual debt Instruments	-	-

"Tier I capital", "Tier II capital", "Owned fund" and Capital adequacy ratio are calculated as defined in Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 and notification RBI/2019-20/170 DO R (NBFC).CC .PD.No.109/22.10.106/2019-20 "Implementation of Indian Accounting Standards" issued by RBI on March 13, 2020 as amended.

46.02 Investments

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Value of Investments		
(I) Gross value of investments		
(a) In India	27,624.85	30,810.55
(a) Outside India	-	-
(II) Provisions for Depreciation		
(a) In India	-	-
(a) Outside India	-	-
(III) Net value of investments		
(a) In India	27,624.85	30,810.55
(a) Outside India	-	-
(b) Movements of provisions held towards impairment on investments		
(I) Opening balance	-	-
(II) Add : Provisions made during the year	-	-
(III) Less : Write-off/ Written- back of excess provisions during the year	-	-
(IV) Closing balance	-	-

46.03 Derivatives

The Company has not entered into any forward rate agreements, interest rate swaps, and exchange traded interest rate derivatives. Hence, no disclosure is made for the same

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to Financial Statements for the year ended March 31, 2024

46.04 Disclosure Relating to Securitisation for STC Transactions as per Master Direction – Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021 dated September 24, 2021

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(I) No of SPEs holding assets for securitisation transactions originated by the originator"	-	-
(II) Total amount of securitised assets as per books of the SPEs	-	-
(III) Total amount of exposure retained by the originator to comply with MRR as on date of balance sheet		
(a) Off-balance sheet exposure towards credit enhancements		
(i) First Loss	-	-
(ii) Others	-	-
(a) On-balance sheet exposure towards credit enhancements		
(i) First Loss	-	-
(ii) Others	-	-
(IV) Amount of exposures to securitisation transactions other than MRR		
(a) Off-balance sheet exposure		
(i) Exposure to own securitisations		
(1) First Loss	-	-
(2) Others	-	-
(i) Exposure to third party securitisations		
(1) First Loss	-	-
(2) Others	-	-
(b) On balance sheet exposure		
(i) Exposure to own securitisations		
(1) First Loss	-	-
(2) Others	-	-
(i) Exposure to third party securitisations		
(1) First Loss	-	-
(2) Others	-	-
(V) Sale consideration received for the securitised assets	-	-
Gain/loss on sale on account of securitisation	-	-
(VI) Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	Credit Enhancement, Servicing Agent	Credit Enhancement, Servicing Agent
(VII) Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided. (Credit Enhancement)		
(a) Amount paid	-	-
(b) Repayment received	-	-
(c) Outstanding amount	-	-
(VIII) Average default rate of portfolios observed in the past.		
(a) Vehicle Loans	-	-
(b) Others	-	-
(IX) Amount and number of additional/top up loan given on same underlying asset.		
(a) Vehicle Loans	-	-
(b) Others	-	-
(X) Investor complaints (a) Directly/Indirectly received and; (b) Complaints outstanding	-	-

Notes

to Financial Statements for the year ended March 31, 2024

46.05 Details of financial assets sold to securitisation / reconstruction company for asset reconstruction.

The Company has not sold financial assets to Securitisation / Reconstruction companies for asset reconstruction in the current and previous year

46.06 Details of loans transferred / acquired during the quarter ended March 31, 2024 under RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021

(i) Details of loans not in default transferred / acquired through assignment during the Year ended March 31, 2024

Particulars	Transferred	Acquired
Aggregate amount of loans transferred / acquired (₹ in lakhs)	27458.08	3443.37
Weighted average maturity (in months)	27.22	19.42
Weighted average holding period (in months)	9.50	7.22
Retention of beneficial economic interest by the originator	10.00%	10.00%
Tangible security Coverage	100.00%	100.00%
Rating-wise distribution of rated loans	Not Applicable	Not Applicable

* Represents the total Pool Value

(ii) The Company has not transferred any non-performing assets (NPAs)

(iii) The Company has not transferred any Special Mention Account (SMA) and loan not in default.

(iv) The Company has not acquired any loans not in default through assignment.

(v) The Company has not acquired any stressed loan.

46.07 Value of Imports calculated on CIF basis

The Company has not imported any goods therefore value of import on CIF basis is Nil

46.08 Expenditure in Foreign Currency

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Legal and professional fees	5.52	0.51
Total	**5.52**	**0.51**

46.09 Earnings in Foreign Currency

The Company does has not have any earnings in foreign currency

46.10 Details of credit impaired assets purchased / sold

The Company has not purchased / sold non-performing financial assets in the current and previous year

Notes

to Financial Statements for the year ended March 31, 2024

46.11 Exposure to Real estate sector

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Residential Mortgages -		
Lending - Fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	1,404.80	2,008.18
Commercial Real Estate -		
Lending - Secured by mortgages on commercial real estates (office buildings, retail space, multi purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc). Exposure would also include non-fund based limits	4,665.72	-
Investments in -		
Funded and Non-funded Exposures NHB and Housing Finance Companies(HFCs)	15,219.23	10,762.73
Total	**21,289.75**	**12,770.90**

46.12 Exposure to Capital Market

The Company has no exposure to the capital market directly or indirectly in the current and previous year.

46.13 Financing of Parent Company Product

This disclosure is not applicable as the Company does not have any holding / parent company

46.14 Single Borrower Limit / Group Borrower Limit

The Company has not lent / invested / lent and invested in any borrower / group of borrower in excess of limits prescribed by the RBI.

46.15 Unsecured Advances

The Company has no unsecured advances given against rights, licenses, authorizations etc. during the year and for previous year.

46.16 Registration from Other Financial Sector Regulators

The Company is registered with following other financial sector regulators (Financial regulators as described by Ministry of Finance):

i. R.B.I. - B-09.00172

ii. Ministry of Corporate Affairs - U65992AP1991PLC012736

iii. Ministry of Finance (Financial Intelligence Unit) - FINBF13220

46.17 Penalty

No penalties were imposed by RBI and other regulators during the current year

Notes
to Financial Statements for the year ended March 31, 2024

46.18 Credit Rating

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Nature of borrowing	Rating / Outlook	Rating / Outlook
	CARE	CARE
Long term bank facilities	A (Stable)	A (Stable)
Commercial Paper	-	-
Non - Convertible Debentures	A (Stable)	A (Stable)

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Nature of borrowing	Rating / Outlook	Rating / Outlook
	Brickwork Ratings	Brickwork Ratings
Long term bank facilities	Withdrawn	A (Stable)
Non - Convertible Debentures	Withdrawn	A (Stable)

46.19 Provisions

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
1. Provisions towards income tax	2,600.55	1,461.47
2. Provisions towards loans	599.58	-44.98
3. Provisions towards trade receivables	-	-

46.20 Draw down from Reserves:

There has been no draw down from reserves during the year ended March 31, 2024 (previous year: Nil)

46.21 Concentration of Loans

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Total Loans to twenty largest borrowers	36,290.60	27,668.83
Percentage of Loans to twenty largest borrowers to total advances of the NBFC	11.02%	12.95%

46.22 Concentration of All Exposure (including off - balance sheet exposures)

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Total Exposure to twenty largest borrowers / customers	36,390.41	27,668.83
Percentage of exposure to twenty largest borrowers / customers to total exposure of the NBFC on borrowers / customers.	9.64%	12.95%

Notes

to Financial Statements for the year ended March 31, 2024

46.23 Concentration of credit impaired loans

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Total Exposure to top ten credit impaired accounts	2,510.24	1,178.46

46.24 Sector Wise Credit-Impaired Assets under Ind AS

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
1. Agriculture & allied activities	1.32%	2.14%
2. MSME	-	-
3. Corporate Borrowers	-	-
4. Services	2.18%	2.65%
5. Unsecured Personal Loans	-	-
6. Auto Loans	3.55%	3.81%
7. Others	3.79%	3.86%

46.25 Movement of Credit-Impaired Loans under Ind AS

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(I) Net impaired loss allowance to Net loans (%)	1.81%	2.26%
(II) Movement of Credit impaired loans under Ind-AS (Gross)		
(a) Opening Balance	6,058.32	4,338.15
(b) (Deletion)/Addition during the year	1,670.52	1,720.17
(c) Closing balance	7,728.83	6,058.32
(III) Movement of Net Impaired loss		
(a) Opening Balance	4,770.09	2,872.82
(b) (Deletion)/Addition during the year	1,133.72	1,897.29
(c) Closing balance	5,903.81	4,770.11
(III) Movement of impairment loss allowance on credit impaired loans		
(a) Opening Balance	1,288.21	1,465.32
(b) (Deletion)/Addition during the year	536.81	(177.11)
(c) Closing balance	1,825.02	1,288.21

46.26 Overseas Assets

The Company does not have any joint venture or subsidiary abroad; hence this disclosure is not applicable.

46.27 Off Balance Sheet SPVs sponsored (which are required to be consolidated as per accounting norms)

The Company has not sponsored any off-Balance Sheet SPV

Notes
to Financial Statements for the year ended March 31, 2024

46.28 Customer Complaints

(Currency : ₹ in lakhs)

Sr.No	Particulars	As at March 31, 2024	As at March 31, 2023
	Complaints received by the Company from its customers		
1	Number of complaints pending at beginning of the year	-	0
2	Number of complaints received during the year	55	48
3	Number of complaints disposed during the year	55	48
3.1	Of which, number of complaints rejected by the Company - -		
4	Number of complaints pending at the end of the year	-	-
	Maintainable complaints received by the Company from Office of ombudsman		
5	Number of maintainable complaints received by the Company from Office of Ombudsman	18	4
5.1	Of 5, number of complaints resolved in favour of the Company by office of Ombudsman	17	4
5.2	Of 5,number of complaints resolved through conciliation/ mediation/ advisories issued by Office of Ombudsman		
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the Company	-	-
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

Top five grounds of complaints received by the NBFCs from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
	Year ended March 31, 2024				
Credit reports related	15	36%	-	-	
Document related	25	14%	-	-	
Loan related	8	-11%	-	-	
Payment related	15	150%	-	-	
Others	10	0%	-	-	
Total	**73**	**52%**	**-**	**-**	
	Year ended March 31, 2023				
Credit reports related	11	1000%	-	-	
Document related	22	450%	-	-	
Loan related	9	125%	-	-	
Payment related	6	50%	-	-	
Others	-	-	-	-	
Total	**48**	**269%**	**-**	**-**	

Notes

to Financial Statements for the year ended March 31, 2024

46.29 As required by the RBI Master Direction DNBS. PPD.01/66.15.001/2016-17 dated September 29, 2016 the details of frauds noticed / reported are as below:

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Amount Involved	-	-
Amount Recovered	-	-
Amount Written off/provided	-	-
Balance	-	-

46.30 Transactions with Non-Executive Directors

(Currency : ₹ in lakhs)

Name of Non-Executive Director	Transaction Type	As at March 31, 2024	As at March 31, 2023
Nageswara Rao Yalamanchili	Payment of Sitting Fees	1.50	3.50
Sunil Rewachand Chandiramani	Payment of Sitting Fees	6.25	2.00
Gopalakrishna Gurrappa	Payment of Sitting Fees	1.00	2.00
Kannan V	Payment of Sitting Fees	0.75	-
Raman Uberoi	Payment of Sitting Fees	0.75	-
Sethuraman Ganesh	Payment of Sitting Fees	5.75	-
Satyanarayana Prasad Kanaparthi	Payment of Sitting Fees	4.75	-

46.31 Postponement of Revenue Recognition

Refer note 2.5 Revenue from operations for the circumstances in which revenue recognition has been postponed pending uncertainty of realisation.

46.32 Dues to micro, small and medium enterprises

There are no amounts that need to be disclosed in accordance with the Micro Small and Medium Enterprise Development Act, 2006 (the 'MSMED') pertaining to micro or small enterprises.

For the year ended March 31, 2024, no vendor / supplier has intimated the Company about its status as micro or small enterprises or its registration with the appropriate authority under MSMED

Notes

to Financial Statements for the year ended March 31, 2024

46.33 Disclosure on Resolution Framework – 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses in terms of RBI circular RBI / 2021-22 / 31 DOR. STR. REC.11 /21.04.048 / 2021-22 dated May 5, 2021:

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year **
Personal Loans	-	-	-	-	-
Corporate Persons*	-	-	-	-	-
of which MSMEs	-	-	-	-	-
Others	76.34	-	-	5.33	71.01
Total	76.34	-	-	5.33	71.01

* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

Disclosures for Reserve Bank of India circular on Resolution Framework for Covid-19 related stress dated August 6, 2020 are not applicable to the Company as none of the borrowers opted for the resolution plan.

46.34 Asset liability management

Maturity pattern of certain items of asset and liabilities - As at March 31, 2024

(Currency : ₹ in lakhs)

Pattern	1 day to 7 days	8 day to 14 days	15 day to 30-31 days	Over 1 month to 2 months	Over 2 months upto 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 to 3 years	Over 3 to 5 years	Over 5 years	Total
Liabilities*											
Borrowings from banks	1,420.14	449.45	2,104.44	3,355.78	8,201.22	17,787.98	64,217.85	81,675.60	17,064.75	625.00	**196,902.21**
Other Borrowings	772.14	484.37	454.72	1,053.57	1,382.58	4,237.87	8,363.32	26,760.78	1,835.88	-	**45,345.22**
Market Borrowings	-	-	10.59	1,339.91	1,302.36	2,541.65	5,083.35	8,333.35	14,000.00	-	**32,611.20**
Assets											
Advances*	3,176.87	1,339.74	10,889.59	9,926.76	9,596.43	29,115.36	56,017.30	163,356.48	37,392.08	8,293.16	**329,103.76**
Investments	8,258.45	100.05	1,103.45	2,942.07	-	1.61	-	-	-	15,219.23	**27,624.85**

Maturity pattern of certain items of asset and liabilities - As at March 31, 2023

(Currency : ₹ in lakhs)

Pattern	1 day to 7 days	8 day to 14 days	15 day to 30-31 days	Over 1 month to 2 months	Over 2 months upto 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 to 3 years	Over 3 to 5 years	Over 5 years	Total
Liabilities*											
Borrowings from banks	1,618.57	182.85	1,492.20	2,271.40	8,495.92	11,376.44	45,944.26	61,404.77	9,739.36	-	**142,525.78**
Other Borrowings	279.91	484.30	408.43	787.36	725.44	2,479.97	5,030.38	16,075.54	625.00	-	**26,896.34**
Market Borrowings	-	-	5,116.25	-	905.82	2,622.63	6,750.00	3,500.00	2,500.00	14,000.00	**35,394.70**
Assets											
Advances*	2,532.52	800.91	220.49	6,341.17	6,490.64	19,853.22	39,934.49	116,682.44	18,356.87	2,515.22	**213,727.95**
Investments	-	-	9,202.03	10,845.80	-	-	-	-	-	10,762.73	**30,810.55**

*The amount appearing above for gross loans and borrowings excludes the impact of EIR.

Notes

to Financial Statements for the year ended March 31, 2024

46.35 Disclosure on liquidity risk under RBI circular no. RBI/2019-20/88 DOR.NBFC (PD) CC. No. 102/03.10.001/2019-20 dated November 04, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies as on March 31, 2024.

i) Funding Concentration based on significant counterparty (both deposits and borrowings)

(Currency : ₹ in lakhs)

Sr. No	No of Significant Counterparties	As at March 31, 2024			As at March 31, 2023		
		Amount #	% of total Deposits	% of Total Liabilities*	Amount #	% of total Deposits	% of Total Liabilities*
1	32	248,352.59	NA	88.84%	200,998.87	NA	97.02%

ii) Top 20 large deposits – Not Applicable

iii) Top 10 Borrowings

(Currency : ₹ in lakhs)

As at March 31, 2024		As at March 31, 2023	
Amount #	% of Total Borrowings*	Amount #	% of Total Borrowings*
131,006.22	47.77%	88,858.07	43.51%

iv) Funding Concentration based on significant instrument/product

(Currency : ₹ in lakhs)

Sr. No	Name of the instrument	As at March 31, 2024		As at March 31, 2023	
		Amount #	% of Total Borrowings*	Amount #	% of Total Borrowings*
1	Term Loan	210,265.86	75.22%	143,113.79	69.08%
2	Non Convertible Debentures	16,000.00	5.72%	18,500.00	8.93%
3	Cach Credit/WCDL	31,483.29	11.26%	26,112.03	12.60%
4	Subordinate Debt	16,500.00	5.90%	16,500.00	7.96%
	Total	**274,249.15**	**98.11%**	**204,225.82**	**98.57%**

v) Stock Ratios

(Currency : ₹ in lakhs)

Sr. No	Name of the instrument	As at March 31, 2024	As at March 31, 2023
1	Commercial Papers to Total Liabilities	0.00%	0.00%
2	Commercial Papers to Total Assets	0.00%	0.00%
3	NCDs (Original Maturity < 1 year) to Total Liabilities	0.00%	0.00%
4	NCDs (original Maturity < 1 year) to Total Assets	0.00%	0.00%
5	Other Short Term Liabilities # to Total Liabilities*	1.36%	1.47%
6	Other Short Term Liabilities # to Total Assets	1.03%	1.10%

vi) Institutional set-up for liquidity risk management:

The Company has an Asset Liability Management Committee (ALCO), a management level committee to handle liquidity risk management. The ALCO meetings are held at periodic intervals. At the apex level, the Risk Management Committee (RMC), a sub-committee of the Board of Directors of the Company, oversees the liquidity risk management. The RMC subsequently updates the Board of Directors on the same.

Amount does not include accrued but not paid interest on borrowing and amortisation of processing fees.

Notes
to Financial Statements for the year ended March 31, 2024

* Total Liabilities does not include Net Worth.

46.36 Sectoral Exposure

(Currency : ₹ in lakhs)

Sr. No	Sectors	As at March 31, 2024			As at March 31, 2023		
			GNPA(In Lacs)	GNPA(%)	Total Exposure	GNPA(In Lacs)	GNPA(%)
1	Agriculture & Allied Activities	4143.67	54.77	1.32%	2923.98	62.56	2.14%
	Total	**4143.67**	**54.77**	**1.32%**	**2923.98**	**62.56**	**2.14%**
2	Industry						
	Others	2428.06	0.00	0.00%	548.42	0.00	0.00%
	Total	**2428.06**	**0.00**	**0.00%**	**548.42**	**0.00**	**0.00%**
3	Services						
	Transport Operators	117595.82	2729.48	2.32%	81929.05	2640.49	3.22%
	NBFC	39832.33	0.00	0.00%	26344.51	0.00	0.00%
	Construction Equipment	80194.54	1103.26	1.38%	44570.91	1045.57	2.35%
	Others	38803.92	2198.55	5.67%	20988.86	921.10	4.39%
	Total	**276426.62**	**6031.29**	**2.18%**	**173833.33**	**4607.16**	**2.65%**
4	Personal loans						
	Vehicle/Auto Loans	44399.70	1578.12	3.55%	34077.23	1298.1	3.81%
	Others	1705.72	64.67	3.79%	2345.00	90.5	3.86%
	Total	46105.41	1642.79	3.56%	36422.23	1388.59	3.81%
	Grand Total	**329103.76**	**7728.84**	**2.35%**	**213727.95**	**6058.32**	**2.83%**

46.37 Intra Group Exposure

The Company has no exposure to the Intra Group Exposures for the financial years ended March 31,2024 and March 31,2023

46.38 Unhedged Foreign Currency Exposure

The Company does not have any unhedged foreign currency exposures for the financial years ended March 31, 2024 and March 31, 2023

46.39 Breach of Covenant

There were no instances of default or breaches of covenant in respect of loan availed or debt securities issued during the financial years ended March 31, 2024 and March 31, 2023.

46.40 Divergence in Asset Classification and Provisioning

The RBI has neither assessed any additional provisioning requirements in excess of 5 percent of the reported profits before tax and impairment loss on financial instruments for the financial year ended March 31, 2024, nor identified any additional Gross NPAs in excess of 5% of the reported Gross NPAs for the said period.

46.41 Corporate Governance

As per RBI Guidelines, Specific Disclosures relating to Corporate Governance should be disclosed under the Corporate

Notes

to Financial Statements for the year ended March 31, 2024

Governance section of the Annual Report

46.42 Disclosure on related Party Transactions as per the RBI notification No.RBI/2022-23/26DOR.ACC.REC.No.20/21.04.018/2022-23 on Disclosure Requirements Under Scale Based Regulation for NBFCs dated April 19,2022

Related Party/Items	Parent(as per ownership/ Control)		Subsidiaries		Associates/Joint venture		Key Management Personnel		Relatives of Key Management Personnel		Others		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Maximum Outstanding during the Year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	15,219.23	10,762.73	-	-	-	-	-	-	-	-	15,219.23	10,762.73
Share Capital	-	-	-	-	-	-	2,414.90	2,414.90	590.43	590.43	2,085.56	2,085.56	5,090.89	5,090.89
Balance Outstanding at the Year End	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	88.50	88.50	-	-	-	-	88.50	88.50
Placement of Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	15,219.23	10,762.73	-	-	-	-	-	-	-	-	15,219.23	10,762.73
Purchase of Fixed / Other Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Fixed / Other Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Paid	-	-	-	126.42	-	-	-	-	-	-	-	-	-	126.42
Interest Received	-	-	0.62	1.42	-	-	-	-	-	-	-	-	0.62	1.42
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent paid	-	-	-	-	-	-	80.04	69.60	-	-	-	-	80.04	69.60
Director's Remuneration	-	-	-	-	-	-	195.00	180.00	-	-	-	-	195.00	180.00
Director's Commission Payable	-	-	-	-	-	-	203.75	134.62	-	-	-	-	203.75	134.62
Share Capital	-	-	-	-	-	-	2,414.90	2,414.90	590.43	590.43	2,085.56	2,085.56	5,090.89	5,090.89
Salary Paid	-	-	-	-	-	-	33.49	80.81	-	-	-	-	33.49	80.81
Service Fee Collected	-	-	38.11	28.35	-	-	-	-	-	-	-	-	38.11	28.35
Service Fee Paid	-	-	3.06	-	-	-	-	-	-	-	-	-	3.06	-
Direct Assignment	-	-	1,384.00	1,979.88	-	-	-	-	-	-	-	-	1,384.00	1,979.88
Interest Receivable on Direct Assignment	-	-	20.81	28.98	-	-	-	-	-	-	-	-	20.81	28.98

Notes

to Financial Statements for the year ended March 31, 2024

47 Registration of charges or satisfaction with Registrar of Companies (ROC)

All charges or satisfaction are registered with ROC within the statutory period for the financial years ended March 31, 2024 . No charges or satisfactions are yet to be registered with ROC beyond the statutory period.

48 Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended March 31, 2024 and March 31, 2023.

49 Compliance with approved Scheme(s) of Arrangements

The Board of Directors of the Company did not approve any scheme of Arrangements during the financial year ended March 31, 2024 and March 31, 2023.

50 Utilisation of Borrowed funds and share premium

The Company, as part of its normal business, grants loans and advances, makes investment. These transactions are part of Company's normal non-banking finance business, which is conducted ensuring adherence to all regulatory requirements.

Other than the transactions described above, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has also not received any fund from any parties (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

51 Undisclosed income

There are no transactions not recorded in the books of accounts.

52 Title deeds of Immovable Properties not held in name of the Company

The Company does not possess any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the Company during the financial year ended March 31, 2024 and March 31, 2023.

53 Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual currency during the financial years ended March 31,2024 and March 31, 2023.

54 Details of Benami Property Held

No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder in the financial years ended March 31, 2024 and March 31, 2023.

55 Wilful Defaulter

The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender in the financial years ended March 31,2024 and March 31,2023.

Notes

to Financial Statements for the year ended March 31, 2024

56 Relationship with Struck off Companies

The company does not have any transactions with companies whose names have been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 in the financial years ended March 31, 2024 and March 31, 2023.

57 Investment in Associates and Structured Entities

The Company does not have any Associates and Structured Entities

58 Note on Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which subsumes the Provident Fund and the Gratuity Act and rules thereunder. The Ministry of Labour and Employment has also released draft rules thereunder on November 13, 2020 and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will evaluate the rules, assess the impact, if any and account for the same once the rules are notified and become effective

59 Previous year's information have been regrouped/reclassified wherever necessary to correspond with current year's classification/disclosure.

As per our report of even date

For **SGCO & CO.LLP**
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

Sudha Jaideep Shetty
Partner
Membership No.047684
Place: Hyderabad
Date: 29 May 2024

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

V.G.K Prasad
Chairman
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Ch.Sreenivasa Rao
Company Secretary & Chief Financial Officer
M.No. ACS14723
Place: Hyderabad
Date: 29 May 2024

Notes

to Financial Statements for the year ended March 31, 2024

Schedule to Balance Sheet

Particulars			As at March 31, 2024	
Liabilities side			**Amount outstanding**	**Amount overdue**
(1)	**Loans and advances availed by the non- banking financial company inclusive of interest accrued thereon but not paid :**			
	(a)	Debentures : Secured	12,497.99	-
		: Unsecured	3,491.66	-
		(other than falling within the meaning of public deposits*)		
	(b)	Deferred Credits	-	-
	(c)	Term Loans	209,445.58	-
	(d)	Inter-corporate loans and borrowing	-	-
	(e)	Commercial Paper	-	-
	(f)	Public Deposits*	-	-
	(g)	Other Loans - Subordinate Debts	16,372.47	-
		- Cash Credit	31,483.29	-
		- Securitization Transaction	-	-
	* Please see Note 1 below			
(2)	**Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :**			
	(a)	In the form of Unsecured debentures	-	-
	(b)	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
	(c)	Other public deposits	-	-
	* Please see Note 1 below			
Assets side				**Amount outstanding**
(3)	**Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :**			
	(a)	Secured		323,511.66
	(b)	Unsecured		5,592.11
(4)	**Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities**			
	(i)	Lease assets including lease rentals under sundry debtors :		
		(a) Financial lease		-
		(b) Operating lease		-
	(ii)	Stock on hire including hire charges under sundry debtors :		
		(a) Assets on hire		-
		(b) Repossessed Assets		-
	(iii)	Other loans counting towards asset financing activities		
		(a)Loans where assets have been repossessed		-
		(b) Loans other than (a) above		-
(5)	**Break-up of Investments**			
	Current Investments			
	1.	Quoted		
		(i) Shares		
		(a) Equity		-
		(b) Preference		-
		(ii) Debentures and Bonds		6,937.78
		(iii) Units of mutual funds		-
		(iv) Government Securities		-
		(v) Others (please specify)		-

Notes

to Financial Statements for the year ended March 31, 2024

2.	Unquoted	
	(i) Shares	
	(a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	5,467.84
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others (please specify)	-
Long Term investments		
1.	Quoted	
	(i) Share	
	(a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others (please specify)	-
2.	Unquoted	
	(i) Shares	
	(a) Equity	15,219.23
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others (please specify)	-

(6) Borrower group-wise classification of assets financed as in (3) and (4) above : Please see Note 2 below

Category		Amount net of provisions Secured	Unsecured
1.	Related Parties **		
	(a) Subsidiaries	-	-
	(b) Companies in the same group	-	-
	(c) Other related parties	-	-
2.	Other than related parties	319,939.13	5,591.61
Total		**319,939.13**	**5,591.61**

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) : Please see note 3 below

Category		Market Value / Break up or fair value or NAV
1.	Related Parties **	
	(a) Subsidiaries	15,219.23
	(b) Companies in the same group	-
	(c) Other related parties	-
2.	Other than related parties	-
Total		**15,219.23**

** As per Indian Accounting Standards of ICAI (Please see Note 3)

Notes

to Financial Statements for the year ended March 31, 2024

(8)	Other information	
	Particulars	**Amount**
(i)	Gross Non-Performing Assets	
	(a) Related parties	-
	(b) Other than related parties	7,728.84
(ii)	Net Non-Performing Assets	
	(a) Related parties	-
	(b) Other than related parties	5,903.82
(iii)	Assets acquired in satisfaction of debt	124.07

Notes :

1. As defined in point xxvii of paragraph 3 of Chapter II of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank)Directions, 2016.
2. Provisioning norms shall be applicable as prescribed in Indian Accounting Standards by MCA.
3. All Indian Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above.

Independent Auditor's Report

To the Members of
IKF FINANCE LIMITED

Report on the Audit of Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statements of IKF FINANCE LIMITED (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of the other auditor on Separate Financial Statements and other information of the subsidiary, the aforesaid Consolidated Financial Statements, give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024 and their consolidated profit, their consolidated total comprehensive income, their consolidated changes in equity and their consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing ("SA"), as specified under section 143(10) of the Act. Our responsibilities under those Standards on Auditing are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by other auditor in terms of their report referred to in the 'Other Matters' paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Consolidated Financial Statements for the year ended March 31, 2024. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report.

We have fulfilled the responsibilities described in the 'Auditors' responsibilities for the audit of the Consolidated Financial Statements' section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Consolidated Financial Statements. The results of audit procedures performed by us and by other auditors of component not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Consolidated Financial Statements.

Key Audit Matters for the Holding Company:

Key audit Matters	Auditors' Response
Expected Credit Loss – Impairment of carrying value of loans and advances. Assessment of impairment loss allowance on Expected Credit loss (ECL) on Loans (Refer Note 43 of the Consolidated Financial Statements) Holding Company's Management estimates impairment provision using Expected Credit loss model for the loan exposure as per the Board approved policy which is in line with Ind AS 109. Measurement and Recognition of loan impairment involves application of significant judgement by the management. The most significant judgements are: • Timely identification and classification of the impaired loans, including classification of assets to stage 1, 2, or 3 using criteria in accordance with Ind AS 109 • The segmentation of financial assets when their ECL is assessed on a collective basis, • Determination of probability of defaults (PD) and loss given defaults (LGD) based on the default history of loans, subsequent recoveries made and other relevant factors and • Assessment of qualitative factors having an impact on the credit risk. The Holding Company has also recorded a management overlay as part of its ECL, Management overlay is based on various uncertain variables, which could result in actual credit loss being different than that being estimated. We have considered ECL as Key Audit Matter because the estimates on which these amounts are based involve a significant degree of management judgment and accounting estimates.	Our audit procedures included the following: • We tested the completeness of loans and advances included in the Expected Credit Loss calculations as of March 31, 2024 by reconciling it with the balances as per loan balance register loan commitment report as on that date. • We tested assets in stage 1, 2 and 3 on sample basis to verify that they were allocated to the appropriate stage. • Tested samples to ascertain the completeness and accuracy of the input data used for determining the PD and LGD rates and agreed the data with underlying books of accounts and records. • For samples of exposure, we tested the appropriateness of determining EAD, PD and LGD • We performed an overall assessment of the ECL provision levels at each stage including management's assessment and provision on account of Holding Company's portfolio, risk profile, credit risk management practices. • Management's controls over authorization and calculation of management overlays. • We assessed the adequacy and appropriateness of disclosures in the financial statements.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Holding Company's Annual Report but does not include the Consolidated Financial Statements and our auditor's report thereon. The above referred information is expected to be made available to us after the date of this audit report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above when it becomes available and in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the group has adequate internal financial controls with reference to Consolidated Financial Statement in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the financial statements and other financial information in respect of its subsidiary, whose financial statements, before consolidation adjustments, reflect total assets of ₹ 95,201.21 lakhs as at March 31, 2024, total revenues of ₹ 14,772.83 lakhs and net cash outflows amounting to ₹ (44.65) lakhs for the year then ended, respectively as considered in the Consolidated Financial Statements. The Consolidated Financial Statements also include the Group's share of total net profit after tax of ₹ 10,180.51 lakhs for year ended March 31, 2024, as considered in the Consolidated Financial Statements. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by

the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books except for the matters stated in paragraph 1(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

   (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under section 133 of the Act.

   (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) With respect to the adequacy of the internal financial controls with reference to Consolidated Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Holding Company and its subsidiary company incorporated in India.

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended

   In our opinion based on the consideration of reports of other statutory auditor of the subsidiary, the managerial remuneration paid/ provided by the Holding Company and its subsidiary to its directors during the year is in accordance with the provisions of section 197 read with Schedule V of the Act.

   (h) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Group does not have any pending litigations which would impact financial position of the company and its subsidiary; The Group has disclosed the impact of pending litigations on its Consolidated Financial Statements – Refer Note 39 to the Consolidated Financial Statement.

      ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

iv. (a) The Managements of the Holding Company and its subsidiary which are companies incorporated in India, whose financial statements have been audited under the Act, have represented that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary to or in any other person or entity, outside the Group, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Holding Company and its subsidiary which are companies incorporated in India, whose financial statements have been audited under the Act, have represented, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or any of such subsidiary from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that were considered reasonable and appropriate in the circumstances performed by us on the Holding Company and those performed by the Auditors of the subsidiary company, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

v. The Group has not declared or paid any dividend during the year and has not proposed final dividend for the year.

vi. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023.

Based on our examination which included test checks, and as communicated by the auditor of the Subsidiary which is a company incorporated in India and whose financial statements has been audited under the Act, the Holding and subsidiary has used accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software at application level. However, for the database level we and the auditor of subsidiary company are unable to comment as the necessary information required for Reporting under this section was not available.

Further, during the course of audit, we and the auditor of the subsidiary company have not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies

(Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiary included in the Consolidated Financial Statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For **SGCO & CO. LLP**
Chartered Accountants
Firm Reg. No.:- 112081W/W100184

Sudha Jaideep Shetty
Partner
Membership No. :- 047684
UDIN :- 24047684BKHXQV1750

Place :- Hyderabad
Date :- 29th May, 2024

Annexure "A" to the Independent Auditor's Report

REFERRED TO IN PARAGRAPH 1(f) UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

In conjunction with our audit of the Consolidated Financial Statements of IKF Finance Limited (hereinafter referred to as "the Holding Company") as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to Consolidated Financial Statements of the Holding Company and its subsidiary (Holding Company and its subsidiaries together referred to as "the Group"), which are companies incorporated in India, as of 31st March, 2024.

Management's Responsibility for Internal Financial Controls

The respective Management and Board of Directors of the companies included in the Group are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding and its subsidiary Company's internal financial controls with reference to these Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the " Guidance Note") and the Standards on Auditing ("SA") as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those SAs and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to these Consolidated Financial Statements.

Meaning of Internal Financial Controls Over Financial Reporting with reference to these Consolidated Financial Statements

A Company's Internal financial control with reference to these Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Financial Statements for external purpose in accordance with generally accepted accounting principles. A company's Internal financial control with reference to these Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transaction are recorded as necessary to permit preparation of Consolidated Financial Statements in accordance with

generally accepted accounting Principles, and that receipts and expenditure of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisitions, use or disposition of the company's assets that could have a material effect on the Consolidated Financial Statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to these Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to these Consolidated Financial Statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors, as referred to in Other Matters paragraph below, the Group has in all material respects, an adequate internal financial controls with reference to these Consolidated Financial Statements and such internal financial controls were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to the Consolidated Financial Statement established by the respective Company considering the essential components of internal control stated in the guidance note on audit of Internal financial controls over financial reporting issued by the Institute of Chartered Accountants of India.

Other Matter

Our report under clause (i) of sub-section 3 of Section 143 of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these Consolidated Financial Statements, in so far as it relates to separate financial statements of the subsidiary company, which is a company incorporated in India, is based on the Report of the auditor of such subsidiary company incorporated in India.

For **SGCO & CO. LLP**
Chartered Accountants
Firm Reg. No.:- 112081W/W100184

Sudha Jaideep Shetty
Partner
Membership No. :- 047684
UDIN :- 24047684BKHXQV1750

Place :- Hyderabad
Date :- 29th May, 2024

Consolidated Balance Sheet

as at March 31, 2024

(Currency : ₹ in lakhs)

Particulars	Note No	As at March 31, 2024	As at March 31, 2023
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	3	4,721.03	27,817.26
(b) Bank Balance other than included in (a) above	4	3,549.17	6,098.78
(c) Receivables		-	
(I) Trade receivables	5	145.64	-
(II) Other receivables		-	-
(d) Loans	6	414,297.53	268,920.04
(e) Investments	8	12,406.62	21,247.83
(f) Derivative financial instruments	9	62.79	-
(g) Other financial assets	7	6,655.13	4,759.15
		441,837.93	**328,843.06**
(2) Non-financial assets			
(a) Current Tax Assets (Net)		43.25	400.55
(b) Deferred Tax Assets (Net)	31	-	-
(c) Investment Property	12	130.03	72.14
(d) Property, Plant and Equipment	11	350.47	363.00
(e) Right of use asset	11	361.85	313.23
(f) Capital work in progress	13	47.59	-
(g) Intangibles assets under development	13A	13.20	-
(h) Intangible assets	13B	198.09	236.22
(i) Goodwill		774.47	774.47
(j) Other non-financial assets	10	4,329.92	3,387.49
		6,248.87	**5,547.10**
Total assets		**448,086.80**	**334,390.16**
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial liabilities			
(a) Derivative financial instruments		-	5.40
(b) Payables			
(i) Trade payables and other payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(II) total outstanding dues of creditors other than micro enterprises and small enterprises	14	157.85	113.02
(c) Debt securities	15	20,999.05	26,640.67
(d) Borrowings (other than debt securities)	16	307,465.24	213,081.79
(e) Subordinated Liabilities	17	16,372.47	16,345.06
(f) Other financial liabilities	18	6,963.88	4,026.93
		351,958.49	**260,212.87**
(2) Non-financial liabilities			
(a) Current tax liabilities (Net)		114.33	
(b) Provisions	19	342.98	261.90
(c) Deferred tax liabilities (Net)	31	639.43	464.37
(d) Other non-financial liabilities	20	375.65	263.49
		1,472.39	**989.76**
EQUITY			
(a) Equity share capital	21	7,015.65	6,457.51
(b) Other equity	22	86,391.55	65,945.19
(c) Non- Controlling Interest		1,248.72	784.84
		94,655.92	**73,187.54**
Total liabilities and equity		**448,086.80**	**334,390.16**
Material accounting policies and key accounting estimates and judgments	2		

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

Sudha Jaideep Shetty
Partner
Membership No.047684

Place: Hyderabad
Date: 29 May 2024

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

V.G.K Prasad
Chairman
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Ch.Sreenivasa Rao
Company Secretary & Chief Financial Officer
M.No. ACS14723

Place: Hyderabad
Date: 29 May 2024

Consolidated Statement of Profit and Loss

for the year ended on March 31, 2024

(Currency : ₹ in lakhs)

Particulars	Note No	Year ended March 31, 2024	Year ended March 31, 2023
Revenue From operations			
(i) Interest income	23	56,709.99	36,550.27
(ii) Fees and commission income	24	1,212.21	890.61
(iii) Other Operating Income	25	19.64	3.20
(I) Total revenue from operations		**57,941.84**	**37,444.08**
(II) Other income	26	658.34	400.63
(III) Total income (I + II)		**58,600.18**	**37,844.71**
Expenses			
(i) Finance costs	26.1	28,476.10	19,217.55
(ii) Net loss on fair value changes	24.2	-	-
(iii) Impairment on financial instruments	27	2,018.32	628.21
(iv) Employee benefits expenses	28	10,638.24	7,027.13
(v) Depreciation, amortization and impairment	29	468.88	341.66
(vi) Others expenses	30	3,297.51	2,381.82
(IV) Total expenses		**44,899.06**	**29,596.37**
(V) Profit before tax (III - IV)		**13,701.12**	**8,248.34**
(VI) Tax Expense:			
(1) Current Tax	31	3,327.22	1,717.24
(2) Deferred Tax	31	181.51	366.23
(3) Adjustment of tax relating to earlier periods	31	11.88	12.91
		3,520.61	2,096.38
(VII) Profit for the period (V-VI)		**10,180.51**	**6,151.96**
(VIII) Other comprehensive income			
(A) Items that will not be reclassified to profit or loss (specify items and amounts)			
(a) Remeasurements of the defined benefit plans	32	(4.36)	17.82
(b) Impact of changes in fair value of Financial Instruments		-	53.28
(c) Income tax relating to items that will not be reclassified to profit or loss		(1.63)	(3.13)
(d) Items that will not be reclassified to profit or loss		10.82	
Subtotal (A)		**4.83**	**67.97**
(B) Items that will be reclassified to profit or loss			
(i) Items that will be reclassified to profit or loss		(32.15)	
(ii) Income tax relating to items that will be reclassified to profit or loss		8.09	
Subtotal (B)		**(24.06)**	
Other comprehensive income / (loss)		**(19.22)**	**67.97**
(IX) Total comprehensive income for the period (VII + VIII)		**10,161.29**	**6,219.93**
Attributable to:			
Owners of the Company		9,923.50	6,133.80
Non-controlling interest		237.78	86.15
(X) Earnings per share (equity share, par value of ₹10 each)			
Basic	33	14.97	11.46
Diluted	33	14.97	11.45
Material accounting policies and key accounting estimates and judgments	2		

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

Sudha Jaideep Shetty
Partner
Membership No.047684

Place: Hyderabad
Date: 29 May 2024

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

V.G.K Prasad
Chairman
DIN: 01817992

Ch.Sreenivasa Rao
Company Secretary & Chief Financial Officer
M.No. ACS14723

Place: Hyderabad
Date: 29 May 2024

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

IKF FINANCE
"LEGACY THAT INSPIRES, TECHNOLOGY THAT DELIVERS"

Consolidated Cash Flow Statement

for the year ended on March 31, 2024

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	13,701.12	8,248.33
Adjustments for:		
Depreciation, amortisation and impairment	468.88	341.66
Interest Income	(56,709.99)	(36,553.47)
Interest expenses	28,476.10	19,217.55
Impairment on financial instrument	2,018.32	628.21
Net loss on fair value changes	-	-
Share based payment expense	1.08	(4.00)
Provision for expenses	12.75	2.25
Employee benefit expenses	109.83	(31.35)
Rental income on Investment property	(9.15)	(7.63)
(Profit)/ Loss on sale of property, plant and equipment	(344.17)	1.14
(Profit)/ Loss on sale of immovable Property	288.33	3.15
Cash generated from / (used in) operations before working capital changes and adjustments for interest received and interest paid	**(11,986.91)**	**(8,415.15)**
Adjustments for changes in Working Capital :		
Decrease / (Increase) in trade receivable	(145.64)	-
Decrease / (Increase) in loans	(144,910.39)	(79,896.38)
Decrease / (Increase) in bank balances other than cash and cash equivalents	2,549.61	(3,565.14)
Decrease / (Increase) in other financial assets	2,024.62	(297.93)
Decrease / (Increase) in other non-financial assets	(942.43)	(2,307.26)
(Decrease) / Increase in trade payables	44.83	105.93
(Decrease) / Increase in other financial liabilities	2,868.23	626.06
(Decrease) / Increase in provisions	(93.21)	33.69
(Decrease) / Increase in other non-financial liabilities	112.15	106.22
Interest received	50,391.90	33,600.98
Interest paid	(29,144.64)	(19,393.29)
	(129,231.88)	**(79,141.26)**
Income tax paid (net of refunds)	(2,867.46)	(1,929.74)
Derivative financial instruments	(11.77)	45.27
NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES	**(132,111.11)**	**(81,025.71)**
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(120.88)	(131.47)
Purchase of Investment property	(58.06)	-
Rental income on Investment property	9.15	7.63
Proceeds from sale of property, plant and equipment	344.35	0.82
Proceeds from sale of Investment property	(288.33)	38.85
Purchase of intangible assets	(43.40)	(137.38)
Purchase of investments in market instruments	8,841.20	(21,247.83)
NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES	**8,684.05**	**(21,469.37)**

Consolidated Cash Flow Statement (Cont.)

for the year ended on March 31, 2024

(Currency : ₹ in lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
CASH FROM FINANCING ACTIVITIES		
Proceeds from issue of equity shares (including securities premium)	12,000.01	25,506.83
Share issue expenses	(879.18)	
Amount received from debt securities	15,000.00	7,000.00
Repayment of debt securities	(19,889.84)	(4,249.92)
Amount received from borrowings other than debt securities	162,694.34	139,390.00
Repayment of borrowings other than debt securities	(68,329.30)	(57,339.83)
Amount received from subordinated Liabilities	-	14,000.00
Repayment of subordinated debt	-	(3,500.00)
Payment of principal portion of lease liabilities	(219.12)	(123.03)
Payment of interest on lease liabilities	(46.08)	(36.00)
NET CASH GENERATED FROM / (USED IN) FROM FINANCING ACTIVITIES	**100,330.83**	**120,648.04**
Net Increase / (Decrease) in Cash and Cash Equivalents	**(23,096.23)**	**18,152.95**
Cash and Cash Equivalents at the beginning of Year	27,817.26	9,664.31
Cash and Cash Equivalents at the end of the Year	4,721.03	27,817.26

The above Cash Flow Statement has been prepared under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows'.

As per our report of even date

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

Sudha Jaideep Shetty
Partner
Membership No.047684

Place: Hyderabad
Date: 29 May 2024

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

V.G.K Prasad
Chairman
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Ch.Sreenivasa Rao
Company Secretary & Chief Financial Officer
M.No. ACS14723

Place: Hyderabad
Date: 29 May 2024

Consolidated Statement of Changes in Equity

for the year ended on March 31, 2024

(Currency : ₹ in lakhs)

A. Equity share capital

Current Reporting Period

Particulars	Balance at the beginning of the current reporting period As at March 31, 2023	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period As at March 31, 2024
Issued, Subscribed and paid up - fully paid (Equity shares of ₹10 each, Fully paid-up)	6,457.51	-	6,457.51	558.14	7,015.65

Previous Reporting Period

Particulars	Balance at the beginning of the current reporting period As at March 31, 2022	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period As at March 31, 2023
Issued, Subscribed and paid up - fully paid (Equity shares of ₹10 each, Fully paid-up)	5,265.91	-	5,265.91	1,191.60	6,457.51
Issued, Subscribed and paid up - partly paid	-	-	-	-	-

B. Other equity

Particulars	Reserves and Surplus						Total
	Statutory Reserve	Capital Reserve	Securities Premium	General Reserve	Share based payment Reserve	Retained Earnings	
Balance at March 31, 2022	**5,742.05**	**32.50**	**10,576.37**	**1,221.45**	**24.62**	**18,183.91**	**35,780.90**
Prior Period items	-	-	-	-	-	(280.75)	(280.75)
Restated Balance at the beginning of the reporting period	5,742.05	32.50	10,576.37	1,221.45	24.62	17,903.16	35,500.16
Profit for the year	-	-	-	-	-	6,065.83	6,065.83
Other comprehensive income for the year	-	-	-	-	-	28.09	28.09
Total comprehensive income for the year (net of tax)	-	-	-	-	-	6,093.92	6,093.92
Transfer to Statutory Reserve	1,268.00	-	-	-	-	(1,268.00)	-
Transfer to General Reserve	-	-	-	250.03	-	(250.03)	-
Transfer to Hedge Reserve	-	-	-	-	-	39.87	39.87
Issue of equity shares	-	-	24,315.23	-	-	-	24,315.23
Share based payment expense	-	-	-	-	(4.00)	-	(4.00)
Balance at March 31, 2023	7,010.06	32.50	34,891.60	1,471.48	20.63	22,518.92	65,945.19

Consolidated Statement of Changes in Equity

for the year ended on March 31, 2024

(Currency : ₹ in lakhs)

Particulars	Reserves and Surplus						Total
	Statutory Reserve	Capital Reserve	Securities Premium	General Reserve	Share based payment Reserve	Retained Earnings	
Prior Period items	-	-	-	-	-	-	-
Restated Balance at the beginning of the reporting period	7,010.06	32.50	34,891.60	1,471.48	20.63	22,518.92	65,945.18
Profit for the year	-	-	-	-	-	9,942.73	9,942.73
Other comprehensive income for the year	-	-	-	-	-	(19.24)	(19.24)
Total comprehensive income for the year (net of tax)	-	-	-	-	-	9,923.48	9,923.48
Transfer to Statutory Reserve	2,172.43	-	-	-	-	(2,172.43)	-
Transfer to General Reserve	-	-	-	384.87	-	(384.87)	-
Transfer to Retained Earnings	-	-	-	-	-	(40.88)	(40.88)
Issue of equity shares	-	-	11,441.86	-	-	-	11,441.86
Share issue expenses	-	-	(879.18)	-	-	-	(879.18)
Share based payment expense	-	-	-	-	1.08	-	1.08
Balance at March 31, 2024	**9,182.49**	**32.50**	**45,454.28**	**1,856.35**	**21.71**	**29,844.21**	**86,391.55**

As per our report of even date

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

Sudha Jaideep Shetty
Partner
Membership No.047684

Place: Hyderabad
Date: 29 May 2024

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

V.G.K Prasad
Chairman
DIN: 01817992

Ch.Sreenivasa Rao
Company Secretary & Chief Financial Officer
M.No. ACS14723

Place: Hyderabad
Date: 29 May 2024

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Notes

forming part of Consolidated Financial Statements for the Year ended March 31, 2024

(Currency : ₹ in lakhs)

1 Group Information

IKF Finance Limited ('the Company' or 'the Holding Company') is a public company domiciled in India and incorporated under the provision of the Companies Act, 1956. The Company was registered as a non-deposit accepting Non-Banking Financial Company ('NBFC-ND') with the Reserve Bank of India ('RBI') and classified as a Non-Banking Financial Company-Asset Finance Company ('NBFC-AFC') with effect from May 12, 2014.The Company provides finance for commercial vehicles, construction equipment and other loans.

The consolidated financial statements relates to the Company and its subsidiary company IKF Home Finance Limited (IIKFHF) ("together hereinafter referred to as "Group").

1.1 Basis of Consolidation

i. The financial statements of the subsidiary company used in the consolidation are drawn up to the same reporting date as of the Company i.e. year ended March 31, 2024 and are prepared based on the accounting policies consistent with those used by the Company.

ii. Notes to these consolidated financial statements are intended to serve as a means of informative disclosure and a guide to better understanding of the consolidated position of the companies. Recognising this purpose, the Company has disclosed only such notes from the individual financial statements, which fairly present the needed disclosures. The accounting policies, notes and disclosures made by the parent are best viewed in its standalone financial statements.

The consolidated financial statements have been prepared on the following basis:

a. The financial statements of the Company and its subsidiary company has been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. The intra-group balances and intra-group transactions have been fully eliminated except where losses are realized.

b. The excess of cost to the Company of its investments in the subsidiary company over its share of equity of the subsidiary company, at the dates on which the investments in the subsidiary company is made, is recognized as 'Goodwill' being an asset in the consolidated financial statements. Alternatively, where the share of equity in the subsidiary company as on the date of investment is in excess of cost of investment of the Company, it is recognized as 'Capital Reserve' and shown under the head 'Reserves and Surplus', in the consolidated financial statements.

c. Minority interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit / loss for the year of the subsidiaries attributable to minority interest is identified and adjusted against the profit after tax of the Group to arrive at the income attributable to shareholders of the Company.

d. Goodwill arising on consolidation is not amortized but tested for impairment.

Subsidiary Considered in preparation of these consolidated financial statements are as under:

Name of the subsidiary	Country of in corporation	Proportion of ownership
IKF Home Finance Limited	India	89.89%

2 Material Accounting Policies

2.1 Basis of preparation

The financial statements for the year ended March 31, 2024 have been prepared by the Group in accordance with Indian Accounting Standards ("Ind AS") notified by the Ministry of Corporate Affairs, Government of India under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016, as amended from time to time, in this regard. Any application guidance/ clarifications/ directions issued by RBI or

Notes

forming part of Consolidated Financial Statements for the Year ended March 31, 2024

(Currency : ₹ in lakhs)

other regulators are implemented as and when they are issued/ applicable.

2.2 Presentation of Financial Statements

The financial statements are presented as per Division III of the Schedule III to the Companies Act 2013 as amended from time to time, for Non-Banking Financial Companies ('NBFCs') that are required to comply with Ind-AS. The Statement of Cash Flows has been presented as per the requirements of Ind-AS 7 Statement of Cash Flows. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non–current) is presented in Note

36 – Maturity analysis of assets and liabilities.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Group and/or its counterparties

2.3 Basis of Measurement

The financial statements have been prepared under the historical cost convention on the accrual basis except for certain financial instruments, plan assets of defined benefit plans and share based payment plans, which are measured at fair values at the end of each reporting period as explained in the accounting policies below. All amounts disclosed in the financial statements and notes have been rounded off to the nearest ₹ Lakhs in compliance with Schedule III of the Act, unless otherwise stated.

2.4 Accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) at the date of the financial statements and the reported amounts of revenues and expenses for the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual results could differ from these estimates. Any revisions to accounting estimates are recognized prospectively in the current and future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Key sources of estimation of uncertainty at the date of financial statements, which may cause a material adjustment to the carrying amount of assets and liabilities within the next financial year are included in the following notes:

a. Business model assessment

Classification and measurement of financial assets depends on the results of the solely payments of principal and interest (SPPI) and the business model test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

b. Effective Interest Rate (EIR) method

The Group recognizes interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loans given / taken.

This estimation, by nature, requires an element of judgement regarding the expected behaviour and

Notes

forming part of Consolidated Financial Statements for the Year ended March 31, 2024

(Currency : ₹ in lakhs)

lifecycle of the instruments, as well as expected changes to other fee income/expense that are integral parts of the instrument.

c. Impairment of loans portfolio

The measurement of impairment losses on loan assets requires judgement, in estimating the amount and timing of future cash flows and recoverability of collateral values while determining the impairment losses and assessing a significant increase in credit risk.

The Group's Expected Credit Loss (ECL) calculation is the output of a complex model with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL model that are considered accounting judgements and estimates include:

- PD calculation includes historical data, benchmarking, assumptions and expectations of future conditions.
- The Group's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life-time expected credit loss and the qualitative assessment.
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs

It is the Group's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

The impairment loss on loans and advances is disclosed in more detail in Note 6-Loans and Note 43- Risk Management.

d. Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

e. Fair value measurement:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

f. Operating Leases

Group as a lessee:

The Group has applied Ind AS 116 using the partial retrospective approach.

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right to use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes

Notes

forming part of Consolidated Financial Statements for the Year ended March 31, 2024

(Currency : ₹ in lakhs)

the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short term lease

The Group has elected not to recognise right of use asset and lease liabilities for short term leases of property that has lease term of 12 months or less. The Group recognises lease payment associated with these leases as an expense on a straight line basis over lease term.

g. Share based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

2.5 Revenue recognition

a. Interest Income on loans

Interest income is recorded using effective interest rate (EIR) method for all financial assets measured at amortised cost and at fair value through other comprehensive (FVOCI) income.

EIR is the rate that exactly discounts the estimated future cash flows through the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset except for credit impaired asset.

The calculation of the effective interest rate includes transaction costs and fees (loan processing fees, commission paid to direct selling agents and other premiums or discounts) that are an integral part of the contract. Transaction costs include incremental costs that are directly attributable to the acquisition of financial asset.

When a financial asset becomes credit-impaired, the Group calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial asset cures and is no longer credit-impaired, the Group reverts to calculating interest income on a gross basis.

b. Rental Income

Rental income arising from operating leases is recognised on a straight-line basis over the lease term. In cases where the increase is in line with expected general inflation rental income is recognised as per the contractual terms.

Operating leases are leases where the Group does not transfer substantially all of the risk and benefits of ownership of the asset.

c. Interest income on fixed deposits

Interest on fixed deposits is recognised on a time proportion basis taking into account the amount outstanding and the applicable rate.

Notes

forming part of Consolidated Financial Statements for the Year ended March 31, 2024

(Currency : ₹ in lakhs)

d. Other income

Other charges including application fees (penal interest, cheque bouncing charges, etc.) are recognised on realization basis.

2.6 Financial instruments

Financial assets and financial liabilities are recognised in the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Recognised financial assets and financial liabilities are initially measured at transaction price, which equates fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

A financial asset and a financial liability are offset and presented on net basis in the balance sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

a. Classification and measurement of Financial assets

Based on the business model, the contractual characteristics of the financial assets and specific elections where appropriate, the Group classifies and measures financial assets in the following categories:

- Amortised cost
- Fair value through other comprehensive income ('FVOCI')
- Fair value through profit and loss ('FVTPL')

Financial assets at amortised cost

Financial assets are measured at amortised cost using the effective interest rate (EIR) if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement and based on the assessment of the business model as asset held to collect contractual cash flows and SPPI, such financial assets are subsequently measured at amortised cost using effective interest rate ('EIR') method. Interest income and impairment expenses are recognised in statement of profit and loss. Any gain or loss on derecognition is also recognised in statement of profit and loss.

The EIR method is a method of calculating the amortised cost of a financial instrument and of allocating interest over the relevant period. The EIR is the rate that exactly discounts estimated future cash flows (including all fees paid or received that form an integral part of the EIR, transaction costs and other premiums or discounts) through the expected life of the instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

The Group records loans at amortised cost.

Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to sole payments of principal and interest on the principal amount outstanding and by selling financial assets.

Movements in the carrying amount of such financial assets are recognised in Other Comprehensive Income ('OCI'), except dividend income and interest income which is recognised in statement of profit and loss. Equity instruments at FVOCI are not subject to an impairment assessment.

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Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

b. Financial Liabilities

Financial liabilities are measured at amortised cost. The carrying amounts are determined based on the EIR method. Interest expense is recognised in statement of profit and loss. Any gain or loss on de-recognition of financial liabilities is also recognised in statement of profit and loss.

c. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group is recognised at the proceeds received, net of directly attributable transaction costs.

d. Reclassification

Financial assets are not reclassified subsequent to their initial recognition, apart from the exceptional circumstances in which the Group acquires, disposes of, or terminates a business line or in the period the Group changes its business model for managing financial assets. Financial liabilities are not reclassified.

e. De-recognition of financial assets and financial liabilities

i. Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Group also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Group has transferred the financial asset if, and only if, either:

i. The Group has transferred its contractual rights to receive cash flows from the financial asset, or

ii. It retains the rights to the cash flows but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement.

Pass-through arrangements are transactions whereby the Group retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

i. The Group has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.

ii. The Group cannot sell or pledge the original asset other than as security to the eventual recipients

The Group has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Group is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

i. The Group has transferred substantially all the risks and rewards of the asset, or

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ii. The Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

The Group considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Group has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Group's continuing involvement, in which case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

ii. Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying value of the original financial liability and the new financial liability with modified terms is recognised in statement of profit and loss.

f. Impairment of Financial Assets

The Group recognises impairment allowances for Expected Credit Loss (ECL) on all the financial assets that are not measured at FVTPL:

The ECL provision is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss.

The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on financial assets that are possible within the 12 months after the reporting date.

The Group performs an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Group categorises its loans into three stages as described below:

For non-impaired financial instruments

- Stage 1 is comprised of all non-impaired financial instruments which have not experienced a significant increase in credit risk (SICR) since initial recognition. A 12-month ECL provision is made for stage 1 financial instruments. In assessing whether credit risk has increased significantly, the Group compares the risk of a default occurring on the financial instrument as at the reporting date, with the risk of a default occurring on the financial instrument as at the date of initial recognition.

- Stage 2 is comprised of all non-impaired financial instruments which have experienced a SICR since initial recognition. The Group recognises lifetime ECL for stage 2 financial instruments. In subsequent reporting periods, if the credit risk of the financial instrument improves such that there is no longer a SICR since initial recognition, then entities shall revert to recognizing 12 months of ECL.

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For impaired financial instruments:

Financial instruments are classified as stage 3 when there is objective evidence of impairment as a result of one or more loss events that have occurred after initial recognition with a negative impact on the estimated future cash flows of a loan or a portfolio of loans. The Group recognises lifetime ECL for impaired financial instruments.

The calculation of ECLs

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

Probability of Default (PD) -

The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognized and is still in the portfolio. The concept of PD is further explained in Note 43-Risk Management.

Exposure at Default - The Exposure at Default is an estimate of the exposure at a future default date, considering expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

Loss Given Default – The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive.

Collateral Valuation

To mitigate its credit risks on financial assets, the Group seeks to use collateral, where possible. The collateral comes in various forms, such as movable and immovable assets, guarantees, etc. However, the fair value of collateral affects the calculation of ECLs. To the extent possible, the Group uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using other methodologies. Non-financial collateral, such as vehicles, is valued based on data provided by third parties or management judgements.

Collateral repossessed

In its normal course of business whenever default occurs, the Group may take possession of properties or other assets in its retail portfolio and generally disposes such assets through auction, to settle outstanding debt. Any surplus funds are returned to the customers/obligors. As a result of this practice, assets under legal repossession processes are not recorded on the balance sheet.

Write-offs

Loans are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when it is determined that the customer does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

g. Derivative Financial Instruments

A derivative is a financial instrument or other contract with all of the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or, other variable, provided that , in the case of a non-financial variable, it is not specific to a party to the contract (i.e. underlying)
- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts expected to have a similar response to changes in market factors.
- It is settled at future date.

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- The Company enters into derivative transactions with various counterparties to hedge its foreign currency risks and interest rate risks. Derivative transaction consists of hedging of foreign exchange transactions, which includes interest rate and currency swaps, interest rate options and forwards. The Company undertakes derivative transactions for hedging on-balance sheet liabilities.

Hedge Accounting:

Initial Recognition and subsequent remeasurement:

The group uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains and losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

h. Determination of fair value

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, the Group measures certain categories of financial instruments (as explained in Note 42- Fair Value Measurement) at fair value on each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1 financial instruments - Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Group has access to at the measurement date. The Group considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2 financial instruments - Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads.

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In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Group will classify the instruments as Level 3.

Level 3 financial instruments - Those that include one or more unobservable input that is significant to the measurement as whole.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. No such instances of transfers between levels of the fair value hierarchy were recorded during the reporting period.

2.7 Property, plant and equipment

Property, plant and equipment are carried at cost of acquisition less accumulated depreciation and accumulated impairment loss (if any). The total cost of the asset comprises the purchase price, taxes, duties, freight (net of rebates and discounts) and any other directly attributable costs of bringing the assets to their working condition for their intended use. Borrowing costs directly attributable to acquisition of those assets which necessarily take a substantial period of time to get ready for their intended use are capitalised. Advances paid towards the acquisition of assets outstanding at each balance sheet date are disclosed as other non-financial assets. The cost of assets not ready for their intended use at each balance sheet date is disclosed as capital work-in-progress.

Depreciation is provided on a straight-line method, over the estimated useful life of each asset as prescribed in Schedule II of the Companies Act, 2013 as follows:

Asset	Useful Life
Building	60 years
Office Equipment	5 years
Furniture and Fixture*	10 years
Computers	3 years
Vehicles (Car, Lorry, Bus)	8 years
Vehicles (Bike, Moped, Cycle)	10 years
Servers	6 years

*Useful life for Furniture and Fixture for IKF Home Finance Limited is 5 Years. For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuers the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

An item of property, plant and equipment, is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment, is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.8 Intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Cost comprise the purchase price and any attributable cost of bringing the asset to its working condition for its intended use

Intangible assets are amortised on a straight line basis over their estimated useful life.

The estimated useful life of intangible assets are as follows:

Asset	Useful Life
Software	6 years

2.9 Impairment of non-financial assets

Assessment is done at each balance sheet date as to whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, the recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. The smallest

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identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting years may no longer exist or may have decreased.

2.10 Employee benefits

Defined Contribution Plan:

The Group has a defined contribution plan for post-employment benefits in the form of Provident Fund. Under the Provident Fund Plan, the Group contributes to a Government administered provident fund / recognized provident fund on behalf of the employees. The Group has no further obligation beyond making the contributions.

The Group's contributions to the above Plan are charged to the Statement of Profit and Loss.

Defined Benefit Plan:

The Group provides for gratuity to all employees. The benefit is in the form of lump sum payments to vested employees on resignation, retirement, or death while in employment or on termination of employment of an amount equivalent to 15 days basic salary payable for each completed year of service as required under 'The Payment of Gratuity Act, 1972'. Vesting occurs upon completion of five years of service.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non- routine settlements; and
- Net interest expense or income

An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Other Employee Benefits:

The employees of the Group are entitled to compensated absence and deferred compensation as per the policy of the Group, the liability in respect of which is provided, based on an actuarial valuation carried out by an independent actuary as at the year end. The actuarial valuation method used by the independent actuary for measuring the liability is the Projected Unit Credit Method.

Actuarial gains and losses comprise experience adjustments and the effects of changes in the actuarial assumptions are recognized immediately in the Statement of Profit and Loss in the year in which they arise.

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. Unutilised leave balance that accrues to employees as at the year end is charged to the Statement of Profit and Loss on an undiscounted basis.

2.11 Income Taxes

Income-tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or

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credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income-tax expense is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in equity or in OCI.

(a) Current tax

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961, enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax assets and liabilities are offset only if, the Group:

- has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(b) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are reviewed at each reporting date and based on management's judgement, are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if the Group:

- has a legally enforceable right to set off current tax assets against current tax liabilities; and
- the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

2.12 Provision and contingencies

A provision is recognised when the Group has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost.

A contract is considered as onerous when the expected economic benefits to be derived by the Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the financial statements.

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2.13 Earnings per share

The Group reports basic and diluted earnings per share in accordance with Indian Accounting Standard 33 – "Earnings Per Share". Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share reflects the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by weighted average number of equity shares considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all potential equity shares.

2.14 Cash and cash equivalent

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

2.15 Statement of cash flows

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash future, any deferrals or accruals of past or future operating cash receipts or payments and item of expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

2.16 Share based payments

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting year, based on the Group₹s estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting year, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve.

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3 Cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on hand	164.16	231.31
Balances with banks in current accounts	4,556.87	27,585.94
Total	**4,721.03**	**27,817.25**

4 Bank balance other than cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks to the extent held as margin money*	3,549.17	6,098.78
Total	**3,549.17**	**6,098.78**

*Represent margin money deposits placed to avail term loans from banks, financial institutions and as cash collateral in connection with securitisation transactions.

5 Receivables

Particulars	As at March 31, 2024	As at March 31, 2023
(I) Trade receivables		
Receivables considered good - Secured		
Receivables considered good - Unsecured	145.64	-
Receivables which have significant increase in credit risk; and		
Receivables – credit impaired		
	145.64	**-**
Less: Provision for impairment	-	-
Total	**145.64**	**-**

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person, or from firms or private companies respectively in which any director is a partner, a director or a member.

Trade Receivables aging schedule

As at March 31st 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	145.64	-	-	-	-	145.64
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	**145.64**	**-**	**-**	**-**	**-**	**145.64**

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As at March 31st 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	-	-		-	-
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-		-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-		-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-		-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-		-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**

6 Loans

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Term loans	413,030.33	267,417.11
(ii) Others (ICD)	200.00	200.00
(iii) Staff loans	77.14	83.39
(iv) others		
(a) Trade advances	5,523.72	4,910.17
Total	**418,831.19**	**272,610.68**
Less: Impairment loss allowance	2,612.36	3,690.64
Total - Net of impairment loss allowance	**414,297.53**	**268,920.04**
(i) Secured by tangible assets*	413,030.33	267,417.11
(ii) Secured by intangible assets	-	-
(iii) Covered by Bank/ Government Guarantees	-	-
(iv) Unsecured	5,800.86	5,193.56
Total	**418,831.19**	**272,610.68**
Less: Impairment loss allowance	2,612.36	3,690.63
Total - Net of impairment loss allowance	**414,297.53**	**268,920.04**
(i) Public sectors		-
(ii) Others	418,831.19	272,610.68
Total	**418,831.19**	**272,610.68**
Less: Impairment loss allowance	2,612.36	3,690.63
Total - Net of impairment loss allowance	**414,297.53**	**268,920.04**
(i) Loans in India	418,831.19	272,610.68
(ii) Loans outside India		
Total	**418,831.19**	**272,610.68**
Less: Impairment loss allowance	2,612.36	3,690.63
Total - Net of impairment loss allowance	**414,297.53**	**268,920.04**

*Secured against hypothecation of automobiles, book debts, equitable mortgage of immovable property etc.

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6.1 The table below discloses credit quality and the maximum exposure to credit risk based on the company's year end stage classification. The numbers presented are gross of impairment loss allowance:

Particulars	As at March 31, 2024	As at March 31, 2023
Term loans		
Stage I	385,351.16	226,752.91
Stage II	24,814.49	38,975.34
Stage III	8,388.40	6,599.03
Total	**418,554.05**	**272,327.29**

7 Other Financial Assets

Particulars	As at March 31, 2024	As at March 31, 2023
Rent and utility deposit	425.71	373.95
Excess Interest Spread (EIS) Receivables	5,570.52	3,972.47
Other -unsecured, considered good	658.91	412.75
Total	**6,655.13**	**4,759.16**

8 Investments

Particulars	As at March 31, 2024	As at March 31, 2023
Investment in Equity instruments		
- Subsidiary (at cost)		
IKF Home finance limited*	-	-
(March 31,2024:5,74,04,177 Equity shares of ₹ 10 each fully paid &96,88,043 Equity shares of ₹ 5 partly paid; March 31, 2023: 5,74,04,177 Equity shares of ₹ 10 each fully paid)		
Investment in Debt instruments		
- Market Linked Debentures (at Fair Value through Profit or loss)	-	17,160.75
- Mutual Funds	1.00	-
- Debentures (at Amortised Cost)	12,405.62	4,087.07
Total (A)	**12,406.62**	**21,247.83**
(i) Investments in India	12,406.62	21,247.83
(ii) Investments outside India		-
Total (B)	**12,406.62**	**21,247.83**

9 Derivative Financial Instruments

Particulars	As at March 31, 2024	As at March 31, 2023
Forward rate agreements and interest rate swaps (net)	62.79	0
Total	**62.79**	**0**

Notes

forming part of Consolidated Financial Statements for the Year ended March 31, 2024

(Currency : ₹ in lakhs)

10 Other Non-Financial Assets

Particulars	As at March 31, 2024	As at March 31, 2023
Prepaid expenses	660.21	360.57
Advances to employees	0.28	0.67
GST input credit	629.19	523.41
Other -unsecured, considered good	1,002.06	2,502.84
Advance for expenses	38.18	
Advance given for purchase of property	2,000.00	
Total	**4,329.92**	**3,387.50**

11 Property, plant and equipment

Particulars	Leasehold Improvements	Furniture and Fixtures	Computer & Printer	Office equipment	Vehicles	Total	Right to Use Assets
Gross carrying amount							
As at March 31, 2022	**29.13**	**320.79**	**198.64**	**28.60**	**111.34**	**688.50**	**190.74**
Additions	-	22.68	97.29	11.50	-	131.47	457.33
Disposals	-	(2.47)	(27.70)	(0.54)	-	(30.71)	(22.89)
As at March 31, 2023	**29.13**	**341.00**	**268.24**	**39.55**	**111.34**	**789.26**	**625.18**
Additions	-	6.32	60.49	0.46	53.60	120.88	302.58
Disposals	-	-	(0.75)	-	-	(0.75)	-
As at March 31, 2024	**29.13**	**347.32**	**327.98**	**40.01**	**164.94**	**909.38**	**927.76**
Accumulated depreciation and impairment:							
As at March 31, 2022	**13.55**	**144.85**	**114.05**	**16.19**	**56.85**	**345.49**	**171.08**
Depreciation for the year	2.94	38.15	48.33	5.31	14.78	109.50	154.86
Disposals	-	(1.96)	(26.31)	(0.48)	-	(28.75)	(13.97)
As at March 31, 2023	**16.49**	**181.02**	**136.06**	**21.02**	**71.63**	**426.24**	**311.96**
Depreciation for the year	2.91	37.23	70.67	6.56	15.85	133.22	253.95
Disposals	-	-	(0.57)	-	-	(0.57)	-
As at March 31, 2024	**19.40**	**218.25**	**206.17**	**27.59**	**87.48**	**558.89**	**565.91**
Net book value							
As at March 31, 2022	15.58	175.94	84.60	12.41	54.49	343.00	19.67
As at March 31, 2023	12.64	159.98	132.18	18.53	39.71	363.02	313.21
As at March 31, 2024	**9.73**	**129.07**	**121.82**	**12.42**	**77.46**	**350.47**	**361.85**

Note: The Company has not revalued any of its property, plant and equipment during the years ended March 31, 2024 and March 31, 2023. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/ reversals is nil.

Notes

forming part of Consolidated Financial Statements for the Year ended March 31, 2024

(Currency : ₹ in lakhs)

12 Investment Property

Particulars	Buildings	Land	Total
Gross carrying amount			
As at March 31, 2022	**6.98**	**108.01**	**114.99**
Additions	-	-	-
Disposals	-	(42.00)	(42.00)
As at March 31, 2023	**6.98**	**66.01**	**72.99**
Additions	-	58.06	58.06
Disposals	-	-	-
As at March 31, 2024	**6.98**	**124.07**	**131.05**
As at March 31, 2022	**0.68**	**-**	**0.68**
Depreciation for the year	0.17	-	0.17
Disposals	-	-	-
As at March 31, 2023	**0.85**	**-**	**0.85**
Depreciation for the year	0.17	-	0.17
Disposals	-	-	-
As at March 31, 2024	**1.02**	**-**	**1.02**
Net book value			
As at March 31, 2022	6.30	108.01	114.31
As at March 31, 2023	6.13	66.01	72.14
As at March 31, 2024	**5.96**	**124.07**	**130.03**

(i) Amounts recognised in Statement of Profit and Loss for Investment Property

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Rental Income	9.15	7.63
Direct operating expense from property that generated rental income		-
Profit from investment properties before depreciation	**9.15**	**7.63**
Depreciation	0.17	0.17
Profit from investment properties	**8.98**	**7.46**

(ii) Contractual obligations

The Company has no contractual obligations to purchase, construct or develop investment property. However, the responsibility for its repairs, maintenance or enhancements is with the Company.

(iii) Fair value

The fair valuation of investment property as at March 31, 2024 is ₹ 448.18 lakhs(PY: ₹ 394.18 lakhs)

(iv) Pledged details

Investment property pledged in favor of consortium leader central bank for cash credit facility.

(v) Estimation of fair value

The fair values of investment property is determined by guidance value given by the local government of the area where the investment properties are located.

(vi) Revaluation

The Company has not revalued any of its investment property during the years ended March 31, 2024 and March 31, 2023. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/ reversals is nil.

Notes

forming part of Consolidated Financial Statements for the Year ended March 31, 2024

(Currency : ₹ in lakhs)

13 Capital work in Progress

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening Balance	-	-
Additions	47.59	-
Deductions	-	-
Closing Balance	**47.59**	-

Ageing for Capital work in Progress

Particulars	As at	Amount for a Period of				Total
		less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	31st March 2024	47.59	-	-	-	47.59
Projects in Progress	31st March 2023	-	-	-	-	-

13A Intangible assets under development

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening Balance	-	-
Additions	13.20	-
Deductions	-	-
Closing Balance	**13.20**	-

Ageing for Intangibles assets under development

Particulars	As at	Amount for a Period of				Total
		less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	31st March 2024	13.20	-	-	-	13.20
Projects in Progress	31st March 2023	-	-	-	-	-

13B Intangible assets

Particulars	Computer software
Gross carrying amount	
As at March 31, 2022	**403.90**
Additions	137.39
Disposal	-
As at March 31, 2023	**541.29**
Additions	43.41
Disposal	-
As at March 31, 2024	**584.69**
Accumulated amortisation and impairment	
As at March 31, 2022	**227.93**
Amortisation for the year	77.14
Disposal	-
As at March 31, 2023	**305.07**
Amortisation for the year	81.53
Disposal	-
As at March 31, 2024	**386.60**

Notes

forming part of Consolidated Financial Statements for the Year ended March 31, 2024

(Currency : ₹ in lakhs)

Particulars	Computer software
Net book value	
As at March 31, 2022	175.97
As at March 31, 2023	236.22
As at March 31, 2024	**198.09**

Note: The Company has not revalued any of its intangible assets during the years ended March 31, 2024 and March 31, 2023. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is nil.

14 Trade Payables

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of :		
(i) total outstanding dues of micro enterprises and small enterprises; (refer note 14.1 below)	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	157.85	113.02
Total	**157.85**	**113.02**

14.1 Disclosure relating to Micro, Small and Medium Enterprises Development Act, 2006 is as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Principal amount remaining unpaid to any supplier	-	-
(ii) Interest due thereon remaining unpaid to any supplier	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-
Total	**-**	**-**

14.2 Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

14.3 Trade Payable aging schedule

As at Mar 31, 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled	Less than 1 year	1-2 years	2-3 years	More Than 3 Years	
(i) MSME	-	-	-	-	-	-
(ii) Others	-	157.85	-	-	-	157.85
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	**-**	**157.85**	**-**	**-**	**-**	**157.85**

Notes

forming part of Consolidated Financial Statements for the Year ended March 31, 2024

(Currency : ₹ in lakhs)

As at Mar 31, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled	Less than 1 year	1-2 years	2-3 years	More Than 3 Years	
(i) MSME	-	-	-	-	-	-
(ii) Others	51.52	61.51	-	-	-	113.02
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	**51.52**	**61.51**	**-**	**-**	**-**	**113.02**

15 Debt Securities

Particulars	As at March 31, 2024	As at March 31, 2023
At amortised cost		
Secured		
Non convertible debentures	17,507.39	17,927.79
Unsecured		
Other non convertible debentures	3,491.66	8,712.88
Total	**20,999.05**	**26,640.66**
Debt Securities:		
Within India	20,999.05	26,640.66
Outside India		-
Total	**20,999.05**	**26,640.67**

Nature of security

Non convertible debentures (secured)

Non convertible debentures are secured by an exclusive charge by way of hypothecation of specific loan receivable created out of the loan proceeds and mortgage of personal properties of directors in addition to their personal guarantees.

The Company has utilised the funds raised from banks and financial institutions for the specific purpose for which they were borrowed.

The Company has borrowed funds from banks and financial institutions on the basis of security of current assets. It has filed quarterly returns or statements of current assets with banks and financial institutions and the said returns/statements are in agreement with books of accounts.

Notes

forming part of Consolidated Financial Statements for the Year ended March 31, 2024

(Currency : ₹ in lakhs)

Terms of repayment of Debt securities as on March 31, 2024

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Monthly repayment schedule								
1-7 Years	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Quarterly repayment schedule								
1-5 Years	9.01%-10.00%	8.00	6,666.65	10.00	5,833.35	-	-	12,500.00
	10.01%11.00%	4.00	3,500.00	-	-	-	-	3,500.00
	11.01%12.00%	-	-	-	-	-	-	-
	12.01%12.50%	0	0	-	-	-	-	-
Yearly repayment schedule								
1-5 Years	8.51%-9.50%	-	-	-	-	-	-	-
	9.51%-10.50%	4	2,031.33	6	2,978.07	-	-	5,009.40
	10.51%-11.50%	-	-	-	-	-	-	-
	11.51%-12.50%	-	-	-	-	-	-	-
Bullet repayment schedule								
1-7 Years	8.51%-9.50%	-	-	-	-	-	-	-
	9.51%-10.50%	-	-	-	0	-	-	0
	10.51%-11.50%	-	-	-	0	-	-	0
	11.51%-12.50%	-	-	-	-	-	-	-
Total			**12,197.98**	**-**	**8,811.42**	**-**	**-**	**21,009.40**
Add : Interest accrued but not due								100.62
Less : Unamortized Finance Cost								(110.97)
Total Amortized Cost			**12,197.98**		**8,811.42**		**-**	**20,999.05**

Terms of repayment of Debt securities as on March 31, 2023

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Monthly repayment schedule								
1-7 Years	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Quarterly repayment schedule								
1-5 Years	9.01%-10.00%	0	-	-	-	-	-	-
	10.01%-11.00%	4.00	3,500.00	4.00	3,500.00	-	-	7,000.00
	11.01%-12.00%	-	-	-	-	-	-	-
	12.01%-12.50%	0	-	-	-	-	-	-
Yearly repayment schedule								
1-5 Years	8.51%-9.50%	-	-	-	-	-	-	-
	9.51%-10.50%	1	833.33	-	-	-	-	833.33
	10.51%-11.50%	-	-	-	-	-	-	-
	11.51%-12.50%	-	-	-	-	-	-	-

Notes

forming part of Consolidated Financial Statements for the Year ended March 31, 2024

(Currency : ₹ in lakhs)

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Bullet repayment schedule								
1-7 Years	8.51%-9.50%	1	5,000.00	-	-	-	-	5,000.00
	9.51%-10.50%	2.00	6,500.00	-	1,000.00	-	-	7,500.00
	10.51%11.50%	-	-	-	5,500.00	-	-	5,500.00
	11.51%12.50%	-	-	-	-	-	-	-
Total			**15,833.33**	**-**	**10,000.00**	**-**	**-**	**25,833.33**
Add : Interest accrued but not due								862.81
Less : Unamortized Finance Cost								(55.48)
Total Amortized Cost			**15,833.33**		**10,000.00**		**-**	**26,640.67**

16 Borrowings (other than debt securities)

Particulars	As at March 31, 2024	As at March 31, 2023
At amortised cost		
Term loans (Secured)		
from banks	198,914.97	142,720.69
from non banking financial companies	45,148.80	26,757.56
from financial institutions	24,791.02	14,876.15
From National Housing Bank (NHB)	4,748.20	2,213.06
Loans repayable on demand (Secured):		
Cash credit from Bank	33,862.23	26,514.32
Associated liabilities in respect of securitisation transactions	-	-
Total	**307,465.24**	**213,081.79**
Borrowings:		
Within India	307,465.24	213,081.79
Outside India		
Total	**307,465.24**	**213,081.79**

Nature of security

Term loans (secured)

Term Loans from bank, financial institutions and NBFCs are secured by an exclusive charge by way of hypothecation of specific loan receivable created out of the loan proceeds and cash collateral by way of fixed deposits and mortgage of personal properties of directors in addition to their personal guarantees.

Loans repayable on demand (Secured)

These loans are secured against the first pari passu charge on current assets, book debts and receivables including loans & advances of the Company as per the agreement. Further, the loan has been guaranteed by personal guarantee of director/ promoter to the extent of ₹ 386.20 Cr (March 31, 2023: ₹ 332.20 Cr).

The Company has utilised the funds raised from banks and financial institutions for the specific purpose for which they were borrowed.

The Company has borrowed funds from banks and financial institutions on the basis of security of current assets. It has filed quarterly returns or statements of current assets with banks and financial institutions and the said returns/statements are in agreement with books of accounts.

Notes

forming part of Consolidated Financial Statements for the Year ended March 31, 2024

(Currency : ₹ in lakhs)

Terms of repayment of borrowings (other than debt) as on March 31, 2024

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Monthly repayment schedule								
1-10 Years	5.00%-6.00%	-	-	-	-	-	-	-
	6.01%-7.00%	-	-	-	-	-	-	-
	7.01%-8.00%	-	-	-	-	-	-	-
	8.01%-9.00%	90	4,355.92	104	2,717.93	-	-	7,073.85
	9.01%-10.50%	774	45,330.91	1,577	81,790.67	79	2,450	129,571.43
	10.51%-11.50%	161	8,449.75	128	4,103.91	-	-	12,553.66
	11.51%-12.50%	12	385.00	3	93.55	-	-	478.55
	12.51%-13.50%	24	781.08	12	288.82	-	-	1,069.90
Quarterly repayment schedule								
1-5 Years	6.00%-7.00%	-	-	-	-	-	-	-
	7.01%-8.00%	4	1,820.00	3	1,360.00	-	-	3,180.00
	8.01%-9.00%	51	3,718.46	116	4,002.94	51	1,125.12	8,846.53
	9.01%-10.50%	117	27,597.37	265	58,012.94	29	2,592.00	88,202.31
	10.51%-11.50%	41	5,364.71	93	10,082.42	10	499.91	15,947.04
	11.51%-12.50%	-	-	-	-	-	-	-
Bullet repayment schedule								
1-14 Years	5.00%-6.00%			1	7,500			7,500.00
	7.01%-8.00%							-
	8.01%-9.00%							-
	9.01%-10.50%							-
	10.51%-11.50%							-
Repayable on Demand	**9.01%-10.50%**			-	-	-	-	-
Total			**97,803.19**		**169,953.19**		**6,666.89**	**274,423.26**
Add : Interest accrued but not due								498.28
Less : Unamortized Finance Cost								(1,318.56)
Total Amortized Cost			**97,803.19**	-	**169,953.19**	-	**6,666.89**	**273,602.98**

Terms of repayment of borrowings (other than debt) as on March 31, 2023

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Monthly repayment schedule								
1-10 Years	5.00%-6.00%	-	-	-	-	-	-	-
	6.01%-7.00%	-	-	-	-	-	-	-
	7.01%-8.00%	-	-	-	-	-	-	-
	8.01%-9.00%	83	6,074.90	148	9,778.96	21.00	576.92	16,430.78
	9.01%-10.50%	287	25,588.15	465	48,105.12	9.00	571.85	74,265.12
	10.51%-11.50%	48	3,262.97	86	5,025.87	18.00	208.33	8,497.17
	11.51%-12.50%	15	998.71	21	1,145.85	-	-	2,144.56
	12.51%-13.50%	12	252.40	21	367.02	-	-	619.41

Notes

forming part of Consolidated Financial Statements for the Year ended March 31, 2024

(Currency : ₹ in lakhs)

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Quarterly repayment schedule								
1-5 Years	6.00%-7.00%	-	-	-	-	-	-	-
	7.01%-8.00%	16	2,335.20	55	4,236.30	9.00	92.80	6,664.30
	8.01%-9.00%	37	6,136.44	85	10,274.12	9.00	44.00	16,454.56
	9.01%-10.50%	74	15,311.06	160	30,251.00	36.00	1,481.56	47,043.62
	10.51%-11.50%	21	4,850.47	64	9,959.81	9.00	758.46	15,568.73
	11.51%-12.50%	-	-	-	-	-	-	-
Bullet repayment schedule								
1-14 Years	5.00%-6.00%	-	-	-	-	-	-	-
	9.51%-10.50%	-	-	-	-	-	-	-
	10.51%-11.50%	-	-	-	-	-	-	-
	11.51%-12.50%	-	-	-	-	-	-	-
	>13.50%	-	-	-	-	-	-	-
Repayable on Demand	**9.01%-10.50%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total			**64,810.28**		**119,144.05**		**3,733.93**	**187,688.25**
Add : Interest accrued but not due								235.23
Less : Unamortized Finance Cost								(1,356.02)
Total Amortized Cost			**64,810.28**	**-**	**119,144.05**	**-**	**3,733.93**	**186,567.47**

17 Subordinated Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured - At amortised cost		
Non convertible debentures (Tier-II)	16,372.47	16,345.06
Indian rupee loan from banks (Tier-II)	-	-
Total	**16,372.47**	**16,345.06**
Subordinated Liabilities:		
Within India	16,372.47	16,345.06
Outside India	-	-
Total	**16,372.47**	**16,345.06**

Terms of repayment of subordinated liabilities as on March 31, 2024

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Bullet repayment schedule								
1-7 Years	11.51%-12.50%							-
	>12.50%			2	16,500.00	-	-	16,500.00
Total					**16,500.00**		**-**	**16,500.00**
Add : Interest accrued but not due								10.59
Less : Unamortized Finance Cost								(138.12)
Total Amortized Cost					**16,500.00**		**-**	**16,372.47**

Notes

forming part of Consolidated Financial Statements for the Year ended March 31, 2024

(Currency : ₹ in lakhs)

Terms of repayment of subordinated liabilities as on March 31, 2023

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Bullet repayment schedule								
1-7 Years	11.51%-12.50%							-
	>12.50%			1	2,500.00	1	14,000.00	16,500.00
Total					**2,500.00**		**14,000.00**	**16,500.00**
Add : Interest accrued but not due								8.98
Less : Unamortized Finance Cost								(163.92)
Total Amortized Cost					**2,500.00**		**14,000.00**	**16,345.06**

18 Other financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Lease Liabilities	378.25	322.30
Employee benefits payable	590.28	441.36
Expenses payable	10.11	26.79
Other Payables	1,416.99	811.12
Security deposit from franchisees and Customers	1,979.77	431.47
Payable towards securitisation / assignment transactions	2,588.47	1,993.87
Total	**6,963.88**	**4,026.93**

19 Provisions

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for gratuity	280.82	205.77
Provision for leave benefits	62.16	56.12
Total	**342.98**	**261.89**

20 Other non-financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory dues payable	375.65	263.49
Total	**375.65**	**263.49**

21. Equity share capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number	Amount	Number	Amount
Authorised Capital				
Equity shares of ₹ 10 each	80,000,000	8,000.00	80,000,000	8,000.00
Preference shares of ₹ 100 each	2,500,000	2,500.00	2,500,000	2,500.00
	82,500,000	**10,500.00**	**82,500,000**	**10,500.00**
Issued, subscribed and fully paid-up shares				
Equity Shares of ₹ 10 each fully paid up	70,156,445	7,015.65	64,575,050	6,457.51
Coverted from Partly Paid to Fully Paid Equity Shares	-	-	-	-
	70,156,445	**7,015.65**	**64,575,050**	**6,457.51**

Notes

forming part of Consolidated Financial Statements for the Year ended March 31, 2024

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number	Amount	Number	Amount
Issued, subscribed and fully paid-up shares				
Equity Shares of ₹ 10 each, Fully paid up ₹ 10 per share	-	-	-	-
Converted to Fully Paid Equity Shares	-	-	-	-
	-	-	-	-
Total	**70,156,445**	**7,015.65**	**64,575,050**	**6,457.51**

A. Reconciliation of number of shares

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number	Amount	Number	Amount
Fully paid equity share of ₹ 10 each				
At the beginning of the year	64,575,050	6,457.51	52,659,067	5,265.91
Shares issued during the year	5,581,395	558.14	11,915,983	1,191.60
Coverted from Partly Paid to Fully Paid Equity Shares	-	-	-	-
Outstanding at the end of the year	**70,156,445**	**7,015.65**	**64,575,050**	**6,457.51**
Partly paid up equity share of ₹ 10 each, partly paid up ₹ 10 per share				
At the beginning of the year	-	-	-	-
Amount called/Issued during the year	-	-	-	-
Converted to Fully Paid Equity Shares	-	-	-	-
Outstanding at the end of the year	**-**	**-**	**-**	**-**

Notes:

B. Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share fully paid up. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend if and when proposed by the Board of Directors will be subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, if any, in proportion to the number of equity shares held by the shareholder.

C. Details of shareholder(s) holding more than 5% of equity shares in the Company :

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares held	% Holding	No. of shares held	% Holding
Equity shares of ₹ 10 each fully paid up				
Vupputuri Gopala Kishan Prasad	19,853,581	28.30%	19,853,581	30.74%
India Business Excellence Fund-IIA	13,051,546	18.60%	13,051,546	20.21%
Vistra ITCL (India) Limited (formerly known as IL and FS Trust Company Limited) (Trustee of Business Excellence Trust-II - India Business Excellence Fund II)	7,804,018	11.12%	7,804,018	12.09%
Accion Digital Transformation Fund, LP	5,581,395	7.96%	5,581,395	8.64%
Teachers Insurance And Annuity Association Of America	5,581,395	7.96%	-	-

As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Notes

forming part of Consolidated Financial Statements for the Year ended March 31, 2024

(Currency : ₹ in lakhs)

D. Shareholding of Promotors

Shares held by promotors at the end of the year	As at March 31, 2024			As at March 31, 2023		
	No. of Shares	% of Total Shares	% Change during the year	No. of Shares	% of Total Shares	% Change during the year
a. Equity shares of ₹ 10 each fully paid up*						
Vupputuri Gopala Kishan Prasad	19,853,581	28.30%	0.00%	19,853,581	30.74%	0.56%
Vupputuri Indira Devi	1,648,142	2.35%	0.00%	1,648,142	2.55%	0.00%
Koganti Vasumathi Devi	2,647,266	3.77%	0.00%	2,647,266	4.10%	0.00%
Devineni Vasantha Lakshmi	2,491,794	3.55%	0.00%	2,491,794	3.86%	0.00%
Vupputuri Raghu Ram	1,800,670	2.57%	0.00%	1,800,670	2.79%	0.00%
Durga Rani Chunduri	1,494,100	2.13%	0.00%	1,494,100	2.31%	0.00%
Sinha Satyanand Chunduri	117,700	0.17%	0.00%	117,700	0.18%	0.00%

E. Aggregate number of equity shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

Particular	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Equity shares of 10 each, fully paid up, allotted on conversion of 19,53,125/- 0.01% Compulsorily convertible preference share of ₹ 100 each, Fully paid-up	-	-	-	-	-

22. Other equity

Particulars	As at March 31, 2024	As at March 31, 2023
Capital reserve	32.50	32.50
Securities premium reserve	45,454.27	34,891.60
Share Based Payment reserve	21.71	20.63
Statutory Reserve under section 45-IC of the Reserve Bank of India Act, 1934	7,533.09	5,993.60
Statutory Reserve U/s 29C of NHB Act	1,570.54	978.47
Provision U/s 36(viia) Income tax Act, 1961	(2.90)	37.98
General reserve	1,856.36	1,471.49
Retained earnings	29,925.98	22,518.93
Total	**86,391.55**	**65,945.19**

Nature and purpose of reserve

a. Capital reserve

This reserve was created to record the excess carrying value of optionally convertible debentures provided through securities premium. The excess value is recorded by reversing the capital reserve with corresponding debit to debentures.

b. Securities premium reserve

The securities premium reserve is used to record the premium received on issue of shares. The reserve cab be utilised only for limited purpose such as issuance of bonus shares in accordance with provision of the Companies Act, 2013.

Notes

forming part of Consolidated Financial Statements for the Year ended March 31, 2024

(Currency : ₹ in lakhs)

c. Statutory reserve

Reserves created under Section 45IC of The Reserve Bank of India Act, 1934

d. Share based payment reserve

The share based payment reserve is used to recognise the grant date fair value of options issued to employees of the Company and its subsidiaries under stock option schemes of the Company.

e. Retained earnings

Retained earnings represents surplus / accumulated earnings of the Company and are available for distribution to shareholders.

f. General Reserve

It is a free reserve which is created by appropriation from profits of the current year and/or undistributed profits of previous years, before declaration of dividend duly complying with any regulations in this regard.

g. Statutory Reserve U/s 29C of NHB Act

Section 29C (i) of The National Housing Bank Act, 1987 defines that every housing finance institution which is a Company shall create a reserve fund and transfer therein a sum not less than twenty percent of its net profit every year as disclosed in the statement of profit and loss before any dividend is declared. Accordingly Company has transferred ₹1,641.95/- lakhs for the year ended Mar 31, 2024 to the Reserve in terms of Section 29C of the National Housing Bank ("NHB") Act, 1987.

h. Provision U/s 36(viia) Income tax Act, 1961

Reserves created under U/s 36(viia) Income tax Act, 1961

B. Movement in Other equity

Particulars		As at March 31, 2024	As at March 31, 2023
I.	**Capital Reserve**		
	Opening balance	32.50	32.50
	Add : Share issued during the year	-	-
		32.50	**32.50**
II.	**Securities premium reserve**		
	Opening balance	34,891.60	10,576.37
	Add : Premium received on issue of securities	11,441.86	24,315.23
	Less : Share issue expenses	(879.18)	
		45,454.27	**34,891.60**
III.	**Share Based Payment reserve**		
	Opening balance	20.63	24.62
	Add : During the year	1.08	(4.00)
		21.71	**20.63**
IV.	**Statutory Reserve under section 45-IC of the Reserve Bank of India Act, 1934**		
	Opening balance	5,993.60	4,993.50
	Add : Transfer from retained earnings	1,539.49	1,000.10
		7,533.09	**5,993.60**

Notes

forming part of Consolidated Financial Statements for the Year ended March 31, 2024

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
V. Statutory Reserve U/s 29C of NHB Act		
Opening balance	978.47	724.23
Add : Transfer from retained earnings	592.06	267.90
	1,570.54	**992.13**
VI. Provision U/s 36(viia) Income tax Act, 1961		
Opening balance	37.98	37.98
Add : Transfer from retained earnings	(40.88)	-
	(2.90)	**37.98**
VII. General Reserve		
Opening balance	1,471.49	1,221.46
Add : Transfer from retained earnings	384.87	250.03
	1,856.36	**1,471.49**
VIII. Retained earnings		
Opening balance	22,518.93	18,183.90
Add : Prior Period items		(280.75)
Add : Profit for the year	9,942.73	6,065.83
Add : Other comprehensive income	(19.22)	28.10
Appropriations:		
Transfer to Statutory Reserve u/s 45-IC of the Reserve Bank of India Act, 1934	(1,539.49)	(1,000.10)
Transfer to Statutory NHB Reserve	(592.06)	(267.90)
Transfer to Hedge Reserve	-	39.87
Transfer to General reserve	(384.87)	(250.03)
	29,925.98	**22,518.93**
	-	**-**
Total	**29,925.98**	**22,518.93**

23 Interest income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
On financial assets measured at amortised cost		
Interest on loans	53,929.45	35,766.47
Interest on deposits with banks	265.25	177.42
Interest on Intercorporate Deposits	24.50	-
Interest on investment in debentures	2,487.69	606.38
Income from investment from Mutual Funds	3.10	-
Total	**56,709.99**	**36,550.27**

24 Fees and commission income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Other fees and charges	1,212.21	890.61
Total	**1,212.21**	**890.61**

Notes

forming part of Consolidated Financial Statements for the Year ended March 31, 2024

(Currency : ₹ in lakhs)

25 Other Operating Income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Bad debts recovered	19.64	3.20
Total	**19.64**	**3.20**

26 Other income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest on income tax refund	16.48	-
Rental income	9.15	7.63
Net gain/loss on foreign currency transactions	3.66	-
Reversal of provisions	40.88	-
Miscellaneous Income	588.17	393.01
Total	**658.34**	**400.63**

26.1 Finance costs

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
On financial liabilities measured at amortised cost		
Interest on deposits	67.09	50.07
Interest on borrowings	22,989.67	15,142.76
Interest on debentures	1,554.49	1,354.17
Interest on subordinated liabilities	2,353.96	1,506.21
Interest on ICD	-	-
Interest on lease liabilities	37.43	36.00
Interest on securitisation	-	99.70
Bank Charges	6.74	21.29
Other finance cost	1,466.70	1,007.32
Total	**28,476.10**	**19,217.53**

26.2 Net loss on fair value changes

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Net loss on fair value changes	-	-
Total	**-**	**-**

27 Impairment on financial instruments

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
On financial instruments measured at amortised cost		
Loans	843.03	43.38
Trade receivables	-	-
Bad debts and write offs	1,175.29	584.83
Total	**2,018.32**	**628.21**

Notes

forming part of Consolidated Financial Statements for the Year ended March 31, 2024

(Currency : ₹ in lakhs)

28 Employee benefits expenses

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries and wages	9,847.53	6,586.19
Contribution to provident and other funds	466.55	329.63
Share based payment to employees	1.08	(4.00)
Staff welfare expenses	213.25	146.65
Gratuity	101.05	73.23
Leave encashment	8.78	(104.57)
Total	**10,638.24**	**7,027.13**

29 Depreciation, amortization and impairment

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation on property, plant and equipment	133.22	109.50
Depreciation on right to use assets	253.95	154.86
Depreciation on investment property	0.17	0.17
Amortization of intangible assets	81.52	77.13
Total	**468.86**	**341.65**

30 Other expenses

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Rent	515.58	420.81
Communication cost	123.07	126.90
Travelling and conveyance	398.24	285.90
Rates and taxes	791.12	524.10
Insurance	46.36	36.19
Commission and Brokerage	162.89	118.57
Repairs and maintenance	153.93	84.14
Printing and stationary	44.75	51.37
Payment to auditors (Refer Note 30.1)	39.96	29.38
Advertisement, publicity and sales promotion expenses	12.93	11.49
Operation Cost	65.21	141.63
Legal and professional fees	620.72	388.55
Corporate social responsibility (Refer Note 30.2)	137.53	115.66
Director sitting fees	29.45	11.40
Loss on sale of property, plant and equipment	-	1.91
Loss on sale of Investment Property	-	3.15
Miscellaneous expenses	155.80	30.68
Total	**3,297.51**	**2,381.84**

Notes

forming part of Consolidated Financial Statements for the Year ended March 31, 2024

(Currency : ₹ in lakhs)

30.1 Payment to the auditors:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Auditor's remuneration		
- Audit fees	37.91	28.00
In other capacity	-	-
- Certification services	2.05	1.20
Other of pocket expenses	-	0.18
Total	**39.96**	**29.38**

30.2 Corporate social responsibility:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
a) Amount required to be spent by the company during the year	134.05	114.47
b) Amount of expenditure incurred		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	135.38	115.56
c) Shortfall at the end of the year	-	-
d) Total of previous years shortfall	-	-
e) Net Shortfall	-	
f) Reason for shortfall	NA	NA
g) Natuure of CSR activities	HealthCare, Education & Skill Development, Gender Equality and Empowerment, Environment.	Disaster relief, Sanitation and Hygiene.
h) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	-	-
i) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	-	-

Notes

forming part of Consolidated Financial Statements for the Year ended March 31, 2024

(Currency : ₹ in lakhs)

31 Income tax

(a) Income tax expense

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	₹	₹
Current tax		
Current tax on profits for the year	3,327.22	1,717.24
Adjustment for current tax of the prior periods	11.88	12.91
Subtotal (A)	**3,339.10**	**1,730.14**
Deferred tax		
Decrease/(Increase) in deferred tax assets	(417.66)	(237.76)
(Decrease)/Increase in deferred tax liabilities	589.44	600.49
Subtotal (B)	**171.80**	**362.73**
Deferred tax asset/ (liability) relating to items recognised in other Comprehensive Income (C)	**(9.71)**	**(3.32)**
Income tax expense for the year (A+B-C)	**3,520.61**	**2,096.19**

(b) Deferred tax

The major components of deferred tax (liabilities) arising on account of timing differences for the year ended March 31, 2024:

Particulars	Net balance March 31, 2023	Recognised in profit or loss	Recognised in OCI	Net balance March 31, 2024
Deferred tax assets				
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	58.33	16.69	(1.62)	73.40
Impact of provision for expected credit loss on loans	785.99	212.17	-	998.16
Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	14.81	8.66	-	23.47
Impact of leases under Ind AS 116	69.96	(0.32)	-	69.64
EIR impact of financial asssets and liabilities	215.94	177.72	-	393.66
Share based payment	5.19	0.27	-	5.46
Others	-	0.84	-	0.84
(A)	**1,150.21**	**416.03**	**(1.62)**	**1,564.63**
Deferred tax liabilities				
Impact of amortisation of anciallary borrowing cost	286.13	108.35	-	394.48
EIR impact of financial asssets and liabilities	296.88	275.14	(8.09)	563.93
Impact of direct assignment and securitisaton transactions	843.29	126.07	-	969.36
Interest income recognised on stage 3 loans	120.57	35.83	-	156.40
Others	67.68	52.15	-	119.82
(B)	**1,614.56**	**597.53**	**(8.09)**	**2,203.99**
Deferred tax assets (net) (A-B)	**(464.34)**	**(181.50)**	**(9.71)**	**(639.36)**

Notes

forming part of Consolidated Financial Statements for the Year ended March 31, 2024

(Currency : ₹ in lakhs)

The major components of deferred tax (liabilities) arising on account of timing differences for the year ended March 31, 2023:

Particulars	Net balance March 31, 2022	Recognised in profit or loss	Recognised in OCI	Net balance March 31, 2023
Deferred tax assets				
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	86.24	(24.58)	(3.32)	58.33
Impact of provision for expected credit loss on loans	775.72	10.27		785.99
Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	10.72	4.09		14.81
Impact of leases under Ind AS 116	2.82	67.14		69.96
EIR impact of financial asssets and liabilities	37.40	178.54		215.94
Share based payment	6.20	(1.01)		5.19
Others	-	-		-
(A)	**919.09**	**234.44**	**(3.32)**	**1,150.21**
Deferred tax liabilities				
Impact of amortisation of anciallary borrowing cost	120.56	165.58		286.13
Remeasurement of defined benefit plan	-	-		-
EIR impact of financial asssets and liabilities	39.98	256.90		296.88
Impact of direct assignment and securitisaton transactions	747.75	95.55		843.29
Interest income recognised on stage 3 loans	103.07	17.51		120.57
Others	2.71	64.96		67.68
(B)	**1,014.06**	**600.49**	**-**	**1,614.56**
Deferred tax assets (net) (A-B)	**(94.98)**	**(366.05)**	**(3.32)**	**(464.34)**

(c) Reconciliation of effective tax rate

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	₹	₹
Profit before tax as per Statement of profit and loss (A)	13,701.12	8,248.34
Applicable income tax rate	25.17%	25.17%
Expected Income Tax Expense (B)	**3,448.30**	**2,075.94**
Tax effect of:		
Effect of income exempt from tax	(11.05)	(0.55)
Effect of expenses/provisions not deductible in determining taxable profit	71.84	57.95
Effect of differential tax rate	-	-
Adjustment related to tax of prior years	11.88	12.91
Others	(0.37)	(49.89)
Income tax expense	**3,520.61**	**2,096.38**

Notes

forming part of Consolidated Financial Statements for the Year ended March 31, 2024

(Currency : ₹ in lakhs)

32 Employee Benefits

a. Defined contribution plan - provident funds

In accordance with Employees' Provident Fund and Miscellaneous Provisions Act, 1952, employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which, both the employee and the Company contribute monthly at a determined rate. These contributions are made to a recognized provident fund administered by Regional Provident Fund Commissioner. The employees contribute 12% of their basic salary and the Company contributes an equal amount.

The Company recognised ₹ 466.55 lakhs (PY: ₹ 329.63 lakhs) for year ended March 31, 2024, for provident fund and other contributions in the Statement of profit and loss.

b. Defined Benefit Plan - Gratuity

The Company has a defined benefit gratuity plan (unfunded). Every employee who has completed five years or more of service is eligible for gratuity on cessation of employment and it is computed at 15 days salary (last drawn salary) for each completed year of service subject to limit of ₹ 20 lakhs as per The Payment of Gratuity Act. 1972.

The following tables summarizes the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the Balance Sheet for the gratuity plan.

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of obligation (A)	280.82	205.78
Fair Value of plan assets (B)	-	-
Present value of obligation (A- B)	**280.82**	**205.78**

Particulars	As at March 31, 2024	As at March 31, 2023
Obligation expected to be settled in the next 12 months	23.08	16.72
Obligation expected to be settled beyond next 12 months	257.74	189.06

Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

Particulars	Defined Benefit Obligation		Fair Value of plan assets		Net defined benefit (asset) liability	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Opening balance	205.78	152.37	-	-	205.78	152.37
Current service cost	86.31	62.11	-	-	86.31	62.11
Past service cost	-	-	-	-	-	-
Interest cost (income)	14.75	11.12	-	-	14.75	11.12
Defined benefit cost included in P&L	**101.05**	**73.23**	**-**	**-**	**101.06**	**73.23**
Other comprehensive income						
Remeasurement loss (gain) due to:						
Demographic assumptions	-	-	-	-	-	-
Financial assumption	4.30	(1.89)	-	-	4.30	(1.89)
Experience adjustments	(11.44)	(15.37)	-	-	(11.44)	(15.37)
Total remeasurements in OCI	**(7.15)**	**(17.26)**	**-**	**-**	**(7.15)**	**(17.26)**

Notes

forming part of Consolidated Financial Statements for the Year ended March 31, 2024

(Currency : ₹ in lakhs)

Particulars	Defined Benefit Obligation		Fair Value of plan assets		Net defined benefit (asset) liability	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Others						
Benefits paid	(18.85)	(2.42)	-	-	(18.85)	(2.42)
Closing balance	**280.83**	**205.93**	**-**	**-**	**280.84**	**205.93**

Actuarial assumptions:

The following were the principal actuarial assumptions at the reporting date:

Particulars	As at March 31, 2024	As at March 31, 2023
IKF FINANCE LIMITED		
Discount rate	7.23%	7.51%
Salary escalation rate	6.00%	6.00%
Withdrawal/attrition rate (based on categories)	9.00%	9.00%
Mortality rate (as % of IALM (2012-14) Ult. Mortality Table)	100.00%	100.00%
Disability rate	0.00%	0.00%
Expected weighted average remaining working lives of employees	**25.18 years**	**25.36 years**
IKF HOME FINANCE LIMITED		
Discount rate	7.23%	7.50%
Salary escalation rate	5.00%	5.00%
Withdrawal/attrition rate (based on categories)	5.95%	5.95%
Mortality rate (as % of IALM (2012-14) Ult. Mortality Table)	100.00%	100.00%
Disability rate	0.00%	0.00%
Expected weighted average remaining working lives of employees	**25.38 years**	**24.79 years**

Notes:

a) The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields / rates available on applicable bonds as on the current valuation date.

b) The salary growth rate indicated above is the Company's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

c) Attrition rate indicated above represents the Company's best estimate of employee turnover in future (other than on account of retirement, death or disablement) determined considering various factors such as nature of business, retention policy, industry factors, past experience, etc.

Sensitivity analysis:

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Notes

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(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Increase	Decrease	Increase	Decrease
Salary escalation Rate (+/- 1%)	303.28	260.87	222.27	191.08
IKF Finance	7.19%	-6.44%	7.00%	-6.31%
IKF Home Finance	11.34%	-9.88%	11.06%	-9.64%
Discount Rate (+/- 1%)	261.14	303.32	191.41	222.18
IKF Finance	-6.49%	7.37%	-6.34%	7.18%
IKF Home Finance	-9.17%	10.66%	-8.90%	10.36%
Withdrawal Rate (+/- 1%)	280.22	281.22	205.94	205.40
IKF Finance	-0.23%	0.18%	0.10%	-0.17%
IKF Home Finance	-0.14%	-0.04%	0.03%	-0.23%

The Sensitivity is performed on the defined benefit obligation at the respective valuation date by modifying one parameter whilst retaining other parameters constant. There are no changes from the previous year to the methods and assumptions underlying the sensitivity analyses.

Expected future contributions

The Best Estimate Contribution for the Company during the next year would be ₹ Nil

Expected cash flow for following years:

Maturity Profile of Defined Benefit Obligations

Year 1	23.28
Year 2	36.18
Year 3	19.03
Year 4	31.22
Year 5	25.74
Year 6	23.92
Year 7	24.12
Year 8	25.86
Year 9	28.18
Year 10	24.71
Year 11+	292.35

The weighted average duration of the defined benefit obligation for IKF Finance is 7.93 (for IKF Home Finance is 11.00)

c. Compensated absences :

The Company provides for accumulated compensated absences as at the balance sheet date using projected unit credit method based on actuarial valuation.

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of unfunded obligation	62.16	56.12
Expenses recognised in the Statement of Profit and Loss	8.78	(104.57)

Notes

forming part of Consolidated Financial Statements for the Year ended March 31, 2024

(Currency : ₹ in lakhs)

33 Earnings per share

Particulars	As at March 31, 2024	As at March 31, 2023
Profit for the year	10,180.51	6,151.96
Weighted average number of equity shares used in calculating basic earnings per share	680.00	536.99
Effect of potential dilutive Equity Shares on account of unexercised employee stock options	0.23	0.19
Weighted average number of equity shares and potential equity shares used in calculating diluted earnings per share	680.23	537.18
Basic earnings per share	**14.97**	**11.46**
Diluted earnings per share	**14.97**	**11.45**

34 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Promoters of the Company. The Company operates only in one Business Segment i.e. lending, since the nature of the loans are exposed to similar risks and return profiles, hence they are collectively operating under a single segment. Accordingly the Company does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

35 Transfer of financial assets

Transfer of financial assets that are not derecognised in their entirety

(i) Securitisations:

The Company uses securitisations as a source of finance. Such transactions generally result in the transfer of contractual cash flows from portfolios of financial assets to holders of issued debt securities. Securitisation has resulted in the continued recognition of the securitised assets.

The table below outlines the carrying amounts and fair values of all financial assets transferred that are not derecognised in their entirety and associated liabilities.

Particulars	As at March 31, 2024	As at March 31, 2023
Carrying amount of transferred assets measured at amortised cost	-	-
Carrying amount of associated liabilities	-	-

The carrying amount of above assets and liabilities is a reasonable approximation of their fair values.

Transfer of financial assets which qualify for derecognition in their entirety

(i) Assignment transaction

The Company has sold loans and advances measured at amortised cost under assignment deals, as a source of finance. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the buyer, the assets have been derecognised from the Company's balance sheet.

The gain arising on said transactions are recorded upfront by discounting the future cash flows accruing in the form of differential interest on such assigned loan to their present values.

The table below summarises the carrying amount of the Excess Interest Spread (EIS) receivable on above transaction which are derecognised

Particulars	As at March 31, 2024	As at March 31, 2023
Carrying amount of EIS receivable	5,570.52	3,972.47

Notes

forming part of Consolidated Financial Statements for the Year ended March 31, 2024

(Currency : ₹ in lakhs)

36 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulars	As at March 31, 2024			As at March 31, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	4,721.03	-	4,721.03	27,817.26	-	27,817.26
Bank Balance other than cash and cash equivalents	2,678.96	870.22	3,549.18	4,280.30	1,818.49	6,098.79
Receivables	-	-	-	-	-	-
(I) Trade receivables	145.64	-	145.64	-	-	-
(II) Other receivables	-	-	-	-	-	-
Loans	117,254.30	297,043.22	414,297.52	78,156.11	190,763.93	268,920.04
Investments	12,406.62	0.00	12,406.62	21,247.83	-	21,247.83
Derivative financial instruments	62.79	-	62.79	-	-	-
Other Financial assets	2,230.68	4,308.15	6,538.84	1,391.40	3,239.08	4,630.49
Sub total	**139,500.02**	**302,221.60**	**441,721.63**	**132,892.90**	**195,821.50**	**328,714.41**
Non-financial assets						
Current Tax assets (Net)	43.25	-	43.25	372.98	27.57	400.55
Deferred Tax assets (Net)	-	-	-	-	-	-
Investment Property	-	130.03	130.03	-	72.14	72.14
Property, plant and equipment	-	350.47	350.47	-	363.00	363.00
Right to Use Assets	-	361.85	361.85	-	313.23	313.23
Capital work in progress	-	47.59	47.59	-	-	-
Intangibles assets under development	-	13.20	13.20	-	-	-
Other intangible assets	-	198.09	198.09	-	236.22	236.22
Other non-financial assets	65.15	4,381.07	4,446.22	40.79	3,475.36	3,516.15
Sub total	**108.40**	**5,482.30**	**5,590.70**	**413.77**	**4,487.52**	**4,901.29**
Total assets	**139,608.42**	**307,703.90**	**447,312.33**	**133,306.67**	**200,309.02**	**333,615.70**
LIABILITIES AND EQUITY						
LIABILITIES						
Financial liabilities						
Derivative Financial Instruments	-	-	-	5.40	-	5.40
Payables						
(I) Trade payables and Other payables						
(i) total outstanding dues of creditors of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	157.85	-	157.85	113.02	-	113.02
Debt Securities	12,267.27	8,731.78	20,999.05	23,187.85	3,452.82	26,640.67
Borrowings (Other than Debt Securities)	130,323.75	177,141.48	307,465.23	91,456.86	121,624.93	213,081.79

Notes

forming part of Consolidated Financial Statements for the Year ended March 31, 2024

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Subordinated Liabilities	10.59	16,361.88	16,372.47	8.98	16,336.07	16,345.06
Other Financial liabilities	4,218.24	1,855.45	6,073.69	3,335.85	280.32	3,616.17
Sub total	**146,977.70**	**204,090.59**	**351,068.29**	**118,107.96**	**141,694.15**	**259,802.11**
Non-Financial liabilities						
Current tax liabilities (Net)	114.33	-	114.33	-	-	-
Provisions	-	342.99	342.99	26.72	235.17	261.89
Deferred tax liabilities (Net)	-	639.43	639.43	188.82	275.55	464.37
Other non-financial liabilities	1,178.82	87.02	1,265.84	674.25	-	674.25
Sub total	**1,293.15**	**1,069.43**	**2,362.58**	**889.78**	**510.72**	**1,400.50**
Total liabilities	**148,270.85**	**205,160.03**	**353,430.87**	**118,997.74**	**142,204.87**	**261,202.61**

37 Changes in liabilities arising from financing activities

Particulars	As at March 31, 2023	Cash Flows (net)	Others (net)*	As at March 31, 2024
Subordinated liabilities	16,345.06	(0.00)	27.41	16,372.46
Debt securities	26,640.68	(4,889.84)	(751.78)	20,999.06
Borrowing other than debt securities	213,081.67	94,365.04	18.40	307,465.11
	256,067.40	**89,475.20**	**(705.97)**	**344,836.64**

Particulars	As at March 31, 2022	Cash Flows (net)	Others (net)*	As at March 31, 2023
Subordinated liabilities	6,003.45	10,500.00	(158.39)	16,345.06
Debt securities	23,807.92	2,750.08	82.68	26,640.68
Borrowing other than debt securities	132,139.07	82,050.17	(1,107.57)	213,081.67
	161,950.44	**95,300.24**	**(1,183.28)**	**256,067.40**

* Others column includes the effect of accrued but not paid interest on borrowing, amortisation of processing fees and cash flows from securitisation etc.

38 Employee Stock Option Plan (ESOP)

The Company had granted 5,62,860 Equity shares (face value of ₹ 10/- each) under Employee Stock Option Plan 2019 on June 11, 2019 to the employees of IKF Finance Limited. The shares will vest gradually and vesting of these shares is dependent on continued employment with the company.

A. Expenses arising from share-based payment transactions

Total expenses arising from equity - settled share-based payment transaction recognised in profit or loss as part of employee benefit expense for the year ended March 31, 2024 is ₹ 1.08 lakhs (March 31, 2023 - ₹ (4.00) lakhs).

B. Movement during the year

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year:

Notes

forming part of Consolidated Financial Statements for the Year ended March 31, 2024

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number	WAEP	Number	WAEP
Outstanding at 1 April	146,800.00	120.00	206,000.00	120.00
Granted during the year	-		-	
Forfeited during the year		120.00	59,200.00	120.00
Exercised during the year	-		-	
Expired during the year	-		-	
Outstanding at 31 March	146,800.00	120.00	146,800.00	120.00
Exercisable at 31 March	146,800.00	120.00	102,760.00	120.00

No Share options granted during the year. No options were vested or exercised during the year.

The weighted average remaining contractual life for the share options outstanding as at March 31, 2024 is 0 years (March 31, 2023: 0.15 years).

The weighted average fair value of options granted during the year ending March 31, 2020 was 14.79

C. Fair value of options granted

The weighted average fair value of options granted during the year ending March 31, 2020 was 14.79. The fair value of options was determined using the Black Scholes Model using the following inputs as follows :

Particulars	As at March 31, 2024	As at March 31, 2023
Weighted average fair values at the measurement date	14.79	14.79
Expected volatility (%)	0.36%	0.36%
Risk–free interest rate (%)	4.50%	4.50%
Expected life of share options/SARs (years)	1.30 years to 4.30 years	1.30 years to 4.30 years
Weighted average share price (₹)	120.00	120.00

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

39 Contingent liabilities and commitments

In the ordinary course of business, the Company faces claims and assertions by various parties. The Company assesses such claims and assertions and monitors the legal environment on an ongoing basis, with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

The Company believes that the outcome of these proceedings will not have a materially adverse effect on the Company's financial position and results of operations.

39.1 Contingent Liability

There are no Contingent Liabilities as on March 31, 2024 (March 31, 2023: ₹ 0.)

39.2 Commitment

There is a capital commitment of ₹ 4478.10 lakhs as on March 31, 2024 (March 31, 2023: ₹ 0.)

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forming part of Consolidated Financial Statements for the Year ended March 31, 2024

(Currency : ₹ in lakhs)

40 Leases

Company as a Lessee

The Company's lease asset classes primarily consist of leases for office spaces. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:(i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset (ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) . For these short-term leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Following are the changes in the carrying value of right of use assets

Particulars	As at March 31, 2024	As at March 31, 2023
Opening	313.21	19.67
Additions	302.58	457.31
Deletion	-	(8.92)
Depreciation	(253.95)	(154.86)
Closing Balance	**361.82**	**313.21**

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(Currency : ₹ in lakhs)

The following is the movement in lease liabilities :

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning	322.30	21.09
Additions	281.66	428.95
Finance cost accrued during the period	46.08	36.00
Payment of lease liabilities	(271.81)	(163.73)
Balance at the end	**378.25**	**322.30**

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at March 31, 2024	As at March 31, 2023
Less than 3 months	59.29	44.40
Over 3 months & upto 6 months	60.63	44.56
Over 6 months & upto 1 year	126.63	88.99
Over 1 year & upto 3 years	131.46	177.42
Over 3 years	14.84	6.89

The following are the amounts recognised in statement of profit or loss:

Particulars	As at March 31, 2024	As at March 31, 2023
Depreciation expense of right-of-use assets	253.95	154.86
Interest expense on lease liabilities	46.08	36.00
Expense relating to short-term leases	515.58	420.81
Total amount recognised in profit or loss	**815.62**	**611.66**

Future Commitments:

Particulars	As at March 31, 2024
Future undiscounted lease payments for which the leases have not yet commenced	-

Extension / Termination Options:

Some of the leases contain extension and termination options. Such options are taken into account in the determination of the lease term only if extension or non-termination can be assumed with reasonable certainty. On this basis, there were no such amounts included in the measurement of lease liabilities as at March 31, 2024.

41 Capital Management

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Group.

The primary objective of the Group's capital management policy are to ensure that the Group complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise the shareholder value. The Group monitors capital in accordance with the capital adequacy ratio prescribed by the Reserve Bank of India ("RBI")/ National Housing Bank ("NHB") as applicable.

The Group manages its capital structure and makes adjustments to it according to changes in economic conditions and therisk characteristics of its activities.

No changes have been made to the objectives, policies and processes from the previous years except those incorporated on account of regulatory amendments. However, they are under constant review by the Board.

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forming part of Consolidated Financial Statements for the Year ended March 31, 2024

(Currency : ₹ in lakhs)

42 Fair Value Measurement:

A. Valuation Principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques:

Level 1 - Valuation technique using quoted market price: financial instruments with quoted prices for identical instruments in active markets that Company can access at the measurement date.

Level 2 - Valuation technique using observable inputs: Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life.

Level 3 - Valuation technique with significant unobservable inputs: Those that include one or more unobservable input that is significant to the measurement as whole.

Particulars		Fair Value		Fair Value Hierarchy	Valuation Technique	Key Inputs for Level 2 & Level 3	Significant unobservable input(s) for Level 3
Financial Assets	Category	As at March 31, 2024	As at March 31, 2023				
Investment in Mutual Funds	FVTPL	1.00	0	Level 1	Mark-to-Market of the unit	NAV of the unit	NA
Investment in Market Linked Debentures	FVTPL	0.00	17,160.75	Level 2	Mark-to-Market of the debt insrument	Valuation received from the rating agency	NA

B. Fair value of financial instrument not measured at fair value:

The table below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non-financial assets and non-financial liabilities.

Particulars	Level	Carrying value		Fair value	
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Financial Assets					
Cash and cash equivalents	1	4,721.03	27,817.26	4,721.03	27,817.26
Bank Balance other than cash and cash equivalents	1	3,549.17	6,098.78	3,549.17	6,098.78
Trade receivables	2	145.64	-	145.64	-
Loans	2	414,297.53	268,920.04	421,677.76	277,123.34
Derivative financial instruments	3	62.79	-	62.79	-
Rent and utility deposits	2	425.71	373.95	425.71	373.95
EIS receivable	2	5,570.52	3,972.47	5,570.52	3,972.47
Other financial assets	2	658.91	412.74	658.91	412.74
Investments	1	1.00	17,160.75	1.05	17,160.75
Investments in debentures	2	12,405.62	4,087.07	12,405.62	4,087.07
		441,837.94	**328,843.07**	**449,218.21**	**337,046.37**

Notes

forming part of Consolidated Financial Statements for the Year ended March 31, 2024

(Currency : ₹ in lakhs)

Particulars	Level	Carrying value		Fair value	
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Financial Liabilities					
Derivative financial instruments	2	-	5.40	-	5.40
Trade Payables	2	157.85	113.02	157.85	113.02
Debt securities	2	20,999.05	26,640.67	21,155.56	27,498.98
Borrowings (other than debt securities)	2	307,465.24	213,081.79	307,263.24	212,765.10
Subordinated Liabilities	2	16,372.47	16,345.06	16,509.34	16,458.38
Other financial liabilities	2	6,963.88	4,026.93	6,073.68	3,616.17
Total Financial liabilities		**351,958.49**	**260,212.87**	**351,159.67**	**260,457.05**

Valuation Methodologies of Financial Instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables and, as such, may differ from the techniques and assumptions explained in notes.

Short Term Financial Assets and Liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, bank balance other than cash and cash equivalents, trade receivables, rent and utility deposits and other financial liabilities.

Loans and advances to customers

The fair values of loans are estimated by discounted cash flow models based on contractual cash flows using actual or estimated yields.

Borrowings other than debt securities, Debt securities and Subordinated liabilities

The fair value of issued debt is estimated by a discounted cash flow model incorporating the Company's own credit risk.

EIS receivable

EIS receivable is calculated by discounting the contractual future cash flows. The carrying value closely approximates its fair value.

C. Categories of Financial Instruments :

Particulars	As at March 31, 2024			
	Amortised cost	At Fair Value Through profit or loss	At Deemed Cost	Total
Cash and cash equivalents	4,721.03	-	-	4,721.03
Bank Balance other than included in (a) above	3,549.17	-	-	3,549.17
Receivables	145.64	-	-	145.64
Loans	414,297.53	-	-	414,297.53
Derivative financial instruments	62.79	-	-	62.79
Investments	12,405.62	1.00	-	12,406.62
Other financial assets	6,655.13	-	-	6,655.13
Total	**441,836.93**	**1.00**	**-**	**441,837.93**

Notes

forming part of Consolidated Financial Statements for the Year ended March 31, 2024

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024			
	Amortised cost	At Fair Value Through profit or loss	At Deemed Cost	Total
Derivative financial instruments	-	-	-	-
Trade Payables	157.85	-	-	157.85
Debt securities	20,999.05	-	-	20,999.05
Borrowings (other than debt securities)	307,465.24	-	-	307,465.24
Subordinated Liabilities	16,372.47	-	-	16,372.47
Other financial liabilities	6,963.88	-	-	6,963.88
Total	**351,958.50**	**-**	**-**	**351,958.50**

Particulars	As at March 31, 2023			
	Amortised cost	At Fair Value Through profit or loss	At Deemed Cost	Total
Cash and cash equivalents	27,817.26			27,817.26
Bank Balance other than included in (a) above	6,098.78	-	-	6,098.78
Loans	268,920.04	-	-	268,920.04
Investments	4,087.07	17,160.75	-	21,247.83
Other financial assets	4,759.15	-	-	4,759.15
Total	**311,682.31**	**17,160.75**	**-**	**328,843.06**
Derivative financial instruments	5.40	-	-	5.40
Trade Payables	113.02	-	-	113.02
Debt securities	26,640.67	-	-	26,640.67
Borrowings (other than debt securities)	213,081.79	-	-	213,081.79
Subordinated Liabilities	16,345.06	-	-	16,345.06
Other financial liabilities	4,026.93	-	-	4,026.93
Total	**260,212.88**	**-**	**-**	**260,212.88**

43 Risk management

Risk is an integral part of the Company's business and sound risk management is critical to the success. As a financial intermediary, the Company is exposed to risks that are particular to its lending and the environment within which it operates and primarily includes credit, liquidity and market risks. The Board of Directors of the Company are responsible for the overall risk management approach and for approving the risk management strategies and principles. The Company has a risk management policy which covers all the risk associated with its assets and liabilities.

43.1 Introduction and Risk Profile

Risk management and mitigation

The Company's risks are measured using a method that reflects both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the ultimate actual loss. The models make use of probabilities derived from historical experience, adjusted to reflect the economic environment, as necessary.

The Company's policy is to measure and monitor the overall risk-bearing capacity in relation to the aggregate risk exposure across all risk types and activities.

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It is the Company's policy to ensure that a robust risk awareness is embedded in its organisational risk culture. Employees are expected to take ownership and be accountable for the risks the Company is exposed to that they decide to take on. The Company's continuous training and development emphasises that employees are made aware of the Company's risk appetite and they are supported in their roles and responsibilities to monitor and keep their exposure to risk within the Company's risk appetite limits.

The Company is generally exposed to credit risk, liquidity risk, market risk, prepayment risk and operational risk.

43.2 Credit Risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical concentrations, and by monitoring exposures in relation to such limits. Credit risk is monitored by the credit department of the Company. It is their responsibility to review and manage credit risk. Credit risk consists of line credit managers who are responsible for their business lines and manage specific portfolios and experts who support both the line credit manager, as well as the business with tools like credit risk systems, policies, models and reporting. The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions."

Impairment assessment

The references below show where the Company's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the summary of significant accounting policies.

Definition of default and cure

The Company considers a financial instrument as defaulted and therefore Stage 3 (credit-impaired) for Expected Credit Loss (ECL) calculations in all cases when the borrower becomes more than 3 months past due on its contractual payments.

The staging criteria used by the Company is as below:

Loans months past due	Stage
Upto 1 month	Stage 1
Between 1 month to 3 months	Stage 2
More than 3 months	Stage 3

The Company considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes past due for more than 3 months on its contractual payments.

It is the Company's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage 3 when the due amount have been paid. The decision whether to classify an asset as Stage 2 or Stage 1 once cured depends on the updated credit grade, at the time of the cure, and whether this indicates there has been a significant increase in credit risk compared to initial recognition.

Exposure at default (EAD)

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the ability to increase its exposure while approaching default and potential early repayments too.

To calculate the EAD for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12 months ECL.

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For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments.

Probability of default (PD)

The Probability of Default is an estimate of the likelihood of default over a given time horizon. To calculate the ECL for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12month ECL. For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments. The Company uses historical information wherever available to determine PD

Loss given Default (LGD)

LGD is the estimated loss that the Company might bear if the borrower defaults. The Company determines its recovery (net present value) by analysing the recovery trends, borrower rating, collateral value and expected proceeds from sale of asset.

LGD Rates have been computed internally based on the discounted recoveries in defaulted accounts that are closed/ written off/ repossessed and upgraded during the year.

When estimating ECLs on a collective basis for a group of similar assets, the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

Significant increase in credit risk

The Company continuously monitors all assets subject to ECLs in order to determine whether an instrument or a portfolio of instruments is subject to 12 month ECL or lifetime ECL. The Company assesses whether there has been an event which could cause a significantly increase in the credit risk of the underlying asset or the customers ability to pay and accordingly change the 12 month ECL to a lifetime ECL.

If contractual payments are more than 30 days past due, the credit risk is deemed to have increased significantly since initial recognition.

Concentration of Credit Risk

Company's loan portfolio is predominantly to finance commercial vehicle loans. The Company manages concentration of risk primarily by geographical region. The following tables show the region-wise concentrations of net terms loans.

Geography	March 31, 2024	March 31, 2023
West	120,264.36	73,780.55
Central	15,489.37	8,709.95
South	282,479.92	189,758.74
East	300.21	-
	418,533.86	**272,249.24**

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Quantitative Information of Collateral

Net value of total term loans to value of collateral is as follows:

As at March 31, 2024	Loan to value			
	Upto 50%	51%-70%	More than 70%	Total
Cars & Muvs	2,193.04	26,167.79	18,645.01	47,005.84
Commercial Vehicles	3,573.86	37,450.85	59,464.10	100,488.81
Construction Equipment	8,945.17	24,092.29	47,157.09	80,194.55
Three Wheeler	32.93	8,624.86	1,499.99	10,157.78
Tractor	207.46	3,210.61	725.60	4,143.67
Two Wheeler	961.67	2,460.66	208.71	3,631.04
SME	10,142.47	10,253.85	63,085.75	83,482.07
Home Loans	30,546.97	15,578.53	13,050.74	59,176.22
Loans Against Property	22,910.62	7,197.43	145.82	30,253.88
Total	**79,514.17**	**135,036.88**	**203,982.82**	**418,533.86**

As at March 31, 2023	Loan to value			
	Upto 50%	51%-70%	More than 70%	Total
Cars & Muvs	1,130.94	23,463.73	12,695.19	37,289.86
Commercial Vehicles	1,578.17	31,736.73	29,246.64	62,561.54
Construction Equipment	4,047.76	17,681.56	23,318.34	45,047.66
Three Wheeler	34.88	10,852.93	1,572.51	12,460.32
Tractor	152.27	2,362.86	408.85	2,923.98
Two Wheeler	894.05	1,080.67	462.34	2,437.06
SME	39,829.78	4,335.27	6,759.09	50,924.14
Home Loans	21,327.19	11,401.03	8,194.22	40,922.44
Loans Against Property	13,607.70	4,074.53	-	17,682.24
Total	**82,602.75**	**106,989.31**	**82,657.18**	**272,249.24**

43.3 Liquidity Risk

In assessing the Company's liquidity position, consideration shall be given to: (1) present and anticipated asset quality (2) present and future earnings capacity (3) historical funding requirements (4) current liquidity position (5) anticipated future funding needs, and (6) sources of funds. The Company maintains a portfolio of marketable assets that are assumed to be easily liquidated and undrawn cash credit limits which can be used in the event of an unforeseen interruption in cash flow. The Company also enters into securitization deals (direct assignment as well as pass through certificates) of their loan portfolio, the funding from which can be accessed to meet liquidity needs. Net liquid assets consist of cash and short–term bank deposits. Borrowings from banks and financial institutions and issue of Non convertible debentures are considered as important sources of funds to finance lending to customers.

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Analysis of financial assets and liabilities by remaining contractual maturities:

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at March 31, 2024.

Particulars	Less than 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years	Total
Financial assets						
Cash and cash equivalents	4,721.03	-	-	-	-	4,721.03
Bank Balance other than included in (a) above	1,347.34	454.81	876.81	344.45	-	3,023.41
Trade receivables	-	145.64	-	-	525.77	671.41
Loans	43,460.54	40,318.56	75,263.03	210,048.89	143,803.33	512,894.36
Investments	12,405.02	1.61	-	-	15,219.23	27,625.85
Derivative Financial Instruments	-	62.79	-	-	-	62.79
Other financial assets	843.67	921.34	768.31	1,464.58	3,046.61	7,044.52
Total undiscounted financial assets	**62,777.60**	**41,904.76**	**76,908.14**	**211,857.93**	**162,594.94**	**556,043.36**
Financial liabilities						
Derivative Financial Instruments	-	-	-	-	-	-
Trade payables	157.85	-	-	-	-	157.85
Other payables	-	-	-	-	-	-
Subordinated Liabilities	582.39	587.88	1,162.30	6,953.27	16,166.55	25,452.39
Debt securities	3,440.38	3,379.91	6,562.28	9,306.82	-	22,689.39
Borrowings (other than debt securities)	31,427.71	31,208.63	86,852.74	149,253.42	44,425.70	343,168.20
Deposits	75.05	27.97	94.05	1,478.18	426.94	2,102.18
Other financial liabilities	3,085.91	847.71	119.55	53.22	2.10	4,108.50
Total undiscounted financial liabilities	**38,769.29**	**36,052.10**	**94,790.91**	**167,044.92**	**61,021.30**	**397,678.50**
Net undiscounted financial assets / (liabilities)	**24,008.31**	**5,852.66**	**(17,882.77)**	**44,813.01**	**101,573.65**	**158,364.86**

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at March 31, 2023

Particulars	Less than 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years	Total
Financial assets						
Cash and cash equivalents	11,017.27	-	16,800.00	-	-	27,817.27
Bank Balance other than included in (a) above	3,587.71	514.95	294.64	1,389.27	525.62	6,312.19
Trade receivables	-	-	-	-	-	-
Loans	24,748.10	27,675.19	53,390.47	144,237.01	75,699.50	325,750.28
Investments	21,247.82	-	-	-	10,762.73	32,010.55
Other financial assets	905.46	405.27	623.18	902.09	2,402.13	5,238.12
Total undiscounted financial assets	**61,506.36**	**28,595.41**	**71,108.28**	**146,528.36**	**89,389.97**	**397,128.39**

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Particulars	Less than 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years	Total
Financial liabilities						
Derivative Financial Instruments	5.40	-	-	-	-	5.40
Trade payables	113.05	-	-	-	-	113.05
Other payables	-	-	-	-	-	-
Subordinated Liabilities	566.01	571.32	1,137.10	4,539.82	20,644.59	27,458.84
Debt securities	11,087.95	6,008.61	7,116.57	3,732.82	-	27,945.95
Borrowings (other than debt securities)	22,596.67	19,715.81	61,807.80	103,433.13	27,736.79	235,290.19
Deposits	-	-	-	-	-	-
Other financial liabilities	2,697.91	60.50	534.65	279.57	102.60	3,675.22
Total undiscounted financial liabilities	**37,066.98**	**26,356.24**	**70,596.13**	**111,985.33**	**48,483.98**	**294,488.65**
Net undiscounted financial assets / (liabilities)	**24,439.38**	**2,239.17**	**512.15**	**34,543.03**	**40,905.99**	**102,639.74**

The table below shows the contractual expiry by maturity of the Company's contingent liabilities and commitments. Each undrawn loan commitment is included in the time band containing the earliest date it can be drawn down.

Particulars	On demand	Less than 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years
As at March 31, 2024						
Guarantees and counter guarantees	-	-	-	-	-	-
Estimated amount of contracts remaining to be executed on capital account, net of advances	-	-	-	-	-	-
Total commitments	**-**	**-**	**-**	**-**	**-**	**-**
As at March 31, 2023						
Guarantees and counter guarantees	-	-	-	-	-	-
Estimated amount of contracts remaining to be executed on capital account, net of advances	-	-	-	-	-	-
Total commitments	**-**	**-**	**-**	**-**	**-**	**-**

43.4 Market Risk

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity, and other market changes. The objective of market risk management is to avoid excessive exposure of our earnings and equity to loss and reduce our exposure to the volatility inherent in financial instruments. There are broadly two types of market risks: (1) Interest rate risk, and (2) Price risk. The Company has not made investments in quoted equity instruments or other quoted investments and hence is not exposed to Equity price risk. Interest rate risk is discussed below:

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Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is subject to interest rate risk, primarily since it lends to customers at fixed rates and for maturity periods shorter than the funding sources.

The Company has taken borrowings at floating rates gives rise to interest rate risk. Interest rates are highly sensitive to many factors beyond control, including the monetary policies of the Reserve Bank of India, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. In order to manage interest rate risk, the Company seek to optimize borrowing profile between short-term and long-term loans. The Company adopts funding strategies to ensure diversified resource-raising options to minimize cost and maximize stability of funds. Assets and liabilities are categorized into various time buckets based on their maturities. The Interest Rate Risk is mitigated by availing funds at very competitive rates through diversified borrowings and for different tenors.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the portion of borrowings affected. With all other variables held constant, the profit before taxes affected through the impact on floating rate borrowings are as follows:

Impact on Profit before taxes	As at March 31, 2024	As at March 31, 2023
On Floating Rate Borrowings:		
1% increase in interest rates	(2,078.31)	(1,733.69)
1% decrease in interest rates	2,078.31	1,733.69

43.5 Prepayment risk

Prepayment risk is the risk that the Company will incur a financial loss because its customers and counterparties repay or request repayment earlier or later than expected, such as fixed rate loans like ours when interest rates fall.

43.6 Operational and business risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

43.7 Currency Risk

The Company is exposed to currency risk on account of its borrowings in foreign currency. The fluctuation currency of the Company is Indian Rupee. The Company uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date.

The Company does not use derivative financial instruments for trading or speculative purposes.

Following are the forward contracts to hedge the foreign exchange rate as March 31, 2024 and March 31, 2023

Particulars	purpose	Currency	Cross Currency	As at March 31, 2024	As at March 31, 2023
Forward Conracts	Term Loan	USD	₹	62.79	-5.40

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44 Related Party Disclosure

a. Name of related party and nature of relationship:

Enterprises having a significant influence	India Business Excellence Fund -IIA
	Vistra ITCL (india) Limied (formerly known as IL and FS trust Company Limited) (Trustee of Business Excellence Trust -II - India Business Excellence Fund - II)
Subsidiary	IKF Home Finance Limited (formerly known as IKF Housing Finance Private Limited)
Enterprises in which directors are interested	SVR Finance & Leasing Private Limited
Enterprises significantly influenced by Key Management Personnel and their relatives	IKF Infratech Private Limited
Relative of Key Management Personnel	Mrs. D. Vasantha Lakshmi - Managing Director (IKF Home Finance Limited) Mr. V. Raghu Ram Mr. Sinha Satyanand Chunduri Mrs. Durga Rani Chunduri
Key Management Personnel (KMP)	Mr V.G.K.Prasad — Chairman Mrs. V. Indira Devi — Whole time Director (upto 14th July 2023) Mrs. K Vasumathi Devi — Managing Director Mr.Sreepal Gulabchand Jain-Chief Financial Officer (Upto 10th February 2023) Mr. Ch.Sreenivasa Rao - Company Secretary and Chief Financial Officer Mr. Vishal Kumar Joshi- Company Secretary (IKF Home Finance Limited upto 9th Nov 2023) Mr. Abhishek Jain- Company Secretary (IKF Home Finance Limited) Mr. Aravind J - Chief Financial Officer (10th February 2023 to Present) (IKF Home Finance Limited)

b. Transaction with related parties:

Name of related party	Nature of transaction	For the FY 2023					For the FY 2024			
		As at March 31, 2022	Transaction value for the year ended March 31, 2023	Received During the year	Paid During The year	As at March 31, 2023	Transaction value for the year ended March 31, 2024	Received During the year	Paid During the Year	As at March 31, 2024
Key management personnel										
Mr. V G K Prasad	Rent paid	-	21.60	-	-	-	24.84	-	-	-
	Director's remuneration	-	84.00	-	-	-	119.60	-	-	-
	Director Commission Payable	51.02	63.27	-	51.02	63.27	135.52	-	63.27	135.52
	Rent deposit given	50.00	-	-	-	50.00	-	-	-	50.00
	Advance Received	-	-	-	-	-	-	-	-	-
	Interest paid on advance	-	-	-	-	-	-	-	-	-
	Share Capital (₹ 10/- Paid up)	1974.32*	-	-	-	1985.36*	-	-	-	1985.36*
	Partly paid up shares (₹ 10 Paid Up) **	-	-	-	-	-	-	-	-	-
	Premium on partly paid up shares **	-	-	-	-	-	-	-	-	-
	Share Capital (₹ 10/- Paid up) in IKF Home Finance***	0.00	-	-	-	0.00	-	153.03	-	473.79
	Partly paid up shares (₹ 5.00 Paid Up) in IKF Home Finance	236.89	-	-	-	-	-	-	-	-
	Partly paid up shares (₹ 6.77 Paid Up) in IKF Home Finance	-	-	83.86	-	320.75	-	-	320.75	-
	Unsecured Loan in IKF Home Finance	-	-	-	119.19	-	-	-	-	-
Mrs. V Indira Devi	Rent paid	-	48.00	-	-	-	55.20	-	-	-
	Director's remuneration	-	36.00	-	-	-	10.40	-	-	-
	Salary Paid	-	-	-	-	-	3.00	-	-	-
	Director Commission Payable	21.71	26.92	-	21.71	26.92	-	-	26.92	-0.00
	Rent deposit given	38.50	-	-	-	38.50	-	-	-	38.50
	Share Capital (₹ 10/- Paid up)	164.81	-	-	-	164.81	-	-	-	164.81
	Partly paid up shares (₹ 10 Paid Up) **	-	-	-	-	-	-	-	-	-
	Premium Received on Allotment of Partly Paid up Shares **	-	-	-	-	-	-	-	-	-
	Share Capital (₹ 10/- Paid up) in IKF Home Finance***	0.00	-	-	-	0.00	-	14.02	-	43.41
	Partly paid up shares (₹ 5.00 Paid Up) in IKF Home Finance	21.71	-	-	-	-	-	-	-	-
	Partly paid up shares (₹ 6.77 Paid Up) in IKF Home Finance	-	-	7.68	-	29.39	-	-	29.39	-
	Unsecured Loan in IKF Home Finance	-	-	-	-	10.92	-	-	-	10.92

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Name of related party	Nature of transaction	For the FY 2023					For the FY 2024			
		As at March 31, 2022	Transaction value for the year ended March 31, 2023	Received During the year	Paid During The year	As at March 31, 2023	Transaction value for the year ended March 31, 2024	Received During the year	Paid During the Year	As at March 31, 2024
Mrs. K. Vasumathi Devi	Director's remuneration	-	60.00	-	-	-	65.00	-	-	-
	Director Commission Payable	64.99	44.42	-	-	44.43	68.23	-	44.43	68.23
	Share Capital (₹ 10/- Paid up)	264.73	-	-	-	264.73	-	-	-	264.73
	Partly paid up shares (₹ 10 Paid Up) **	-	-	9.80	-	-	-	-	-	-
	Premium Received on Allotment of Partly Paid up Shares **	-	-	61.36	-	-	-	-	-	-
	Share Capital (₹ 10/- Paid up) in IKF Home Finance***	0.00	-	-	-	0.00	-	22.52	-	69.73
	Partly paid up shares (₹ 5.00 Paid Up) in IKF Home Finance	34.87	-	-	-	-	-	-	-	-
	Partly paid up shares (₹ 6.77 Paid Up) in IKF Home Finance	-	-	12.34	-	47.21	-	-	47.21	-
	Unsecured Loan in IKF Home Finance	-	-	-	-	-	-	-	-	-
Mr. Sreepal Gulabchand Jain	Salary Paid	-	55.40	-	-	-	-	-	-	-
Mr. Vishal Kumar Joshi	Salary Paid	-	34.49	-	-	-	8.88	-	-	-
Mr. Abhishek jain	Salary Paid	-	-	-	-	-	6.79	-	-	-
Mr. Aravind J	Salary Paid	-	-	-	-	-	41.14	-	-	-
Mr. Ch.Sreenivasa Rao	Salary Paid	-	25.41	-	-	-	30.49	-	-	-
	Staff Loan	-	-	-	-	-	-	-	-	-
	Interest Received	-	-	-	-	-	-	-	-	-
Relatives of key management personnel										
Mrs. D Vasantha Lakshmi	Share Capital (₹ 10/- Paid up)	249.18	-	-	-	249.18	-	-	-	249.18
	Partly paid up shares (₹ 10 Paid Up) **	-	-	-	-	-	-	-	-	-
	Premium Received on Allotment of Partly Paid up Shares **	-	-	-	-	-	-	-	-	-
	Share Capital (₹ 10/- Paid up) in IKF Home Finance***	0.00	-	-	-	0.00	-	21.20	-	65.64
	Partly paid up shares (₹ 5.00 Paid Up) in IKF Home Finance	32.82	-	-	-	-	-	-	-	-
	Partly paid up shares (₹ 6.77 Paid Up) in IKF Home Finance	-	-	11.62	-	44.44	-	-	44.44	-
	Director's remuneration in IKF Home Finance	-	86.58	-	-	-	93.76	-	-	-
	Unsecured Loan in IKF Home Finance	-	-	-	-	-	-	-	-	-

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(Currency : ₹ in lakhs)

Name of related party	Nature of transaction	For the FY 2023					For the FY 2024			
		As at March 31, 2022	Transaction value for the year ended March 31, 2023	Received During the year	Paid During The year	As at March 31, 2023	Transaction value for the year ended March 31, 2024	Received During the year	Paid During the Year	As at March 31, 2024
Mr. V Raghu Ram	Share Capital (₹ 10/- Paid up)	180.07	-	-	-	180.07	-	-	-	180.07
	Partly paid up shares (₹ 10 Paid Up) **	-	-	-	-	-	-	-	-	-
	Premium Received on Allotment of Partly Paid up Shares **	-	-	-	-	-	-	-	-	-
	Share Capital (₹ 10/- Paid up) in IKF Home Finance***	0.00	-	-	-	0.00	-	15.32	-	47.43
	Partly paid up shares (₹ 5.00 Paid Up) in IKF Home Finance	23.72	-	-	-	-	-	-	-	-
	Partly paid up shares (₹ 6.77 Paid Up) in IKF Home Finance	-	-	8.40	-	32.11	-	-	32.11	-
	Unsecured Loan in IKF Home Finance	-	-	-	-	-	-	-	-	-
Mr. Sinha Satyanand Chunduri	Share Capital (₹ 10/- Paid up)	11.77	-	-	-	11.77	-	-	-	11.77
Mrs. Durga Rani Chunduri	Share Capital (₹ 10/- Paid up)	149.41	-	-	-	149.41	-	-	-	149.41
Subsidiary										
Enterprises significantly influenced by key management personnel or their relatives										
IKF Infratech Private Limited	Non Convertible Debentures	-	-	-	-	-	-	-	-	-
	Interest Paid	-	-	-	-	-	-	-	-	-
Enterprises in which Directors are interested										
SVR Finance & Leasing Private Limited	Trade Advance	-	-	-	-	-	-	-	-	-
	Interest Paid	-	-	-	-	-	-	-	-	-
Enterprises having a significant influence										
India Business Excellence Fund-IIA	Share Capital (₹ 10/- Paid up)	1,305.16	-	-	-	1,305.16	-	-	-	1,305.16
	Share Premium	-	-	-	-		-	-	-	
	Compulsorily Convertible Preference Shares of ₹ 100/- Each (Converted into equity shares during the FY 2018-19)									
	Share premium on preference shares									
Vistra ITCL (India) Limited (formerly known as IL and FS Trust Company Limited) (Trustee of Business Excellence Trust-II - India Business Excellence Fund II)	Share Capital (₹ 10/- Paid up)	780.40	-	-	-	780.40	-	-	-	780.40
	Share Premium	-	-	-	-	-	-	-	-	-
	Compulsorily Convertible Preference Shares of ₹ 100/- Each (Converted into equity shares during the FY 2018-19)									
	Share premium on preference shares									

Notes

forming part of Consolidated Financial Statements for the Year ended March 31, 2024

(Currency : ₹ in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Short-term employee benefits	579.81	516.49
Post-employment benefits#	1.41	2.04
Long-term employee benefits	-	-
Contributions to Defined contribution plan- Provident fund	1.23	2.19
Termination benefits	-	-
Employee-share based payment	-	-
Total compensation	**582.45**	**520.73**

#As the provision for gratuity is made for the Company as a whole, the amount pertaining to the Key Management Personnel is not specifically identified and hence is not included above.

* The Increased/Decreased value is relating to purchase of shares/debentures from the public.

** Partly paid shares are full paid and converted to fully paid equity shares .

*** Since the amounts are in lakhs, ₹10 subscribed by promoters is shown as zero

Notes:

(i) Transaction values are excluding taxes and duties.

(ii) Name of the related parties and nature of their relationships where control exists have been disclosed irrespective of whether or not there have been transactions with the Company. In other cases, disclosures have been made only when there have been transactions with those parties.

(iii) Related parties as defined under clause 9 of the Ind AS 24 'Related party disclosures' have been identified based on representations made by key managerial personnel and information available with the Company. All above transactions are in the ordinary course of business

(iv) The Company has not granted loans or advances to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, that is repayable on demand or without specifying any terms or period of repayment for the financial years ended March 31, 2024 and March 31, 2023.

45 Value of Imports calculated on CIF basis

The Company has not imported any goods therefore value of import on CIF basis is Nil

46 Expenditure in Foreign Currency

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Legal and professional fees	5.52	0.51
Total	**5.52**	**0.51**

47 Earnings in Foreign Currency

The Company does has not have any earnings in foreign currency

48 Penalty

No penalties were imposed by RBI and other regulators during the current year

49 Draw down from Reserves:

There has been no draw down from reserves during the year ended March 31, 2024 (previous year: Nil)

Notes

forming part of Consolidated Financial Statements for the Year ended March 31, 2024

(Currency : ₹ in lakhs)

50 Postponement of Revenue Recognition

Refer note 2.5 Revenue from operations for the circumstances in which revenue recognition has been postponed pending uncertainty of realisation.

51 Dues to micro, small and medium enterprises

There are no amounts that need to be disclosed in accordance with the Micro Small and Medium Enterprise Development Act, 2006 (the 'MSMED') pertaining to micro or small enterprises.

For the year ended March 31, 2024, no vendor / supplier has intimated the Company about its status as micro or small enterprises or its registration with the appropriate authority under MSMED

52 Disclosure on Resolution Framework – 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses in terms of RBI circular RBI / 2021-22 / 31 DOR. STR. REC.11 /21.04.048 / 2021-22 dated May 5, 2021:

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year **
Personal Loans #	619.57	10.36	-	164.85	454.73
Corporate Persons*	-	-	-	-	-
of which MSMEs	-	-	-	-	-
Others	76.34	-	-	5.33	71.01
Total	**695.92**	**10.36**	**-**	**170.18**	**525.74**

* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

** In case of loan in "others" category, Customer has paid scheduled installment and interest amount of ₹ 1.5 lakhs was added to outstanding amount

pertains to Home loans and Loan Against Property of IKF Home Finance Limited

Disclosures for Reserve Bank of India circular on Resolution Framework for Covid-19 related stress dated August 6, 2020 are not applicable to the Company as none of the borrowers opted for the resolution plan.

53 Registration of charges or satisfaction with Registrar of Companies (ROC)

All charges or satisfaction are registered with ROC within the statutory period for the financial years ended March 31, 2024 . No charges or satisfactions are yet to be registered with ROC beyond the statutory period.

54 Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended March 31, 2024 and March 31, 2023.

Notes

forming part of Consolidated Financial Statements for the Year ended March 31, 2024

(Currency : ₹ in lakhs)

55 Compliance with approved Scheme(s) of Arrangements

The Board of Directors of the Company did not approve any scheme of Arrangements during the financial year ended March 31, 2024 and March 31, 2023.

56 Utilisation of Borrowed funds and share premium

The Company, as part of its normal business, grants loans and advances, makes investment. These transactions are part of Company's normal non-banking finance business, which is conducted ensuring adherence to all regulatory requirements.

Other than the transactions described above, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has also not received any fund from any parties (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

57 Undisclosed income

There are no transactions not recorded in the books of accounts.

58 Title deeds of Immovable Properties not held in name of the Company

The Company does not possess any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the Company during the financial year ended March 31, 2024 and March 31, 2023.

59 Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual currency during the financial years ended March 31, 2024 and March 31, 2023.

60 Details of Benami Property Held

No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder in the financial years ended March 31, 2024 and March 31, 2023.

61 Wilful Defaulter

The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender in the financial years ended March 31, 2024 and March 31, 2023.

62 Relationship with Struck off Companies

The company does not have any transactions with companies whose names have been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 in the financial years ended March 31, 2024 and March 31, 2023.

63 Investment in Associates and Structured Entities

The Company does not have any Associates and Structured Entities

Notes

forming part of Consolidated Financial Statements for the Year ended March 31, 2024

(Currency : ₹ in lakhs)

64 Note on Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which subsumes the Provident Fund and the Gratuity Act and rules thereunder. The Ministry of Labour and Employment has also released draft rules thereunder on November 13, 2020 and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will evaluate the rules, assess the impact, if any and account for the same once the rules are notified and become effective

65 Previous year's information have been regrouped/reclassified wherever necessary to correspond with current year's classification/disclosure.

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

Sudha Jaideep Shetty
Partner
Membership No.047684

Place: Hyderabad
Date: 29 May 2024

V.G.K Prasad
Chairman
DIN: 01817992

Ch.Sreenivasa Rao
Company Secretary & Chief Financial Officer
M.No. ACS14723

Place: Hyderabad
Date: 29 May 2024

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Notes

forming part of Consolidated Financial Statements for the Year ended March 31, 2024

(Currency : ₹ in lakhs)

Additional information as required by paragraph 2 of the general instructions for preparation of Consolidated Financial statements to schedule III to the Companies Act, 2013.

Name of the entity in the Group	Net Asset, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated net assets	Amount (₹ in lakhs)	As % of Consolidated profit or loss	Amount (₹ in lakhs)	As % of consolidated other comprehensive income	Amount (₹ in lakhs)	As % of total comprehensive income	Amount (₹ in lakhs)
1	2	3	4	5	6	7	8	9
Parent								
IKF Finance Limited	93.04%	88,066.06	75.61%	7,697.44	16.96%	-3.26	75.72%	7,694.18
Subsidiaries								
Indian								
IKF Home Finance Limited	5.64%	5,341.14	20.91%	2,128.85	83.04%	-15.96	20.81%	2,114.50
Foreign	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Minority Interest in all subsidiaries	1.32%	1,248.72	2.35%	239.40	-	-	2.34%	237.78
Inter-company eliminations and consolidation adjustments	-	-	1.13%	114.82	-	-	1.13%	114.82
Associates (Investment as per the equity method)								
Indian	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Foreign	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Joint Ventures (as per proportionate consolidation / investment as per the equity method)								
Indian	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Foreign	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Total	100.00%	94,655.92	100.00%	10,180.51	100.00%	-19.22	100.00%	10,161.29

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

Sudha Jaideep Shetty
Partner
Membership No.047684

Place: Hyderabad
Date: 29 May 2024

V.G.K Prasad
Chairman
DIN: 01817992

Ch.Sreenivasa Rao
Company Secretary & Chief Financial Officer
M.No. ACS14723

Place: Hyderabad
Date: 29 May 2024

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

IKF FINANCE

"LEGACY THAT INSPIRES, TECHNOLOGY THAT DELIVERS"

Registered Office
40-1-144, Corporate Centre,
M G Road, Vijayawada - 520 010
Email: contact@ikffinance.com
Tel.: 91+866+2474644, 2474633, 5561188
Fax: 91+866+2485755

Corporate Office
Plot No. 30/A, Survey No. 83/1
11th Floor, My Home Twitza,
APIIC Hyderabad Knowledge City,
Raidurg (Panmaqtha) Village, Serilingampally Mandal,
Ranga Reddy District, Hyderabad - 500 081.
Email: contact@ikffinance.com
Tel.: 91+40+69268899
Fax: 91-40-23412081

Concept, Content & Design wp (info@wyatt.co.in)

Limited Review Report on unaudited standalone financial results of the company for the Quarter ended June 30,2024 pursuant to the Regulation 52 read with Regulation 63(2) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 as amended.

To,
The Board of Directors
IKF Finance Limited

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of IKF Finance Limited (the "Company"), for the quarter ended June 30, 2024 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements ("SRE") 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India ("ICAI"). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S G C O & Co. LLP
Chartered Accountants
FRN. 112081W/W100184
SUDHA JAIDEEP SHETTY
Digitally signed by SUDHA JAIDEEP SHETTY
DN: c=IN, o=PERSONAL, title=2238, pseudonym=c8ac52dbff70c44aea6f430b227e355b, 2.5.4.20=a988a1eed60d7f10e4e2a3682713bf00c2ef801e483142d10a4329278f9b2393d2, postalCode=400064, st=Maharashtra, cn=SUDHA JAIDEEP SHETTY
Date: 2024.08.13 14:59:51 +05'30'
Sudha Jaideep Shetty
Partner
Mem. No. **047684**
UDIN: **24047684BKHXVE1025**

Place: Mumbai
Date: 13th August 2024

IKF Finance Limited
Regd Office: #40-1-144, Corporate Center, M.G.Road, Vijayawada - 520010
CIN: U65992AP1991PLC012736, Tel: 91-866-2474644, Fax: 91-866-2485755,
Website: www.ikffinance.com

Statement of Unaudited Standalone Financial Results for the Quarter Ended June 30,2024

(Rs in Lacs)

	Particulars	Quarter Ended			Year Ended
		June 30,2024 (Unaudited)	March 31,2024 (Audited) (Ref Note 7)	June 30,2023 (Unaudited)	March31,2024 (Audited)
1	**Revenue from operations**				
	(a) Interest income	13173.34	13,542.29	8,856.53	43,304.01
	(b) Fees and commission income	27.58	21.31	9.72	98.89
	(c) Other Operating Income	0.04	17.00	0.56	19.64
	Total revenue from operations	**13,200.96**	**13,580.60**	**8,866.81**	**43,422.54**
2	Other income	237.57	152.45	5.56	325.04
3	**Total income (1 + 2)**	**13,438.53**	**13,733.05**	**8,872.37**	**43,747.58**
4	**Expenses**				
	(a) Finance costs	7114.08	6,242.57	4,853.15	22,022.85
	(b) Impairment on financial instruments	641.96	492.42	235.56	1,640.51
	(c) Employee benefits expenses	2299.95	2,306.50	1,614.93	7,329.16
	(d) Depreciation, amortization and impairment	85.97	115.96	69.48	340.89
	(e) Others expenses	776.50	573.83	439.59	2,076.54
	Total expenses	**10,918.46**	**9,731.28**	**7,212.71**	**33,409.95**
5	**Profit before tax (3 - 4)**	**2,520.07**	**4,001.77**	**1,659.66**	**10,337.63**
6	**Tax expenses**				
	(a) Current tax	846.86	715.83	550.64	2,600.55
	(b) Deferred tax	-206.31	302.42	-123.66	30.82
	(c) Adjustment of tax relating to earlier periods	-8.99	0.00	-0.27	8.82
7	**Net Profit for the period (5 - 6)**	**1,888.51**	**2,983.52**	**1,232.95**	**7,697.44**
8	**Other comprehensive income**				
	(A) Items that will not be reclassified to profit or loss				
	(a) Remeasurements of the defined benefit plans	9.99	-9.94	-10.41	-4.36
	(b) Income tax relating to items that will not be reclassified to profit or loss	-2.51	2.50	2.62	1.10
9	**Total Comprehensive Income (7 + 8)**	**1,895.99**	**2,976.08**	**1,225.16**	**7,694.18**
10	**Earnings per Share (Rs) (Face Value of Rs.10/- each)**				
	- Basic (Not Annualised)	**2.69**	**4.39**	**1.91**	**11.32**
	- Diluted (Not Annualised)	**2.69**	**4.39**	**1.91**	**11.32**

Notes:

1 IKF Finance Limited (the 'Company') has prepared un audited financial results (the 'Statement') for the Quarter ended June 30,2024 in accordance with Regulation 52 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended (the 'Listing Regulations 2015') and the Indian Accounting Standards specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and the relevant provisions of the Companies Act, 2013, as applicable.

2 The above financial results are reviewed and recommended by the Audit Committee and have been approved by the Board of Directors of the Company at their meeting held on August 13,2024.

3 The above financial results for the Quarter ended June 30,2024 have been reviewed by the Statutory Auditors of the Company

4 The Company is engaged primarily in the business of financing and accordingly there is no separate reportable segment as per Ind AS 108 dealing with "Operating Segments"

5 Details of loans transferred / acquired during the Quarter ended June 30,2024 under RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021 are given below:

(i) The Company has not transferred / acquired through assignment during the Quarter ended June 30,2024
(ii) The Company has not transferred any non-performing assets (NPAs)
(iii)The Company has not transferred any Special Mention Account (SMA) and loan not in default.
(iv)The Company has not acquired any loans not in default through assignment.
(v) The Company has not acquired any stressed loan.

6 The Indian Parliament has approved the Code on Social Security,2020 which subsumes the Provident Fund and the Gratuity Act and rules there under. The Ministry of Labour and Employment has also released draft rules thereunder on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will evaluate the rules, assess the impact, if any, and account for the same once the rules are notified and become effective.

7 The figures for the last quarter of the previous financial year are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the end of third quarter of the previous financial year which were subjected to limited review by statutory auditors.

8 All Secured NCDS issued by the company are secured by pari-passu charge and / or exclusive charge on receivables under loan contracts, owned assets and book debts to the minimum extent of 100 % or such higher security as per the respective termsheets of outstanding secured NCDs.

9 The Compliance related to disclosure of certain ratios and other financial information as required under Regulation 52 (4) of the Listing Regulations is made in Appendix 1.

10 Previous period figures have been regoruped/ reclassified wherever required.

Appendix 1

Analytical Ratios and other disclosures based on Standalone financial results:

	Particulars	Quarter Ended			Year Ended
		June 30,2024 (Unaudited)	March 31,2024 (Audited) (Ref Note 7)	June 30,2023 (Unaudited)	March31,2024 (Audited)
a)	Debt equity ratio (no. of times) (refer note ii)	3.18	3.10	2.72	3.10
b)	Debt service coverage ratio	N/A	N/A	N/A	N/A
c)	Interest service coverage ratio	N/A	N/A	N/A	N/A
d)	Outstanding redeemable preference shares (quantity and value)	-	-	-	-
e)	Capital redemption reserve	N/A	N/A	N/A	N/A
f)	Debenture redemption reserve	N/A	N/A	N/A	N/A
g)	Net worth (refer note iii)	89,962.05	88,066.06	69,817.30	88,066.06
h)	Net profit (loss) after tax	1,888.51	2,983.52	1,232.95	7,697.44
i)	Earnings per share (face value of Rs 10/- each) (not annualized for the interim period)				
	-Basic (Rupees)	2.69	4.39	1.91	11.32
	-Diluted (Rupees)	2.69	4.39	1.91	11.32
j)	Current ratio	N/A	N/A	N/A	N/A
k)	Long term debt to working capital	7.50	7.68	5.73	7.68
l)	Bad debts to Account receivable ratio	N/A	N/A	N/A	N/A
m)	Current liability ratio	N/A	N/A	N/A	N/A
n)	Total debts to total assets (refer note iv)	74.79%	74.34%	72.02%	74.34%
o)	Debtors turnover	N/A	N/A	N/A	N/A
p)	Inventory tumover	N/A	N/A	N/A	N/A
q)	Operating margin (%)	N/A	N/A	N/A	N/A
r)	Net profit margin (%) (refer note v)	14.05%	21.73%	13.90%	17.60%
s)	Sector specific equivalent ratios, as applicable.				
	1) Capital Adequacy Ratio (%) (refer note vi)	25.64%	26.50%	31.18%	26.50%
	2) Gross Stage-3 Assets % (refer note vii)	2.38%	2.35%	2.69%	2.35%
	3) Net Stage-3 Assets % (refer note viii)	1.85%	1.80%	2.14%	1.80%
	4) Provision Coverage Ratio for Stage-3 assets (PCR %) (refer note ix)	22.67%	23.61%	20.61%	23.61%

Notes:

i) Certain ratios/line items marked with remark "N/A" are not applicable since the Company is a Non banking financial company registered with the Reserve Bank of India

ii) Debt equity ratio=[Debt Securities + Borrowings (Other than Debt Securities) + Deposits+ Subordinated Liabilities]/[Equity Share capital + Other equity]

iii) Net worth = [Equity share capital +Other equity]

iv) Total debts to total assets=[Debt Securities + Borrowings (Other than Debt Securities)+ Deposits+ Subordinated Liabilities]/Total assets

v) Net profit margin = Profit after tax/Total income

vi) Capital Adequacy Ratio has been computed on a standalone basis as per relevant RBI guidelines

vii) Gross Stage-3 Assets % (as per Ind AS) = Gross Stage-3 Assets/Gross loan assets

viii) Net Stage-3 Assets % (as per ind AS) = (Gross Stage-3 Assets less Impairment loss allowance for Stage-3 Assets)/(Gross loan assets less Impairment loss allowance for Stage-3 Assets)

ix) Provision Coverage Ratio (PCR %) as per Ind AS Carrying amount of Impairment loss allowance for Stage-3 Assets/Gross Stage-3 Assets

Vasumathi Koganti Digitally signed by Vasumathi Koganti Date: 2024.08.13 14:54:43 +05'30'

For and on behalf of the Board of Directors

Vasumathi Devi Koganti

Managing Director

Place : Hyderabad

Date: August 13,2024

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

KEY INFORMATION DOCUMENT

IKF FINANCE LIMITED
("**Issuer**" / "**Company**")

A public limited company incorporated under the provisions of the Companies Act 1956 and validly existing under the provisions of the Companies Act, 2013.

Key Information Document for issue of Debentures on a private placement basis dated: 26th December 2024

ISSUE OF UP TO 5,000 (FIVE THOUSAND) SENIOR, SECURED, LISTED, RATED, UNSUBORDINATED REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES HAVING A FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH, FOR CASH, AT PAR, AMOUNTING UP TO INR 50,00,00,000/- (INDIAN RUPEES FIFTY CRORES ONLY) ALONGWITH A GREEN SHOE OPTION TO RETAIN OVERSUBSCRIPTION OF UP TO 3,500 (THREE THOUSAND FIVE HUNDRED) SENIOR, SECURED, LISTED, RATED, UNSUBORDINATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES HAVING A FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH, FOR CASH, AT PAR, AGGREGATING UP TO INR 35,00,00,000/- (INDIAN RUPEES THIRTY-FIVE CRORES ONLY) AND IN TOTAL AGGREGATING TO INR 85,00,00,000/- (INDIAN RUPEES EIGHTY-FIVE CRORES ONLY) IN A DEMATERIALISED FORM, ON A PRIVATE PLACEMENT BASIS (THE "ISSUE") (HEREINAFTER REFFERED TO AS "DEBENTURES") BY IKF FINANCE LIMITED (THE "COMPANY") OR ("ISSUER").

This Key Information Document shall be read in conjunction with the General Information Document dated 9th October 2024.

PART A: DISCLOSURES AS PER SEBI NCS Regulations:

Please see below the disclosures as required under the terms of the SEBI NCS Regulations (as defined below):

S. No.	Particulars	Relevant Disclosure
1.	**Details of debenture trustee for the Issue:**	Name: Vardhman Trusteeship Private Limited Address: Unit No 15, Turner Morrison, 6 Lyons Range, Kolkata, West Bengal - 700001 and branch office at The Capital, A Wing, 412A, Bandra Kurla Complex, Bandra (East), Mumbai, Maharashtra - 400051 Logo: Telephone Number: +91 22 4264 8335 Email address: compliance@vardhmantrustee.com Contact person: Rushabh Desai Or such other Debenture Trustee as shall be set out in the respective Key Information Document.
2.	**Details of credit Rating Agent for the Issue:**	Name: CARE Ratings Limited Address: 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai - 400 022

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

		Logo: Telephone Number: +91-22- 6754 3456 Email address: care@careratings.com Contact person: Mr. Ravi
3.	**Date of Key Information Document**	26th December, 2024
4.	**Type of Key Information Document**	This Key Information Document is being issued in relation to the private placement issue of Debentures.
5.	**The nature, number, price and amount of securities offered and issue size (base issue or green shoe), as may be applicable**	**Base Issue Size:** Issue of up to 5,000 (Five Thousand) secured, listed, rated, unsubordinated, senior, redeemable, transferable, non-convertible debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, aggregating to INR 50,00,00,000/- (Indian Rupees Fifty Crores Only) in a dematerialised form, on a private placement basis. **Green Shoe option:** issue of up to 3,500 (Three Thousand Five Hundred) senior, secured, listed, rated, unsubordinated, redeemable, transferable, non-convertible debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, aggregating up to INR 35,00,00,000/- (Indian Rupees Thirty-Five Crores Only) and in total aggregating to INR 85,00,00,000/- (Indian Rupees Eighty-Five Crores Only) in a dematerialised form, on a private placement basis.
6.	**The aggregate amount proposed to be raised through all the stages of offers of non-convertible securities made through the shelf prospectus (applicable only in case of public issuance)**	Not applicable.
7.	**Details of Registrar to the Issue:**	Name: Bigshare Services Private Limited Address: E-2, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai 400 072 Logo: Telephone Number: +022 2847 0652 Website: https://www.bigshareonline.com/ Email address: mohan@bigshareonline.com Contact Person: Mr. N. V. K. Mohan
8.	**Legal Counsel**	Name: Verist Law Logo:

		VERIST LAW Contact Person: Srishti Ojha Address: Empire Business Centre, 414, Senapati Bapat Marg, Lower Parel, Mumbai, Maharashtra 400013 Email: contact@veristlaw.com Tel: +912266907368 Website: www.veristlaw.in
9.	**Statutory Auditor**	Name: M/s. Mukund M Chitale & Co., Chartered Accountants Logo: Address: 2nd Floor, Kapur House, Paranjape B Scheme, Road No 1 Vile Parle(E) Mumbai-400057 Website: www.mmchitale.co.in Email address: nilesh.joshi@mmchitale.com Telephone Number: +91 22 2663 3500 Contact Person: Nilesh Joshi
10.	**Issue Schedule**	Date of opening of the Issue: 30th December 2024 Date of closing of the Issue: 30th December 2024 Date of earliest closing of the Issue (if any): 31st December 2024 Pay-in date: 31st December 2024 Deemed Date of Allotment: 31st December 2024 Redemption Date: 30th December 2027
11.	**Credit Rating of the Issue**	The Rating Agent has vide its letter dated 24th December 2024 and rating rationale and its press release assigned a rating of "CARE A+ Outlook: Stable" in respect of the Debentures. Please refer to **Annexure I** of this Key Information Document for the credit rating letter and rating rationale received from the Rating Agent assigning the credit rating abovementioned and the press release by the Rating Agent in this respect.
12.	**All the ratings obtained for the private placement of Issue**	Please refer to S.no 11 (*Credit Rating of the Issue*) above. No other ratings have been obtained for the purposes of this Issue.
13.	**The name(s) of the stock exchanges where the securities are proposed to**	The Debentures are proposed to be listed on the wholesale debt market of the BSE Limited (**"BSE"**).

	be listed, subject to change	Please refer to **Annexure IX** (*In-Principle approval)* of the Key Information Document for the in-principle approval for listing obtained from BSE in relation to the General Information Document as issued by the Issuer. BSE shall be the 'Designated Stock Exchange' for the purpose of maintenance of the recovery expense fund prescribed by SEBI under the SEBI Debenture Trustees Circular, as may be amended from time to time.
14.	**The details about eligible investors;**	The following categories of investors, when specifically approached and have been identified upfront, are eligible to apply for this private placement of Debentures subject to fulfilling their respective investment norms/rules and compliance with laws applicable to them by submitting all the relevant documents along with the application Form (**"Eligible Investors"**): (a) Companies and Bodies Corporate eligible to invest in the Debentures; (b) Financial Institutions eligible to invest in the Debentures; (c) Foreign Portfolio Investors; (d) Mutual Funds; (e) Alternative Investment Funds; and (f) Any other investor eligible to invest in these Debentures. All potential Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures. **Note:** Participation by potential investors in the Issue may be subject to statutory and/or regulatory requirements applicable to them in connection with subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that they comply with all regulatory requirements applicable to them, including exchange controls and other requirements. Applicants ought to seek independent legal and regulatory advice in relation to the laws applicable to them.
15.	**Coupon rate, coupon payment frequency, redemption date, redemption amount and details of debenture trustee**	In respect of the Coupon Rate, the Coupon Payment Frequency, the Redemption Date and Redemption Amount in respect of the Debentures, please refer to Section 2.8 (*Issue Details*) of this Key Information Document. The details of Debenture Trustee are provided under S. No. 1 of this table above.
16.	**Nature and issue size, base issue and green shoe option, if any, shelf or tranche size, each as may be applicable**	**Issue Size:** Issue of up to 5,000 (Five Thousand) senior, secured, listed, rated, unsubordinated, redeemable, transferable, non-convertible debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, amounting up to INR 50,00,00,000/- (Indian Rupees Fifty Crores Only), in a dematerialised form, on a private placement basis.

<table>
<tr><td></td><td></td><td>Green Shoe option: issue of up to 3,500 (Three Thousand Five Hundred) senior, secured, listed, rated, unsubordinated, redeemable, transferable, non-convertible debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, aggregating up to INR 35,00,00,000/- (Indian Rupees Thirty-Five Crores Only) and in total aggregating to INR 85,00,00,000/- (Indian Rupees Eighty-Five Crores Only) in a dematerialised form, on a private placement basis.</td></tr>
<tr><td>17.</td><td>Details about underwriting of the issue including the amount undertaken to be underwritten by the underwriters:</td><td>Not Applicable.</td></tr>
<tr><td>18.</td><td>Inclusion of a compliance clause in relation to electronic book mechanism and details pertaining to the uploading the Key Information Document on the Electronic Book Provider Platform, if applicable.</td><td>The final subscription to the Debentures shall be made by the Eligible Investors through the electronic book mechanism as prescribed by SEBI under the EBP Guidelines by placing bids on the electronic book platform during the Issue period. In case the Eligible Investors are not registered on the EBP, they will have to register themselves as investor on the said platform (as a one-time exercise) and also complete the mandatory KYC verification process. The Eligible Investors should also refer to the operational guidelines of the EBP in this respect. The disclosures required pursuant to the EBP Guidelines are set out hereinbelow:
<table>
<tr><td>Details of size of the Issue including green shoe option, if any</td><td>Total Issue size of Issue: INR 85,00,00,000/- (Indian Rupees Eighty-Five Crores Only)</td></tr>
<tr><td>Bid opening and closing date</td><td>Bid opening date: 30th December 2024; and
Bid closing date: 30th December 2024.</td></tr>
<tr><td>Minimum Bid lot</td><td>100 (One Hundred) Debentures (aggregating to INR 1,00,00,000 (Indian Rupees One Crore), and 1 (one) Debenture thereafter.</td></tr>
<tr><td>Manner of bidding in the Issue</td><td>Closed Bidding</td></tr>
<tr><td>Manner of allotment in the Issue</td><td>The allotment will be done on Uniform Yield basis in accordance with EBP Guidelines.</td></tr>
<tr><td>Manner of settlement in the Issue</td><td>Pay-in of funds through ICCL and the account details are given in the Section 4.2 (Process flow of settlement) of this Key</td></tr>
</table></td></tr>
</table>

			Information Document.
		Settlement cycle	T+1, where T refers to the date of bid opening date / issue opening date
19.	**Specific declaration requested by BSE: non-equity regulatory capital**	This issue of Debentures does not form part of non-equity regulatory capital mentioned under Chapter V of the SEBI NCS Regulations. The face value of each Debenture is INR 1,00,000 (Indian Rupees One Lakh Only).	

Background

This Key Information Document (as defined below) is related to the issue of up to 5,000 (Five Thousand) senior, secured, listed, rated, unsubordinated, redeemable, transferable, non-convertible debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, amounting up to INR 50,00,00,000/- (Indian Rupees Fifty Crores Only), alongwith a green shoe option to retain oversubscription of issue of up to 3,500 (Three Thousand Five Hundred) senior, secured, listed, rated, unsubordinated redeemable, transferable, non-convertible debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, aggregating up to INR 35,00,00,000/- (Indian Rupees Thirty-Five Crores Only) and in total aggregating to INR 85,00,00,000/- (Indian Rupees Eighty-Five Crores Only), in a dematerialised form, on a private placement basis, to be issued by **IKF Finance Limited** (the **"Issuer"** or **"Company"**) and contains relevant information and disclosures required for the purpose of issuing of the Debentures and must be read along with the General Information Document issued by the Issuer. The issue of the Debentures comprised in the Issue and described under this Key Information Document has been authorised by the Issuer through resolutions passed by the shareholders of the Issuer on 30th September, 2024 in accordance with provisions of the Companies Act, 2013 under Section 42, the Board of Directors of the Issuer on 05th s 2024 read along with the resolution of the management committee of the Board dated 24th December 2024 and Memorandum and Articles of Association of the Company. Pursuant to the resolution passed by the Company's shareholders dated 30th September, 2024 in accordance with provisions of the Companies Act, 2013 under Section 180(1)(a) and 180(1)(c), the Company has been authorised to raise funds, by way of issuance of non-convertible debentures, upon such terms and conditions as the Board may think fit for aggregate amounts not exceeding INR 5000,00,00,000/- (India Rupees Five Thousand Crores Only). The present issue of Debentures in terms of this Key Information Document is within the limits as prescribed in such relevant resolution.

THIS KEY INFORMATION DOCUMENT IS NEITHER A PROSPECTUS NOR A STATEMENT IN LIEU OF A PROSPECTUS AND DOES NOT CONSTITUTE AN OFFER TO THE PUBLIC GENERALLY TO SUBSCRIBE FOR OR OTHERWISE ACQUIRE THE DEBENTURES TO BE ISSUED UNDER THE ISSUE.

THIS KEY INFORMATION DOCUMENT IS PREPARED AND ISSUED IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021, ISSUED VIDE NOTIFICATION NUMBER SEBI/LAD-NRO/GN/2021/39 DATED 09TH AUGUST 2021, AS AMENDED FROM TIME TO TIME, READ WITH THE CIRCULARS ISSUED THEREUNDER; THE MASTER CIRCULAR FOR ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES, SECURITISED DEBT INSTRUMENTS, SECURITY RECEIPTS, MUNICIPAL DEBT SECURITIES AND COMMERCIAL PAPER ISSUED BY SECURITIES AND EXCHANGE BOARD OF INDIA, ISSUED VIDE CIRCULAR NO. SEBI/HO/DDHS/PoD1/P/CIR/2024/54 DATED 22nd May, 2024, AS AMENDED FROM TIME TO TIME, THE PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER PURSUANT TO SECTION 42 OF THE COMPANIES ACT, 2013 READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014 AND PURSUANT TO SECTION 71 OF THE COMPANIES ACT, 2013 READ WITH RULE 18 OF THE COMPANIES (SHARE CAPITAL AND DEBENTURES) RULES, 2014 FOR ISSUE OF NON-CONVERTIBLE DEBENTURES ON A PRIVATE PLACEMENT BASIS. THIS KEY INFORMATION DOCUMENT SHALL BE READ IN CONJUNCTION WITH THE GENERAL INFORMATION DOCUMENT DATED 9th October 2024.

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

Particulars	Date
Issue Opening Date	30th December 2024
Issue Closing Date	30th December 2024
Pay In Date	31st December 2024
Deemed Date of Allotment	31st December 2024

Listing
The Debentures are proposed to be listed on the wholesale debt market of the BSE. The Issuer has obtained an in-principle approval in relation to the General Information Document from the Stock Exchange on 10.11 2024.

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

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(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

SECTION 1: DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or requires and if not otherwise defined in the General Information Document, the following terms shall have the meanings given below in this Key Information Document.

Business Day	shall be any day (other than a Sunday or a public holiday) under Section 25 of the Negotiable Instruments Act, 1881, on which scheduled commercial banks are open for general business in Mumbai and Vijayawada, India. Additionally, the day on which payment of interest/redemption with respect to debt securities falls due, it has been decided that interest/ redemption payments shall be made only on the days when the money market is functioning in Mumbai and Vijayawada, India. "Business Days" shall be construed accordingly.
CARE	shall mean CARE Ratings Limited a company incorporated under the Companies Act, 1956 and validly existing under the Companies Act, 2013 having corporate identification number L67190MH1993PLC071691 and its registered office at Godrej Coliseum, 4th Floor, Somaiya Hospital Road, Off E - Express Highway Sion East, Mumbai - 400022, Maharashtra, India.
Conditions Precedent	means the conditions precedent set out under the heading in Section 2.8 (*Issue Details*) of this Key Information Document.
Conditions Subsequent	Means the conditions subsequent set out in Section 2.8 (*Issue Details*) of this Key Information Document.
Debenture Trust Deed	means the trust deed executed / to be executed by and between the Debenture Trustee and the Issuer which will set out the terms upon which the Debentures are being issued and shall include the representations and warranties and the covenants to be provided by the Issuer on or around the date of this Key Information Document.
Debenture Trustee	Vardhman Trusteeship Private Limited, a company incorporated under the provisions of the Companies Act, 1956 and validly existing under the provisions of the Companies Act, 2013 with corporate identification number - U65993WB2010PTC152401 and having its registered office at 3rd Floor, Room No - 15 6, Lyons Range, Turner Morrison House, Kolkata - 700001, West Bengal, India and corporate office at The Capital, A Wing, 412A, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051, and branch office at 411, 4th Floor, Antriksh Bhawan, 22, KG Marg, Connaught Place, New Delhi - 110001, India. A copy of the consent letter has been annexed hereto in **Annexure II** of this Key Information Document Further, a copy of the due diligence certificate is set out in **Annexure VII** of this Key Information Document hereto.
Debenture Trustee Agreement	means the agreement executed by and between the Debenture Trustee and the Issuer for the purposes of appointment of the Debenture Trustee to act as debenture trustee in connection with the issuance of the Debentures on or around the date of this Key Information Document.
Debentures	Issue of up to 5,000 (Five Thousand) senior, secured, listed, rated, unsubordinated, redeemable, transferable, non-convertible

	debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, amounting up to INR 50,00,00,000/- (Indian Rupees Fifty Crores Only) alongwith a green shoe option to retain oversubscription of issue of up to 3,500 (Three Thousand Five Hundred) senior, secured, listed, rated, unsubordinated redeemable, transferable, non-convertible debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, aggregating up to INR 35,00,00,000/- (Indian Rupees Thirty-Five Crores Only) and in total aggregating to INR 85,00,00,000/- (Indian Rupees Eighty-Five Crores Only), in a dematerialised form, on a private placement basis, in a dematerialised form, on a private placement basis.
Deed of Hypothecation	Shall mean the deed of hypothecation dated on or around the date of the Debenture Trust Deed to create a first ranking, exclusive, current and continuing charge over the Hypothecated Assets, to be executed between the Issuer and the Debenture Trustee to secure the Payment Obligations in relation to the Debentures.
Deemed Date of Allotment	shall mean the date on which the Debentures shall have been deemed to be allotted to the Debenture Holders – 31st December 2024.
EBP Guidelines	means the guidelines issued by SEBI with respect to electronic book mechanism under the terms of the SEBI NCS Master Circular and the operational guidelines issued by the relevant Electronic Book Provider, as may be amended, clarified or updated from time to time.
Eligibility Criteria	means commencing from the effective date of the Deed of Hypothecation until the Final Settlement Date: (a) each Loan underlying the Hypothecated Assets shall be standard at the time of selection and shall not be terminated or prepaid; (b) no Loan underlying the Hypothecated Assets should have been restructured or rescheduled (determined in accordance with the criteria prescribed by the RBI); (c) each Loan (as defined under the Deed of Hypothecation) underlying the Hypothecated Assets must be in compliance with all applicable know your customer requirements prescribed by the RBI; (d) each Loan underlying the Hypothecated Assets must have been originated by the Company, and must not have been purchased from any other third party; (e) each Loan underlying the Hypothecated Assets must be in compliance with all customer protection regulations as prescribed by the RBI; (f) each Loan underlying the Hypothecated Assets from related parties shall not be included in hypothecated Receivables; (g) each Loan underlying the Hypothecated Assets must conform to the credit and underwriting policies adopted by the Company; (h) each Loan underlying the Hypothecated Assets shall not be obtained from a related party;

	(i) other than the Security Interest created pursuant to the Debenture Trust Deed and Security Documents, each Loan underlying the Hypothecated Assets must be free from all encumbrances and should not be subject to any lien or charge; and (j) each Loan underlying the Hypothecated Assets is a Client Loans and is standard as per RBI guidelines at the time of creation of the Security.
Eligible Investors	has the meaning given to it under Section 4.4 of the Key Information Document.
Events of Default	means the events of default set out in Section 2.8 (*Issue Details*) of this Key Information Document, and "Event of Default" shall be construed accordingly.
Final Redemption Date	means the date occurring on the expiry of up to 36 (Thirty-Six) Months from the Deemed Date of Allotment, being – 30th December 2027.
Financial Indebtedness	shall mean in relation to any Person any indebtedness of such Person for or in respect of: (a) moneys borrowed; (b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent; (c) any amount raised by acceptance of vendor bill discounting facility, receivables bill discounting or dematerialised equivalent; (d) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument including any accrued interest or redemption premium thereon; (e) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the Applicable Accounting Standards, be treated as a finance or capital lease; (f) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis); (g) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing, including on any other direct or indirect or secured or unsecured recourse basis; (h) shares which are expressed to be redeemable, or any shares or instruments convertible into shares, or any shares or other securities, in each case which are otherwise the subject of a put option or call option or any form of guarantee; (i) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; (j) any amount of any liability under any advanced or deferred purchase agreement if one of the primary reasons behind the entry into such agreement is to raise finance; (k) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or

	price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account); and (l) the amount of any liability in respect of any indemnity (without double counting) for any of the items referred to in paragraphs (a) to (k) above.
General Information Document	means the General Information Document issued by the Issuer dated 9th October 2024 for the purpose of issue of the non-convertible securities on a private placement basis in accordance with applicable Laws.
Hypothecated Assets	has the meaning given to it in the Section 2.8 (*Issue Details*) of the Key Information Document.
Interest Payment Dates	means the payment dates as specified in **Annexure IV** of this Key Information Document.
Interest Rate/Coupon Rate	Fixed rate of 9.90% p.a. (Nine point Nine zero percent per annum) and payable semi-annually.
Issue	means the private placement of the Debentures.
Issue Closing Date	30th December 2024
Issue Opening Date	30th December 2024
Key Information Document	This Key Information Document dated 26th December 2024.
Majority Debenture Holders	shall mean, such number of Debenture Holders collectively holding more than 50% (fifty percent) of the value of the nominal amount of the Debentures for the time being outstanding.
Material Adverse Effect	Material Adverse Effect' shall mean the effect or consequence of an event, circumstance, occurrence or condition which in the sole opinion of the Debenture Trustee (acting on the resolution of Majority Debenture Holders), has caused, as of any date of determination or could reasonably expect to cause, a material and adverse effect on. (a) the financial condition, assets, results of prospects, credit standing on the business, conditions, operation, profits, or sales of the Issuer where the net worth erodes by more than 50%; (b) the ability of the Issuer to enter into, perform or comply with its obligations under any Transaction Document; (c) the validity, legality or enforceability of, or the rights or remedies of any Debenture Holder under, any Transaction Document including the ability of any party to enforce any of its remedies thereunder; and (d) any other effect or change which adversely affect the interest of the Debenture Holder(s) or the Debenture Trustee under any of the Transaction Documents.
Net Worth	has the meaning given to it in the Act.
Outstanding Amounts	shall mean the Coupon, Default Interest, if any, additional interest, liquidated damages (if any) payable in relation to the Debentures, costs, indemnities, charges, expenses, fees (including the remuneration of the Debenture Trustee, Rating Agent and the Receiver, attorneys etc. and), all taxes, levies, cess including stamp duty and any/all other reasonable amounts, costs, charges

	due and payable by the Issuer under the Transaction Documents.
Outstanding Principal Amount	means, at any date, the principal amount outstanding under the Debentures.
Payment Defaults	means any event, act or condition which, with notice or lapse of time, or both, would constitute an Event of Default under paragraph (a) under the section named "Events of Default" under Section 2.8 (*Issue Details*) of this Key Information Document.
Payment Obligations	shall mean the aggregate of the Outstanding Amounts and the Redemption Amounts.
Private Placement Offer cum Application Letter/PPOAL	The offer cum application letter prepared in compliance with Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014.
Promoters	Shall mean the following: (a) Name: Mr.Vupputuri Gopala Kishan Prasad Telephone Number 0866-2474644 Email address prasadvgk@ikffinance.com (b) Name: Vupputuri Indira Devi Telephone Number 0866-2474644 Email address prasadvgk@yahoo.com (c) Name: Koganti Vasumathi Devi Telephone Number 040-23412081 Email address vasumathi@ikffinance.com
Purpose	means the purpose for which the Debentures are issued being the proceeds of the issuance of Debentures will be utilized by the Issuer for the following purpose of raising debt for the ongoing business of the Issuer (including the expansion of the Issuer's onward lending). Provided that no part of the proceeds shall be utilized directly/indirectly towards the following: (a) capital markets (including equity, debt, debt linked and equity linked instruments or any other capital market related activities); (b) any speculative purposes; (c) any activity in the Exclusion List or investment in the real estate sector; and (d) in contravention of any applicable law.
Rating	"CARE A+ (Stable)" assigned by the Rating Agent.
Rating Agent	means CARE Ratings Limited a company incorporated under the Companies Act, 1956 and validly existing under the Companies Act, 2013 having corporate identification number L67190MH1993PLC071691 and its registered office at Godrej Coliseum, 4th Floor, Somaiya Hospital Road, Off E – Express Highway Sion East, Mumbai – 400022, Maharashtra, India.

Record Date	means the date falling 15 (Fifteen) days prior to the Coupon Payment Date or the Redemption Date.
Redemption Date	means each of the Final Redemption Date and the dates on which a Redemption Payment is required to be made as more particularly set out in **Annexure IV** this Key Information Document.
Redemption Payment	means the payment of the Outstanding Principal Amounts of the Debentures on the Redemption Dates (including the Final Redemption Date) or any other date in accordance with the Debenture Trust Deed.
Register of Beneficial Owners	means the register of beneficial owners of the Debentures maintained in the records of the Depositories
R&T Agent/Registrar	shall mean Bigshare Services Private Limited, a company incorporated and validly existing under the Companies Act, 2013 with corporate identification number U99999MH1994PTC076534 and having its registered office at E-3 Ansa Industrial Estate, Saki Vihar Road, Sakinaka, Mumbai, Maharashtra - 400072, India.
SEBI	Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992 (as amended from time to time).
SEBI NCS Master Circular	means a master circular issued by SEBI, bearing reference number SEBI/HO/DDHS/PoD1/P/CIR/2024/54 dated May 22, 2024, titled "Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper" as amended from time to time.
SEBI Debenture Trustees Master Circular	means a master circular issued by SEBI, bearing reference number SEBI/HO/DDHS/PoD3/P/CIR/2024/46 dated May 16, 2024, titled "Master Circular for Debenture Trustees" as amended from time to time.
SEBI NCS Regulations	The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 together with the SEBI NCS Master Circular, as amended from time to time.
Security Cover	has the meaning given to it in the Section 2.8 (*Issue Details*) of the Key Information Document.
Stock Exchange	shall mean BSE.
Tangible Net Worth	means, with respect to any person, the amount paid up on such person's issued equity share capital, compulsorily convertible and any amount standing to the credit of its reserves, less equity or equity-like investments, goodwill, deferred tax assets and other intangible assets.
Tier I Capital	has the meaning given to it in the NBFC Directions.
Tier II Capital	has the meaning given to it in the NBFC Directions.
Transaction Documents	The documents executed or to be executed in relation to the issuance of the Debentures as more particularly set out in Section 2.8 of this Key Information Document.
Transaction Security	has the meaning given to it in the Section 2.8 (*Issue Details*) of this Key Information Document.
WDM	Wholesale Debt Market segment of the BSE.

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

SECTION 2: REGULATORY DISCLOSURES

This Key Information Document is prepared in accordance with the provisions of SEBI NCS Regulations and in this section, the Issuer has set out the details required as per Schedule I of the SEBI NCS Regulations.

2.1 Expenses of the issue:

Particulars of expenses	Amount	Percentage of total expenses	Percentage of total issue size
Lead Manager Fees	[●]	[●]	[●]
Underwriting Commission	[●]	[●]	[●]
Brokerage, selling commission and upload fees	[●]	[●]	[●]
Fees payable to the registrar to the issue	5000	1.09	0.00
Fees payable to the legal advisors	1,30,000	28.34	0.11
Advertising and marketing expenses	[●]	[●]	[●]
Fees payable to the regulators including stock exchange	3,23,750	70.57	0.27
Expenses incurred on printing and distribution of issue stationary	[●]	[●]	[●]
Any other fees, commission or payments under whatsoever nomenclature	[●]	[●]	[●]

Note: The ratio of Expenses to the total Issue Size has been estimated assuming the issuance is fully subscribed i.e. amounting to INR 85,00,00,000/- (Indian Rupees Eighty-Five Crores Only).

2.2 Debt: Equity Ratio of the Company: *(in Cr)*

Before the issue	3.54
After the issue	3.64

Note - Net worth figure has been taken as on 30th September 2024.

Borrowings figure has been taken as on 30th September 2024.
Calculations

Prior to issue, debt-to-equity ratio is calculated as follows:

(Rs inCr)

Debt	3309.66
Equity	933.89
Debt/Equity	3.54

Subsequent to the issue, debt-to-equity ratio shall be calculated as follows:

(Rs in

Debt	3394.66
Equity	933.89
Debt/Equity	3.64

2.3 The name(s) of the debentures trustee(s) shall be mentioned with statement to the effect that debenture trustee(s) has given its consent for appointment along with copy of the consent letter from the debenture trustee.

The Debenture Trustee for the proposed issue of Debentures shall be Vardhman Trusteeship Private Limited and has given its written consent for its appointment as debenture trustee to the Issue and inclusion of its name in the form and context in which it appears in this Key Information Document and in all the subsequent periodical communications sent to the Debenture Holders. The consent letter from Debenture Trustee is provided in **Annexure II** of this Key Information Document.

2.4 Details of credit rating along with reference to the rating letter issued (not older than one month on the date of opening of the issue) by the rating agencies in relation to the issue shall be disclosed. The detailed press release of the Credit Rating Agencies along with rating rationale(s) adopted (not older than one year on the date of opening of the issue) shall also be disclosed.

The Rating Agent has assigned a rating of **"CARE A+ Outlook: Stable"** (pronounced as "CARE A Stable") to the Debentures. The rating letter from the Rating Agent and the rating rationale from the Rating Agent along with the detailed press release is provided in **Annexure I** of this Key Information Document.

2.5 If the security is backed by a guarantee or letter of comfort or any other document / letter with similar intent, a copy of the same shall be disclosed. In case such document does not contain detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the Key Information Document.

Not Applicable.

2.6 Details of specific entities in relation to the current Issue of Non-Convertible Debentures:

S. No.	Particulars	Details
1.	Legal Counsel (if any)	Name: Verist Law Logo: VERIST LAW Contact Person: Srishti Ojha

S. No.	Particulars	Details
		Address: Empire Business Centre, 414, Senapati Bapat Marg, Lower Parel, Mumbai, Maharashtra 400013 Email: contact@veristlaw.com Tel: +912266907368 Website: www.veristlaw.in
2.	Guarantor (if applicable)	Not Applicable
3.	Arrangers, if any	Not Applicable

2.7 Disclosure of Cash flow with date of interest/dividend/ redemption payment as per day count convention

(a) ***The day count convention for dates on which the payments in relation to the non-convertible securities which need to be made:***

Coupon and all other charges shall accrue based on actual/actual day count convention in accordance with Chapter III (Day count convention, disclosure of cash flows and other disclosures in the offer document) of the SEBI NCS Master Circular, as may be amended and modified from time to time.

(b) ***Cash flows emanating from the non-convertible securities shall be mentioned in the Key Information Document, by way of an illustration:***

The cashflows emanating from the Debentures, by way of an illustration, are set out in **Annexure IV** of this Key Information Document.

2.8 Issue Details applicable for this issuance of the Debentures under this Key Information Document.

**** In case of any inconsistencies or conflict of interest between the Key Information Document and the Transaction Documents, the terms set out in the Debenture Trust Deed and the other Transaction Documents shall prevail.**

Security Name (Name of the non-convertible securities which includes Coupon / dividend, Issuer Name and maturity year)	9.90% IKF Finance December 2027
Issuer	IKF Finance Limited
Type of Instrument	Senior, Secured, Listed, Rated, Unsubordinated, Redeemable, Transferable, Non-Convertible Debentures.
Nature of Instrument (Secured or Unsecured)	Senior, Secured, Listed, Rated, Unsubordinated, Redeemable, Transferable, Non-Convertible Debentures.
Issue Schedule	Date of opening of the Issue: 30th December 2024 Date of closing of the Issue: 30th December 2024

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

	Pay-in date: 31st December 2024 Deemed Date of Allotment: 31st December 2024
Seniority (Senior or subordinated)	Senior
Eligible Investors	Please refer to Section 4.4 (Eligible Investors).
Listing (name of stock Exchange(s) where it will be listed and timeline for listing)	BSE (a) The Issuer shall submit all duly completed documents to the BSE, SEBI, ROC or any other Governmental Authority, as are required under Applicable Law and procure permission for listing of the Debentures from the Stock Exchange within (T+3) working days, wherein "**T**" shall be referred to the issue closing date (**"Listing Period"**). (b) The Issuer shall ensure that the Debentures continue to be listed on the wholesale debt market segment of the BSE. (c) In the event there is any delay in listing of the Debentures beyond (T+3) working days, wherein **"T"** shall be referred to the issue closing date, the Issuer will pay to the Debenture Holders, penal interest of 2% (Two Percent) per annum over the Interest Rate, from the date of allotment of the Debentures until the date of listing, when the listing of the Debentures is completed.

Rating of Instrument	"CARE A+ Outlook: Stable" issued by CARE
Issue Size	INR up to 50,00,00,000/- (Indian Rupees Fifty Crores Only)
Minimum Subscription	Minimum of 100 (One Hundred) Debentures and then in multiples of 1 (One) Debenture thereafter
Option to retain oversubscription (Amount)	INR 35,00,00,000/- (Indian Rupees Thirty-Five Crores Only)
Objects of the Issue / Purpose for which there is requirement of funds	The proceeds of the issuance of Debentures will be utilized by the Issuer for the following purpose of raising debt for the ongoing business of the Issuer (including the expansion of the Issuer's onward lending). Provided that no part of the proceeds shall be utilized directly/indirectly towards the following*:* (a) capital markets (including equity, debt, debt linked and equity linked instruments or any other capital market related activities);

	(b) any speculative purposes; (c) any activity in the Exclusion List or investment in the real estate sector; and (d) in contravention of any applicable Law.
In case the issuer is a NBFC and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the prescribed format:	Not Applicable. The proceeds raised from the Issue will be used solely for the Purpose (Defined in Section 1)
Details of the utilization of the Issue Proceeds	100% (One Hundred Percent) of the issue proceeds will be utilized only towards raising debt for the ongoing business of the Issuer (including the expansion of the Issuer's onward lending).
Coupon Rate	Fixed Coupon – 9.90% p.a. (Nine point nine zero percent per annum) and payable quarterly.
Step Up / Step Down Coupon Rate	If the credit rating of the Debentures is downgraded from the current rating of "CARE A+ Outlook: Stable" ("**Rating**") at any point of time during the tenor of the Debentures, the Coupon shall increase by 0.25% (zero point two five percent) for each notch downgrade of 1 (one) notch from the Rating of the Debentures ("**Step Up Rate**"). Such increased rate of Coupon at the Step Up Rate shall be applicable from the date of such downgrade ("**Step Up**"). Following the Step Up, until the rating of the Debentures is restored to the Rating, if the rating of the Debentures is upgraded, the prevailing Step Up Rate shall be decreased by 0.25% (zero point two five percent) for each upgrade of 1 (one) notch from the rating of the Debentures (until the rating of the Debentures is restored to the Rating) and such decreased rate of Coupon shall be applicable from the date of such upgrade. PROVIDED THAT the decreased rate of Coupon in accordance with this provision cannot, in any case, be lower than the Coupon. In case the Company has obtained rating in relation to the Debentures from more than one rating agency, the lowest rating issued by the rating agency in relation to the Debentures shall be considered for the purpose of increase in the Coupon.
Coupon Payment Frequency	quarterly
Coupon Payment Dates	As per the dates set out in **Annexure IV** of this Key Information Document.
Coupon Type (Fixed, floating or other structure)	Fixed

Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.)	Not Applicable
Day Count Basis (Actual / Actual)	Actual / Actual. The Coupon (if any) shall be computed on the basis of actual number of days elapsed in a year, for this purpose a year shall comprise of a period of 365 (three hundred and sixty-five) days. In case of a leap year, if 29th February of the relevant leap year falls during the Tenor of the Debentures, then the number of days shall be reckoned as 366 (three hundred and sixty-six) days for the one-year period.
Interest on Application Monies	(a) Interest at the Coupon rate (subject to Tax deduction under the Applicable Law or any other statutory modification or re-enactment thereof, if applicable) will be paid to the Applicants on the Application Monies for the Debentures from the Pay-in Date up to 1 (One) day prior to the Deemed Date of Allotment for all valid applications within such timelines as agreed by the Parties; and (b) Where Pay-in Date and Deemed Date of Allotment fall on the same date, no interest on Application Monies is to be paid to the Applicants.
Default Interest Rate	In case of default in payment of Coupon and / or Redemption Amount on as per the Payment Mechanism, additional coupon rate of 2% p.a. (two percent per annum) payable semi-annually over the Coupon rate will be payable by the Issuer from the date of default till such default in payment of Coupon and/or Redemption Amount is rectified. In case of default by the Issuer in the performance of any of the covenants of this Issue, including but not limited to the (i) Affirmative Covenants after a cure period of 30 (Thirty) days, (ii) Negative Covenants and Reporting Covenants, additional coupon rate of 2% p.a. (two percent per annum) payable quarterly over the Coupon rate will be payable by the Issuer from the date of default till such default is rectified. In case of default in the performance of the Financial Covenants after the cure period as set out herein, additional coupon of 1% p.a. (one percent per annum) payable quarterly over the Coupon rate will be payable. Any failure to create and perfect security over the Hypothecated Assets within the timelines set out in the Transaction Documents shall attract 2% p.a. (two percent per annum) additional interest payable quarterly over the Coupon rate and give an option to the Debenture holders for early redemption.

	Each of the default coupon rates mentioned above are mutually exclusive and will be payable in the event the circumstance triggering the default coupon rate occurs. If the Company fails to execute the Debenture Trust Deed on or before the Deemed Date of Allotment, and that in case of delay in execution of the Debenture Trust Deed, the Company will refund the subscription amount in respect of Debentures subscribed till then with agreed Coupon or pay additional Default Interest of 2% (two percent) per annum over the Coupon Rate till the Debenture Trust Deed is executed, at the option of the Debenture Holders.
Tenor	up to 36 (Thirty-six) months from the Deemed Date of Allotment
Redemption Date / Maturity Date	30th December 2027 The Debentures shall be redeemed on a pro rata basis as set out in Annexure **IV** and shall be fully redeemed by the Final Redemption Date.
Principal Redemption	Principal to be redeemed quarterly in equal tranches.
Redemption Premium/ Discount	Not Applicable
Redemption Amount	At par
Early Redemption	Not Applicable
Mandatory Redemption	Not Applicable
Early Redemption Date/ Mandatory Redemption Date	Not Applicable
Early Redemption Notice	Not Applicable
Voluntary Redemption	Not Applicable
Issue Price	INR 1,00,000 (Indian Rupees One Lakh) per Debenture
Discount at which security is issued and the effective yield as a result of such discount	Not Applicable
Premium / Discount at which security is redeemed and the effective yield as a result of such premium / discount	Not Applicable
Put Option	Not Applicable
Put Option Event	Not Applicable
Put Date	Not Applicable
Put Price	Not Applicable

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

Call Date	Not Applicable
Call Price	Not Applicable
Put Notification Time (Timelines by which the investor need to intimate Issuer before exercising the put)	Not Applicable
Call Notification Time (Timelines by which the Issuer need to intimate investor before exercising the call)	Not Applicable
Face Value	INR 1,00,000/- (Indian Rupees One Lakh only) per Debenture
Minimum Application and in multiples of thereafter	100 (One Hundred) Debentures (aggregating to INR 1,00,00,000 (Indian Rupees One Crore), and 1 (one) Debenture thereafter
Issue Timing 1) Issue Opening Date 2) Issue Closing Date 3) Date of earliest closing of the Issue, if any 4) Deemed Date of Allotment 5) Pay-in Date	 1) 30th December 2024 2) 30h December 2024 3) 30th December 2024 4) 31st December 2024 5) 31st December 2024
Settlement mode of the Instrument	RTGS / NEFT / IMPS
Depositories	NSDL and CDSL
Disclosure of Interest / Dividend / Redemption Dates	Please refer to **Annexure IV** in this Key Information Document.
Record Date	As set out more particularly in Section 1 of this Key Information Document.
All covenants of the issue (including side letters, accelerated payment clause, etc.)	**Representations and Warranties** Please refer to Section 3.1 of this Key Information Document. **Affirmative Covenants** Please refer to Section 3.2 (a) of this Key Information Document. **Negative Covenants** Please refer to Section 3.2 (b) of this Key Information Document. **Reporting Covenants** Please refer to Section 3.2 (c) of this Key Information Document.

	Financial Covenants Please refer to Section 3.2 (d) of this Key Information Document.
Description regarding Security (where applicable) including type of security (movable / immovable / tangible etc.), type of charge (pledge / hypothecation / mortgage etc.), date of creation of security / likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Debenture Trust Deed and disclosed in the General Information Document.	The value of the Hypothecated Assets charged as Security in favour of the Debenture Trustee is maintained at least 1.10x (one decimal point one zero times) the aggregate amount of the Payment Obligations in relation to the Debentures and shall be maintained at all times until the redemption of the Debentures and payment of the Payment Obligations (**"Security Cover"**) till the Final Settlement Date, (on the terms and conditions mentioned under the Transaction Documents) in accordance with Applicable Law and the Transaction Documents. The terms and process of creation of hypothecation shall be provided at length under the Deed of Hypothecation. If the Security in respect of Debentures falls below the Security Cover as specified in this Key Information Document on any account, the Company shall within 30 (thirty) Business Days of such occurrence, hypothecate further assets or such additional Security as may be acceptable to the Debenture Trustee to maintain the Security Cover in the manner set out in the Deed of Hypothecation. **Eligibility Criteria:** The loans forming part of the Hypothecated Assets shall satisfy the Eligibility Criteria and such other requirements set out in the Deed of Hypothecation. **Replacement of security:** The Company shall, within the timelines prescribed under the Deed of Hypothecation replace such Hypothecated Assets that do not satisfy the Eligibility Criteria. In case of any repugnancy between the provisions of the clause in this Key Information Document for the creation of hypothecation and the terms provided in the Deed of Hypothecation for the creation of mortgage over the Hypothecated Assets, the terms of the Deed of Hypothecation shall prevail.
Transaction Documents	shall mean and includes: (a) the Debenture Trustee Consent Letter; (b) Certified true copy of the Board resolution of the Issuer dated 05th November 2024; (c) Certified true copy of a resolution of the management committee of the Board of the Issuer dated 24th December 2024; (d) Certified true copy of the shareholder's resolution of the Issuer passed under Section 42 of the Act dated 30th September, 2024; (e) Certified true copy of the shareholders resolution of the Issuer passed under Section 180(1)(a) of the Act dated 30th September 2024 and Section

	180(1)(c) of the Act dated 30th September, 2024; (f) General Information Document and Key Information Document; (g) the Debenture Trustee Appointment Agreement; (h) the Debenture Trust Deed; (i) the Security Documents; (j) Tripartite agreements executed between the Issuer, the Depository and the RTA; (k) Press release from the Rating Agent in respect of the credit rating for the Debentures; (l) In-principle approval as received from the Stock Exchange for listing of the Debentures; (m) Listing Agreement with the Stock Exchange; and (n) Any other document or instrument designated as a transaction document by the Debenture Trustee.
Conditions Precedent to Disbursement	(i) A certified true copy of the constitutional documents of the Company (being its Memorandum and Articles of Association and Certificate of Incorporation) shall have been submitted to the Debenture Trustee. (ii) All corporate approvals from the Board of Directors and shareholders of the Company, if applicable, shall have been received for the issuance of the Debentures and the execution, delivery and performance by the Company of the Transaction Documents in accordance with the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other rules prescribed. (iii) A copy of a special resolution passed by the shareholders of the Issuer specifically for purposes of Section 180 of the Act, (ii) the current borrowing limits of the Issuer, in accordance with Section 180(1)(c) of the Act, and (iii) the creation of the Security Interest in favour of the Debenture Trustee in accordance with Section 180(1)(a) of the Act. (iv) Execution of the Form PAS-4, Debenture Trustee Agreement, Debenture Trust Deed, the Deed of Hypothecation and the Power of Attorney (as the case may be), in a form and manner satisfactory to the Debenture Trustee shall have taken place. (v) A copy of the letter from the RTA providing its consent to act as the Registrar for the issue of

	Debentures. (vi) The Issuer shall have uploaded the Debt Disclosure Documents and the term sheet on the electronic book platform within the timelines set out under applicable Law. (vii) Rating of the Debentures being completed and the rating agency having provided a minimum rating of "CARE A+ Outlook: Stable" for the Debentures and the rating letter issued by the Rating Agency being in a form and manner satisfactory to the Debenture Trustee. (viii) The Company shall have obtained the Debenture Trustee Consent Letter from the Debenture Trustee. (ix) The Company shall have provided to the Debenture Trustee a certificate from a director/company secretary of the Company certifying that:- a. the Company and its Directors have the necessary powers under the Memorandum and Articles of Association of the Company to borrow moneys and for creation of security pursuant to the issuance of the Debentures; b. the borrowing of moneys and creation of security pursuant to the issuance of the Debentures will not cause any limit binding on the Company to be exceeded; and c. no Material Adverse Effect has occurred in the Company, and/or the business of the Company. (x) The delivery by the Company to the Debenture Trustee, of certificates signed by authorized signatories of the Company, in a form and substance satisfactory to the Debenture Trustee, with respect to: a. incumbency and signatures; b. absence of any Event of Default, any potential Event of Default, any force majeure event and any Material Adverse Effect; c. all representations and warranties contained in the Debenture Trust Deed are true and correct in all material respects on and as of the Deemed Date of Allotment, before and after giving effect to the Issue and to the application of the proceeds therefrom; and d. the Debenture Trustee shall have received from the Company its audited account statements for the Previous Year.

	(xi) Due execution of the Depository Agreements by, inter-alia, the Depository and the Company. (xii) Due execution of the Tripartite Agreement by, inter-alia, the Registrar and Transfer Agent, Depository and the Company. (xiii) The Company shall have submitted to the Debenture Trustee, all required documents for the purpose of satisfying its respective KYC requirements. (xiv) The Company shall have submitted to the Debenture Trustee, its audited account statements along with independent auditor's report of the Company for the financial year ended on 31st March 2024. (xv) The Issuer shall have obtained in-principle approval from the Stock Exchange for listing of the Debentures. (xvi) A copy of the e-Form MGT-14 filed with the Registrar of Companies with respect to the board resolution or shareholders' resolution (as applicable and if required under the Act) passed for the issue of Debentures. (xvii) The Issuer shall have obtained due-diligence certificate from the Debenture Trustee. (xviii) The Issuer shall have complied with all the provisions of the SEBI Debenture Trustees Master Circular in relation to compliance with distributed ledger technology requirements. (xix) The Issuer shall have obtained the International Securities Identification Number (ISIN) in respect of the Debentures. (xx) Payment of all fees and stamp duty under the Transaction Documents executed is done to the satisfaction of the Debenture Trustee. (xxi) The Company shall provide such other information, documents, certificates, opinions and instruments as the Debenture Holder may reasonably request.
Conditions Subsequent to Disbursement	Company shall fulfil each of the following conditions within the stipulated timelines: (i) The Company shall immediately on receipt of funds, take on all necessary steps to, including making all applicable filings in the Registrar of Companies and obtaining all necessary approvals including filing Form PAS 3 along with requisite fee within the timelines prescribed by the Act and Rules thereunder. (ii) Certified true copy of the board resolution for the allotment of the Debentures, within 2 (two) Business Days of the Deemed Date of Allotment.

	(iii) Copy of Form PAS-5 being maintained by the Company in accordance with the Act, where the Company has recorded the names of the subscribers to the Debentures within 7 (seven) Business Days of Deemed Date of Allotment. (iv) Credit the demat account of the Applicants with such number of Debentures which have been allotted to them within 2 (two) Business Days from the Deemed Date of Allotment. (v) Payment of stamp duty at 0.005% (zero point zero zero five percent) on the Debentures as per the Indian Stamp Act, 1899. (vi) The Company shall provide/submit all such post listing disclosures as required under SEBI NCS Master Circular and SEBI NCS Regulations. (vii) File e-form CHG 9 with Registrar of Companies within the 30 (thirty) days from the Deemed Date of Allotment. (viii) As applicable to the Issuer in accordance with the Applicable Law(s), relevant filings in the prescribed form to be made with an information utility registered with the Insolvency and Bankruptcy Board of India in accordance with Section 215 of the Insolvency Code and other regulations including the Insolvency and Bankruptcy Board of India (Information Utilities) Regulations, 2017. (ix) A certificate from the Company's chartered account in respect of the utilization of funds for the Purpose, raised by the issue of the Debentures within 90 (ninety) days from the Deemed Date of Allotment. (x) Obtaining the final listing approval from the Stock Exchange in respect of the Debentures (including but not limited to payment of all fees) and list the Debentures on the wholesale debt market segment of BSE within 3 (three) trading days from the issue closing date of the Debentures. (xi) Providing all the necessary assistance to the Debenture Trustee for filing of and registering with the Central Registry under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 for the exercise of the rights, powers and authority hereby conferred on the Debenture Trustee for effecting and perfecting the Security created or purported to be created under the Deed of Hypothecation and for enforcement of such Security within the timeline stipulated under Applicable Law. Any other document as required by the Debenture Trustee. (xii) Within 15 (fifteen) Business Days from the

	Deemed Date of Allotment, a copy of the application filed for obtaining no-objection certificate from the tax authorities under Section 81 of the Central Goods and Services Tax Act, 2017 and Section 81 of the State GST Act in respect of the security to be created by the Company over the Hypothecated Assets owned by it under the Transaction Documents. (xiii) A no-objection certificate from the tax authorities under Section 81 of the Central Goods and Services Tax Act, 2017 and Section 81 of the State GST Act in respect of the security to be created by the Company over the Hypothecated Assets owned by it under the Transaction Documents as soon as available. (xiv) A certificate from the independent Chartered Accountant in relation to the maintenance of the minimum Security Cover. (xv) Any other document as required by the Debenture Trustee. (xvi) Any other document as required elsewhere under the Transaction Documents.
Events of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	Please refer to Section 3.3 of this Key Information Document.
Creation of recovery expense fund	The Company hereby agrees and undertakes that it shall create a recovery expense fund in the manner as set out in NCS Regulations and the SEBI Debenture Trustees Master Circular or such other circulars as may be specified by the SEBI from time to time and shall inform the Debenture Trustee of the same in writing. Without prejudice to the generality of the foregoing, the Company shall ensure compliance with the SEBI NCS Regulations, as amended/ supplemented from time to time in relation to the creation and maintenance of the recovery expense fund, the key provisions of which are as follows: (a) Creation of Recovery expense fund: The Company shall deposit cash or cash equivalents including bank guarantees towards the contribution to recovery expense fund with the designated stock exchange and submit relevant documents evidencing the same to the Debenture Trustee from time to time The Company shall ensure that the bank guarantees remains valid for a period of six months post the maturity date of the Debentures. The Company shall keep the bank guarantees in force and renew the bank guarantees at least seven working days before its expiry, failing which the designated stock exchange shall invoke such bank guarantee.

	(b) Utilisation of recovery expense fund: In the event of default, the Debenture Trustee shall obtain the consent of Debenture Holders for enforcement of security and shall inform the same to the designated stock exchange. The amount lying in the recovery expense fund shall be released by the designated stock exchange to the Debenture Trustee within five working days of receipt of such intimation. The Debenture Trustee shall keep a proper account of all expenses incurred out of the funds received from recovery expense fund towards enforcement of Security. (c) Refund of recovery expense fund to the Company: The balance in the recovery expense fund shall be refunded to the Company on repayment to the Debenture holders for which a 'No Objection Certificate (NOC)' shall be issued by the Debenture Trustee(s) to the designated stock exchange. The Debenture Trustee shall satisfy that there is no 'default' on any other listed debt securities of the Company before issuing the NOC.
Conditions for breach of covenants (as Specified in the Debenture Trust Deed)	Please refer to sections named "Default Interest Rate" above and Section 3.3 below.
Provisions related to Cross Default Clause	(a) Any Financial Indebtedness of the Issuer or any of their respective subsidiaries is not paid when due nor within any originally applicable grace period; (b) Any Financial Indebtedness of the Issuer or any of their respective subsidiaries is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of any actual/potential event of default or any other similar event (however described); (c) Any commitment for any Financial Indebtedness of the Issuer is cancelled or suspended by a creditor of the Issuer as a result of an event of default or any other similar event (however described); (d) Any creditor of the Issuer becomes entitled to declare any indebtedness of the Issuer is due and payable prior to its specified maturity as a result of an event of default (however described; and (e) A moratorium/suspension is declared in respect of any Financial Indebtedness of the Issuer.
Role and Responsibilities of the Debenture Trustee	Please refer to Section 5.38 (*Issue Details*) of the General Information Document
Risk factors pertaining to the	Please refer to Section 3 (*Risk Factors*) of the General

issue	Information Document
Governing Law	The Debentures and documentation will be governed by and construed in accordance with the laws of India and the parties submit to the exclusive jurisdiction of the courts in Chennai, India and as more particularly provided for in the Debenture Trust Deed. Notwithstanding anything stated earlier, the Debenture Trustee has the right to commence proceedings before any other court or forum in India.

Note:

1. If there is any change in Coupon Rate pursuant to any event including lapse of certain time period or downgrade in rating, then such new Coupon Rate and events which lead to such change should be disclosed.

2. The list of documents which has been executed in connection with the issue and subscription of debt securities shall be annexed.

3. While the debt securities are secured to the tune of 110% (One Hundred and Ten percent) the aggregate of the Payment Obligations or as per the terms of this Key Information Document, in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained.

4. The Issuer shall provide granular disclosures in this Key Information Document, with regards to the **"Object of the Issue"** including the percentage of the issue proceeds earmarked for each of the "object of the issue".

   As specified in this Key Information Document.

5. **Future Borrowings**

   The Company shall be entitled to borrow or raise loans or create encumbrances or avail financial assistance in whatever form, and also issue promissory notes or debentures or other securities, without the consent of, or intimation to the Debenture Holders or the Debenture Trustee in this connection.

   However, no such borrowings will have the benefit of the security interest created over the Hypothecated Assets and granted to the Debenture Trustee and Debenture Holders under the Transaction Documents. The Company further confirms and undertakes that it would not create or attempt to create any further charge/encumbrance on the Hypothecated Assets in favour of other lenders or any part thereof, without the consent of the Debenture Trustee/Debenture Holders.

6. **Consent of directors, auditors, bankers to issue, trustees, solicitors or advocates to the issue, legal advisors to the issue, lead managers to the issue, Registrar to the Issue, and lenders (if required, as per the terms of the agreement) and experts.**

Parties	Consent
Directors	Board resolution read along with the resolution passed by the management committee of the board of directors of the Issuer, the copies of which are attached in **Annexure V - Part I** and **Annexure V - Part II** of this Key Information Document.

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

Parties	Consent
Auditors	Not applicable
Bankers	Not applicable
Debenture Trustee	Copy of the Debenture Trustee consent letter has been set out in **Annexure II** of this Key Information Document
Solicitors / Advocates	Not applicable
Legal Advisors	Not applicable
Registrar	Copy of the consent letter of the registrar and transfer agent has been set out in **Annexure VIII** of this Key Information Document

SECTION 3: TRANSACTION DOCUMENTS AND KEY TERMS

3.1 Representations and Warranties of the Issuer

The Company makes the representations and warranties set out in this Clause to the Debenture Trustee for the benefit of the Debenture Holders on the date of the Debenture Trust Deed and during the term of the Debentures.

(a) ***Status***

(i) It is a company, duly incorporated, registered and validly existing under the Laws of India;

(ii) It is registered as a non-banking financial company with the RBI; and

(iii) It and each of its subsidiaries (as defined under the Act) has the power to own their respective Assets and carry on their respective business as it is being conducted.

(b) ***Binding obligations***

The obligations expressed to be assumed by it under the Transaction Documents are legal, valid, binding and enforceable obligations.

(c) ***Non-conflict with other obligations***

The entry into and performance by it of, the transactions contemplated by the Transaction Documents do not and will not conflict:

(i) any applicable Law or regulation applicable to it;

(ii) its Constitutional Documents; and

(iii) any agreement or instrument binding upon it or any of its Assets.

(d) ***Power and authority***

It has the power to issue the Debentures and to enter into, perform and deliver, and has taken all necessary authorisations its entry into, performance and delivery of, the Transaction Documents to which it is a party and the transactions contemplated by those Transaction Documents.

(e) ***Validity and admissibility in evidence***

All approvals, authorizations, consents, permits (third party, statutory or otherwise) required or desirable:

(i) to enable it lawfully to enter into, exercise its rights and comply with its obligations in the Transaction Documents to which it is a party;

(ii) to make the Transaction Documents to which it is a party admissible in evidence in its jurisdiction of incorporation; and

(iii) for it to carry on its business, and which are material, have been obtained or effected and are in full force and effect.

(f) ***No default***

No Event of Default or potential Event of Default has occurred and is continuing or would reasonably be expected to result from the execution or performance of any Transaction Documents or the issuance of the Debentures. No other event or circumstance is outstanding which constitutes (or which would, with the lapse of time, the giving of notice, the making of any determination under the relevant document or any combination of the foregoing, constitute) a default or termination event (however described) under any other agreement or instrument which is binding on the Company or any of its Assets or which might have a Material Adverse Effect.

(g) ***Pari passu ranking***

Each Debenture constitutes direct and unconditional and secured obligations of the Company. The claims of the Debenture Holders shall be superior to all the claims of equity investors/ lenders of Tier I Capital and Tier II Capital (including without limitation, any Subordinated Debt) and shall rank at least *pari passu* inter se and to all other lenders who have not expressly agreed to subordinate their claims to those of other lenders of the Company.

(h) ***No proceedings pending***

Except as disclosed by the Company in its Disclosure Document(s), annual reports and financial statements, no litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency which have been started or threatened against the Company, where such proceedings could result in or cause a Material Adverse Effect.

(i) ***No misleading information***

(A) All information provided by the Company to the Debenture Trustee/Debenture Holders for the purposes of this Issue is true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated.

(B) It has disclosed all information in the Disclosure Document(s) that is relevant for the Applicants to apply for subscription of the Debentures.

(j) ***No Material Adverse Effect***

(i) There has not been and there is no investigation or enquiry by, or order, decree, decision or judgment of, any Governmental Authority been issued or outstanding or to the best of the Company's knowledge (after making due and careful enquiry), anticipated against the Company which would have a Material Adverse Effect on the Company, nor has any notice or other communication (official or otherwise) from any Governmental Authority been issued or outstanding or to the best of the Company's knowledge (after making due and careful enquiry), anticipated with respect to an alleged, actual or potential violation and/or failure to comply with any such applicable Law or requiring them to take or omit any action.

(ii) Neither the Company, the Promoters nor any of their group entities has violated, or breached any applicable Law (including, but not limited to, any Environmental and Social Requirements) which has resulted in or could reasonably be expected to have a Material Adverse Effect.

(k) ***Assets***

Except for the security interests and encumbrances created and recorded with the ROC updated from time to time, the Company has, free from any security interest or encumbrance, the absolute legal and beneficial title to, or valid leases or licenses of, or is otherwise entitled to use (in each case, where relevant, on arm's length terms), all Assets necessary for the conduct of its business as it is being, and is proposed to be, conducted.

(l) ***Financial statements***

(i) Its financial statements most recently supplied to the Debenture Trustee were prepared in accordance with IND-AS consistently applied save to the extent expressly disclosed in such financial statements.

(ii) Its financial statements for the Previous Year supplied to the Debenture Trustee, give a true and fair view and represent its financial condition and operations during the relevant Financial Year save to the extent expressly disclosed in such financial statements.

(iii) It has disclosed all its borrowings from various banks and financial institutions in the Disclosure Document(s).

(m) ***Solvency***

(i) The Company is able to, and has not admitted its inability to, pay its debts as they mature and has not suspended making payment on any of its debts and it has not been deemed by a court to be unable to pay its debts for the purposes of applicable Law, nor will it become unable to pay its debts for the purposes of applicable Law as a consequence of entering into the Debenture Trust Deed or any other Transaction Document.

(ii) The Company, by reason of actual or anticipated financial difficulties, has not commenced, and does not intend to commence, negotiations with one or more of its creditors with a view to rescheduling its Indebtedness.

(iii) The value of the Assets of the Company is more than its liabilities (taking into account contingent and prospective liabilities) and it has sufficient capital to carry on its business.

(iv) The Company has not taken any corporate action nor has it taken any legal proceedings or other procedure or steps in relation to any bankruptcy proceedings.

(v) No insolvency or bankruptcy process has commenced under the (Indian) Insolvency and Bankruptcy Code, 2016 in respect of the Company.

(vi) No reference, enquiry or proceedings under corporate debt restructuring (CDR) mechanism or the strategic debt restructuring (SDR) mechanism of the RBI, and no steps have been taken by any lender in respect of any member of the Group, under the 'Scheme for Sustainable Structuring of Stressed Assets (S4A) issued by the RBI.

(n) ***No immunity***

The Company is not entitled to any immunity or privilege (sovereign or otherwise) from any set-off, judgment, execution, attachment or other legal process.

(o) ***Legal and Beneficial Ownership***

Except for the security interests and encumbrances created and recorded with the Ministry of Corporate Affairs (available using CIN/FCRN/LLPIN/FLLPIN of the Company on the website http://www.mca.gov.in/MCA21/index.html under the heading "Index of Charges"), the Company has, free from any security interest or encumbrance, the absolute legal and beneficial title to, or valid leases or licenses of, or is otherwise entitled to use (in each case, where relevant, on arm's length terms), all material assets necessary for the conduct of its business as it is being, and is proposed to be, conducted.

(p) ***Compliance with Laws***

(i) The Company, the Promoters nor any of their group entities have conducted and are conducting their respective businesses in all material respects in compliance with all applicable Laws including but not limited to Environmental and Social Requirements.

(ii) With respect to all such Environmental and Social Requirements, the Company, the Promoters nor any of their group entities (1) have been issued and will maintain all required consents and will take all reasonable steps in anticipation of known or expected future changes or obligations to the same, (2) have not received any complaint, order, directive, claim, citation, or notice by any Governmental Authority, and (3) have not received any complaint or claim from any person seeking damages, contribution, indemnification, cost recovery, compensation, or injunctive relief.

(iii) The Company shall complete all necessary formalities including all filings with the relevant regulatory authorities, including but not limited to SEBI, the BSE and the ROC (if applicable) and obtain all consents and approvals required for the completion of the Issue.

(q) ***Anti-terrorism Laws***

The Company and its affiliates are in compliance in all respects with all Anti-Terrorism Laws, and are adhering to all regulatory requirements pertaining to Anti-Terrorism /and Anti-Money Laundering.

(r) ***No Corrupt Practices***

(i) Neither the Company nor its Promoters or affiliates have indulged in any corrupt practices pertaining to the business such as misstatement, fraud, misappropriation, embezzlement of financial and other resources or gains unreported in the audited financial statements.

(ii) Neither the Company, the Promoters nor any of their group entities through its officers, directors or employees in such capacities or any person acting on behalf of the Company, the Promoters nor any of their group entities have engaged in any Objectionable Practice.

(s) ***Taxation***

(i) The Company has duly and punctually paid and discharged all Taxes imposed upon it or its assets within the time period allowed without incurring penalties save to the extent that (A) payment is being contested in good faith, (B) the Company has maintained adequate reserves for those Taxes, and (C) payment can be lawfully withheld;

(ii) The Company is not overdue in the filing of any Tax returns; and

(iii) No claims exceeding Tax Claims Amount are being or are reasonably likely to be asserted against the Company with respect to Taxes, where such claims could result in or cause a Material Adverse Effect.

(t) ***Disclosures in Disclosure Document(s)***

The extent of disclosures made in the Disclosure Document(s) is consistent with disclosures permitted by Government Authorities in relation to the issue of securities made by the Company prior to the issue of the Debentures.

(u) ***Audit***

The Company annual accounts are audited by an auditor from a reputable firm of independent chartered accountants.

(v) ***Good Business Standard***

The Company in its business transactions with its shareholders, partners, managers, staff, affiliates or affiliates of such entities or persons keeps within normal, good and acceptable business standards, including transactions being on arm's length.

(w) ***Proper book-keeping and accounting***

The Company has a proper, efficient and effective book-keeping and accounting system in place as well as adequate professional staff, including maintaining of accounts showing the loan drawings, payments, interest etc.

(x) ***Employees***

The Company is in compliance with all obligations under the applicable labour laws and other applicable Laws in relation to its employees.

(y) ***Compliance with RBI/SEBI Regulations an' the Act's Requirements***

The Debentures are being issued in compliance with the applicable regulations of the RBI/SEBI and the relevant provisions of the Act as applicable. Any provision in the Deed which is not in compliance with regulations of the RBI/SEBI and the relevant provisions of the Act can be amended by the Company and the Debenture Trustee by executing an amendment to the Deed and the Debenture Holders shall have no right to raise any objection thereto.

3.2 COVENANTS OF THE ISSUER:

(a) AFFIRMATIVE COVENANTS

(a) ***Utilization of the issue proceeds***

The Company shall utilize the proceeds of this issue in accordance with applicable Laws and regulations and as provided in the Debenture Trust Deed.

(b) ***Notice of winding up or other legal process***

Company shall promptly inform the Debenture Trustee if it has notice of any application for winding up having been made or any statutory notice of winding up under the provisions of the Act or any other notice under any other statute relating to winding up or otherwise of any suit or other legal process intended to be filed or initiated against the Company.

(c) ***Loss or damage by uncovered risks***

Company shall promptly inform the Debenture Trustee of any material loss or significant damage which the Company may suffer due to any force majeure circumstances or act of God, such as earthquake, flood, tempest or typhoon, etc. against which the Company may not have insured its properties.

(d) ***Costs and expenses***

Company shall pay all costs, charges and expenses in any way incurred by the Debenture Trustee towards protection of Debenture Holders' interests, including traveling and other allowances and such taxes, duties, costs, charges and expenses in connection with or relating to the Debentures subject to such expenses, costs or charges being approved in writing by the Company before they are incurred and shall not include any foreign travel costs.

(e) ***Payment of Rents, etc.***

Company shall punctually pay all rents, royalties, taxes, rates, levies, cesses, assessments, impositions and outgoings, governmental, municipal or otherwise imposed upon or payable by the Company as and when the same shall become payable and when required by the Debenture Trustee produce the receipts of such payment and also punctually pay and discharge all debts and obligations and liabilities which may have priority over the Debentures and observe, perform and comply with all covenants and obligations which ought to be observed and performed by the Company under the Debenture Trust Deed.

(f) ***Preserve corporate status; authorisations***

Company shall

(A) diligently preserve and maintain its corporate existence and status and all rights, contracts privileges, franchises and concessions now held or hereafter acquired by it in the conduct of its business and comply with each and every term of the said franchises and concessions and all acts, authorizations, consents, permissions, rules, regulations, orders and directions of any legislative, executive, administrative or judicial body applicable to its Assets or any part thereof PROVIDED THAT the Company may contest in good faith the validity of any such acts, rules, regulations,

orders and directions and pending the determination of such contest may postpone compliance therewith if the rights enforceable under the Debentures are not thereby materially endangered or impaired. The Company will not do or voluntarily suffer or permit to be done any act or thing whereby its right to transact its business might or could be terminated or whereby payment of the principal of or interest on the Debentures might or would be hindered or delayed;

(B) conduct its business with due diligence and efficiency and in accordance with sound technical, managerial and financial standards and business practices with qualified and experienced management and personnel; and

(C) promptly obtain and comply with all consents, licenses and authorizations as maybe necessary for performing its obligations in relation to the issue of the Debentures.

(g) ***Pay stamp duty***

Company shall pay all such stamp duty (including any additional stamp duty), other duties, taxes, charges and penalties, if and when the Company may be required to pay according to the applicable state laws and in the event of the Company failing to pay such stamp duty, other duties, taxes and penalties as aforesaid, the Debenture Trustee will be at liberty (but shall not be bound) to pay the same and the Company shall reimburse the same to the Debenture Trustee on demand.

(h) ***Furnish information to trustee***

Company shall give to the Debenture Trustee or its nominee(s)/ agent(s) such information/ copies of relevant extracts as they shall require as to all matters relating to the business of the Company or any part thereof and to investigate the affairs thereof and the Company shall allow the Debenture Trustee to make such examination and investigation as and when felt necessary and shall furnish him with all such information as they may require and shall pay all reasonable costs, charges and expenses incidental to such examination and investigation.

(i) ***Grievance***

Promptly and expeditiously attend to and redress the grievances, if any, of the Debenture Holders. The Company further undertakes that it shall promptly comply with the suggestions and directions that may be given in this regard, from time to time, by the Debenture Trustee and shall advise the Debenture Trustee periodically of the compliance.

(j) ***Specific Information to be provided to the Debenture Trustee***

Company shall inform and provide the Debenture Trustee with applicable documents in respect of the following:

(i) notice of any Event of Default or potential Event of Default, each as listed in **Schedule XII** (*Events of Default*) of the Debenture Trust Deed;

(ii) periodic review of the ratings obtained by the Company by the credit rating agencies and any revision in the rating as per the listing agreement entered into with the stock exchange;

(iii) details of any material litigation, arbitration or administrative proceedings, etc.; and including those that are required to be disclosed to the stock exchange under the listing agreement entered into with the stock;

(iv) any and all information required to be provided to the Debenture Holders under the listing agreement that may be entered into between the Company and the BSE; and

(v) the declaration or distribution of dividend.

(k) ***Comply with Investor Education and Protection Fund requirements***

Company shall comply with the provisions of the Act relating to transfer of unclaimed/ unpaid amounts of interest on Debentures and redemption of Debentures to Investor Education and Protection Fund (IEPF), if applicable to it.

(l) ***Further assurances***

Company shall

(i) execute and/or do, at their own expense, all such deeds, assurances, documents, instruments, acts, matters and things, in such form and otherwise as the Debenture Trustee may reasonably or by Law require or consider necessary in relation to enforcing or exercising any of the rights and authorities of the Debenture Trustee;

(ii) furnish to the Debenture Trustee details of all grievances received from the Debenture Holders and the steps taken by the Company to redress the same. At the request of any Debenture Holder, the Debenture Trustee shall, by notice to the Company call upon the Company to take appropriate steps to redress such grievance and the Company shall comply with the instructions of the Debenture Trustee issued in this regard;

(iii) obtain, comply with the terms of and do all that is necessary to maintain in full force and effect all authorisations necessary to enable it to lawfully enter into and perform its obligations under the Debenture Trust Deed or to ensure the legality, validity, enforceability or admissibility in evidence in India of the Debenture Trust Deed; and

(iv) comply with:

(A) all applicable Laws, rules, regulations and guidelines (including but not limited to environmental, social and taxation related applicable Laws), as applicable in respect of the Debentures and obtain such regulatory approvals as may be required from time to time, including but not limited, in relation to the following (if the Debentures are listed), as may be in force from

time to time during the tenor of the Debentures; (i) the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (ii) SEBI NCS Regulation and (iii) the provisions of the listing agreement to be entered into by the Company with the BSE in relation to the Debentures;

(B) the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 as in force from time to time, in so far as they are applicable to the Debentures and furnish to the Debenture Trustee such data, information, statements and reports as may be deemed necessary by the Debenture Trustee in order to enable them to comply with the provisions of Regulation 15 thereof in performance of their duties in accordance therewith to the extent applicable to the Debentures;

(C) the provisions of the Act in relation to the issue of the Debentures;

(D) procure that the Debentures are rated and continued to be rated until the redemption of the Debentures; and

(E) The Company shall ensure that, at time of making any payment of interest or repayment of the principal amount of the Debentures in full or in part, the Company shall do so in the manner that is most tax efficient for the Debenture Holders (including withholding tax benefit) but without, in any way, requiring the Company to incur any additional costs, expenses or taxes and the Company shall avail of all the benefits available under any treaty applicable to the Company and/or the Debenture Holders.

(m) ***Security***

The Company hereby further agrees, declares and covenants with the Debenture Trustee as follows:

(i) the Debentures shall be secured with first ranking exclusive continuing security by way of a first ranking exclusive current and continuing charge on the Hypothecated Assets in favour of the Debenture Trustee for the benefit of the Debenture Holders;

(ii) that all the Assets that shall be charged to the Debenture Trustee under the Deed of Hypothecation shall always be kept distinguishable and held as the exclusive property of the Company specifically appropriated to this security and be dealt with only under the directions of the Debenture Trustee. The Company shall not create any charge, lien or other encumbrance upon or over the same or any part thereof except in favour of the Debenture Trustee nor suffer any such charge, lien or other encumbrance or any part thereof nor do or allow anything that may prejudice this security and the Debenture Trustee shall be at liberty to incur all costs and expenses as may be necessary to preserve this security and

to maintain the same undiminished and claim reimbursement thereof;

(iii) shall, on and from the Deemed Date of Allotment and at all times thereafter, ensure that the Security Cover Ratio is maintained and towards this end, it shall on or before each relevant Quarterly Security Cover Determination Date, Top-up the Hypothecated Assets with additional Receivables and/or replace any Receivables constituting the Hypothecated Assets in accordance with the Deed of Hypothecation so as to ensure that Security Cover Ratio is maintained at all times from the Deemed Date of Allotment until the redemption of the Debentures in full and perfect the first ranking and exclusive charge of the Debenture Trustee over such modified Hypothecated Assets by filing Form CHG-9 with the concerned ROC and the required filing with the Central Registry in relation thereto as soon as practicable and no later than 30 (thirty) days therefrom;

(iv) The Company agrees to replace any Receivables that become overdue for more than 90 (ninety) days with current Receivables that meet the Eligibility Criteria in accordance with the terms of the Deed of Hypothecation; Such replacement shall be affected within 15 (fifteen) Business Days of the Hypothecated Assets becoming overdue;

(v) Issuer shall not, under any circumstance, transfer, sell, assign or create any encumbrances over or assign the Hypothecated Assets in favour of any third party without the prior written consent of the Debenture Trustee. Without prejudice to the foregoing, any sale, transfer, or assignment of the Hypothecated Property by the Issuer by way of an assignment or securitisation transaction or otherwise shall be subject to the right of first refusal of the Debenture Trustee;

(vi) The Company shall provide security cover certificate which specifies that all the Hypothecated Assets are sufficient to meet all the liabilities secured by way of a first ranking and exclusive charge over the Hypothecated Assets;

(vii) shall, on and from the Deemed Date of Allotment and date as mentioned in the Deed of Hypothecation, as also whenever required by the Debenture Trustee, give full particulars to the Debenture Trustee of all the Hypothecated Assets from time to time and shall furnish and verify all statements, reports (including Monitoring Reports as prescribed in the Deed of Hypothecation), returns, certificates and information from time to time and as required by the Debenture Trustee and furnish and execute all necessary documents to give effect to the Hypothecated Assets;

(viii) the security interest created on the Hypothecated Assets shall be a continuing security as described in the Deed of Hypothecation;

(ix) the Hypothecated Assets shall satisfy the eligibility criteria set out in **Schedule XIV** (*Eligibility Criteria*) of the Debenture Trust Deed;

(x) nothing contained herein shall prejudice the rights or remedies of the Debenture Trustee and/ or the Debenture Holders in respect of any present or future security, guarantee obligation or decree for any Financial Indebtedness or liability of the Company to the Debenture Trustee and/ or the Debenture Holders; and

(xi) the Debenture Holders shall have a beneficial interest in the moveable Assets of the Company which have been charged to the Debenture Trustee to the extent of the Outstanding Principal Amounts of the Debentures under the Debenture Trust Deed.

(n) ***Filings***

If the Debentures are listed, the Company shall file with the BSE such information as required under Chapter V of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

(o) ***Amounts to be reimbursed to the Debenture Trustee***

The Company shall, forthwith upon demand by the Debenture Trustee, reimburse to the Debenture Trustee all amounts paid by the Debenture Trustee to reasonably protect the Hypothecated Assets and such amounts shall be deemed to be secured by the Hypothecated Assets.

(p) ***Where Debenture Holder is a Foreign Investor***

Company shall in the event a Debenture Holder is a foreign portfolio investor, the Company shall, in relation to each Interest Payment Date and in relation to each date when any other payment is due by the Company under the Debentures (each a "**Relevant Payment Date**"), courier to the Debenture Holders (or their designated agent, as confirmed by the Debenture Holders) within 1 (one) Business Day after a Relevant Payment Date, the duly completed and signed Form 15 CA/CB. A scanned copy of such duly completed and signed Form 15 CA/CB shall be sent to the Debenture Holders on the Relevant Payment Date by e-mail.

(q) ***Delay in Security Creation***

Company shall in the event of any delay in the creation of first ranking, exclusive, current and continuing charge over the Hypothecated Assets within the timelines stipulated in the Deed of Hypothecation or in the event the Security Cover Ratio is not met on or prior to the Deemed Date of Allotment, the Company will, at the option of the Debenture Holders, either:

(i) refund the Application Money as set out in Clause 2.6 of the Debenture Trust Deed, to the Debenture Holders; or

(ii) pay to the Debenture Holders additional interest at Default Interest Rate on the Outstanding Principal Amounts from the Deemed Date of Allotment till the creation of first ranking, exclusive, current and continuing charge over the Hypothecated Assets pursuant to the terms of the Deed of Hypothecation such that the Security Cover Ratio is met.

(r) ***Books of Account***

Company shall maintain proper books of account as required by the Act and therein make true and proper entries of all dealings and transactions of and in relation to the Hypothecated Assets and the business of the Company and keep such books of account and all other books, registers and other documents relating to the affairs of the Company at its registered office or, where permitted by applicable Law, at other place or places where the books of account and documents of a similar nature may be kept. The Company will ensure that all entries in the same relating to the Hypothecated Assets and the business of the Company shall at all reasonable times be open for inspection of the Debenture Trustee and such person or persons as the Debenture Trustee shall, from time to time, in writing for the purpose, appoint.

(s) ***Material Adverse Effect***

Company shall promptly inform the Debenture Trustee in writing of the occurrence of any, or the occurrence of any event that is likely to have a, Material Adverse Effect, together with explanation of the reasons thereof.

(t) ***Insurance***

Company shall maintain insurances on and in relation to its business and assets with insurance companies against those risks and to the extent as is usual for companies carrying on the same or substantially similar business and any other insurances as may be required by Law and ensure that all premiums are paid on time and other obligations of the Company under the insurance policies are duly complied with.

(u) ***Corporate Governance***

(A) the Company shall maintain the highest standards of corporate governance in accordance with the NBFC Directions; and

(B) the Company shall at all times comply with the NBFC Master Directions.

(v) ***General***

(A) the Company shall perform all of its obligations under the terms of the Transactions Documents and maintain in full force and effect each of the Transaction Documents;

(B) the Company shall promptly pay and discharge all its financial obligations and regularly make all payments due and payable by the Company, including but not limited to taxes and also such payment due and payable under or in respect of the Issue or any documents executed in connection there with;

(C) the Company shall give the Debenture Trustee any information, relating to the business, property, affairs of the Company, that materially impacts the interests of the Debenture Holders;

(D) The Company is in compliance with the corporate governance, fair practices code as prescribed by the RBI under the applicable Law from time to time;

(E) the Company shall at all times act and proceed in relation to its affairs and business in compliance with applicable Laws;

(F) the Company shall comply with all monitoring and/or servicing requests from the Debenture Trustee;

(G) the Company shall utilize the proceeds of this Issue in accordance with applicable Laws and regulations;

(H) The Company shall ensure that at least 2 (two) independent directors are on the Board of the Company; and

(I) The Company shall promptly provide the access to the Debenture Holders to the management meetings for periodical portfolio monitoring.

(w) ***Access***

Company shall permit the Debenture Trustee (and the Debenture holders) and/or accountants or other professional advisers and contractors appointed by the Debenture Trustee access at all reasonable times and on reasonable notice of the Company to:

(A) check the management of the funds made available through subscription to the Debentures;

(B) inspect and take copies and extracts from the books, accounts and records of the Company;

(C) visit and inspect the premises of the Company; and

(D) meet and discuss matters with senior management employees of the Company.

(x) ***Conditions Subsequent***

Company shall comply with the conditions stipulated in the Debenture Trust Deed.

(y) ***Financial Covenants***

Company shall comply with the financial covenants stipulated in the Debenture Trust Deed

(z) ***Issue Terms and Conditions***

At all times during the term of these presents comply with each of the Issue Terms and Conditions.

(aa) ***Internal Controls***

Company shall maintain appropriate internal controls for the purpose of (i) preventing fraud on monies lent by the Company; and (ii) preventing money being used for money laundering or illegal purposes.

(ab) ***Information to Debenture Trustee***

The Company shall promptly provide all assistance, documents and information to the Debenture Trustee as may be required by it to enable the Debenture Trustee to fulfill its obligations as laid out in Clause 5.14 and as may be required by SEBI from time to time.

(ac) ***Appointment of Nominee Director***

The Company shall appoint the person nominated by the Debenture Trustee(s) in terms of clause (e) of sub-regulation (1) of regulation 15 of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as a director on its Board of Directors at the earliest and not later than one month from the date of receipt of nomination from the debenture trustee(s) as to appointment of Nominee Director. The Issuer shall amend its Constitutional Documents to provide for the appointment of the Nominee Director by the Debenture Trustee and obtain all consents, as may be required, for this purpose if the same is not provided for already, within the timelines as prescribed under the applicable Law.

(b) NEGATIVE COVENANTS

The Issuer shall not without the prior written permission of the Majority Debenture Holders and Debenture Trustee, do or undertake to do any of the following:

(a) ***Change of business; Role of the Promoters***

(i) The Promoters of the Issuer shall not cease to remain in the executive position of the Company.

(ii) Change the general nature of its business or undertake any new major business outside financial services or any diversification of its business outside financial services, without the approval of the Majority Debenture Holders.

(iii) Until the Final Redemption Date, the Company will procure and ensure that the Promoters will not exit from or reduce its involvement from the management activities of the Company as is subsisting on the date of execution of the Debenture Trust Deed.

(iv) Any sale of assets/business/division that has the effect of exiting the business or re-structuring of the existing business.

(b) ***Shareholding and change of capital structure***

(i) Any action by the Issuer resulting in dilution or change in the shareholding of any equity shareholders on account of any primary investment by existing shareholders or new third-party investors.

(ii) The Company will not purchase or redeem any of its issued shares or reduce its share capital without the prior written consent of the Debenture Trustee, except for conversion of preference shares.

(iii) Any transfer of shares by the Promoters by themselves or along with any investor leading to a change of control in the Company.

(iv) Any action by the Issuer resulting in dilution in the shareholding of any equity shareholders or including any action by the Issuer to purchase, redeem, buyback, defease, retire, return or pay any of its equity share capital or resolve to do any of the foregoing.

(c) ***Dividend***

Declare or pay any dividend to its shareholders during any Financial Year if a Payment Default has occurred and is subsisting and such dividend shall be only out of the profits relating to that financial year and after making all due and necessary provisions, and provided further that there have been no defaults in repayments under the Debentures. In all other cases, prior written consent of the Debenture Holders shall be obtained before declaring dividends.

(d) ***Merger, demerger, etc.***

(i) Mergers and Acquisitions, restructuring, amalgamation without approval of the Majority Debenture Holders over and above 10% (ten percent) of the net worth of the Issuer in a Financial Year; and

(ii) Subject to (i) above, enter into any transaction of merger, de-merger, consolidation, re-organization, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction. Provided however, that this restriction shall not apply in the event where the compliance with such restriction would result in the Issuer defaulting in its payment obligations in relation to the Debentures.

(e) ***Associates, Subsidiaries, and Joint Ventures***

Dispose of, acquire or incorporate any associates (as defined in the Act), subsidiary (as defined in the Act) or joint ventures.

(f) ***Acquisition***

Acquire, without the prior written consent of the Majority Debenture Holders, any company, business or undertaking if the amount of the acquisition cost, whether paid by cash or otherwise, when aggregated with the aggregate acquisition cost of any other companies, business or undertaking acquired by it during that financial year exceeds 10% (ten percent) of the Equity.

(g) ***Joint Venture***

Without the prior written consent of the Majority Debenture Holders:

(i) acquire (or agree to acquire) any shares, stocks, securities or other interest in any joint venture; or

(ii) transfer any assets or lend to or guarantee or indemnify or give security for the obligations of a joint venture (or agree to transfer, lend, guarantee, indemnify or give security for the obligations of a joint venture).

(h) ***Loans and Guarantees***

The Company shall not:

(i) Any loans exceeding more than 15% (fifteen percent) of the net worth of the Issuer to any single party and/or guarantees on behalf of the third parties.

(i) ***Arm's length basis; No profit sharing arrangements***

The Company shall not, without the prior written consent of the Majority Debenture Holders:

(i) enter into any transaction with any person or enter into or continue business relations with its shareholders, employees, affiliate(s), holding company(ies), and/or subsidiary(ies) except on proper commercial terms negotiated on an arm's length basis;

(ii) enter into or establish any partnership, profit sharing, royalty agreement or other similar other arrangement whereby the Company's income or profits are, or might be, shared with any other person; or

(iii) enter into any management contract or similar arrangement whereby its business or operations are managed by any other person.

(j) ***Immunity***

Claim any immunity or limitation of liability against any payment obligations arising towards the Debenture Holders.

(k) ***Auditor***

Change its auditor without the prior written consent of the Majority Debenture Holders. The Company shall authorize its auditors to communicate directly with the Debenture Trustee and the Debenture Holders.

(l) ***Liabilities***

Incur, create, assume, or allow any Financial Indebtedness that ranks prior to the Debentures or subordinates the Debentures.

(m) ***Disposal of Assets***

Sell, assign, transfer, or otherwise dispose of or compromise with any of its creditors in any manner whatsoever any material assets, business or division of the Company (whether in a single transaction or in a series of transactions (whether related or not) or any other transactions which cumulatively have the same effect) other than any securitisation/ portfolio sale of assets undertaken by the Issuer in its

ordinary course of and pursuant to the reasonable requirements of the Issuer's business and upon fair and reasonable terms.

(n) ***Change in structure and management control***

(i) Any change in Management Control of the Company.

(ii) Any change in "Control" of the Issuer (as per the Act), other than by way of infusion of additional capital by any new investor.

(o) ***Material compromise or Settlement***

Enter into material compromise or arrangement or settlement with any of its creditors (secured and unsecured) that would prejudicially affect the interest of the Debenture Holders.

(p) ***Anti-money laundering***

Permit any of the Debenture proceeds to be used to fund any form of violent political activity, terrorists or terrorist organizations, nor any money laundering process or scheme to disguise illegally obtained funds, nor any other criminal activity including arms sales, drug trafficking, robbery, fraud or racketeering.

(q) ***Financial Year***

Unless mandated by law, the Company shall not change its financial year-end from 31st March (or such other date as may be approved by Majority Debenture Holders) without the prior written consent of the Debenture Trustee.

(r) ***Others***

Without prejudice to Clause (a) (*Change of business; Role of Promoters*) of this **Schedule X** (*Negative Covenants*), permit sale/ transfer/ disposal of (i) equity shares of the Company, or (ii) instruments that are compulsorily and mandatorily convertible into equity shares of the Company, by the Promoter(s) and/ or (iii) permit the Promoter(s) to exit from management activities in relation to the Company.

(s) ***Related Party Transactions***

Without prior written intimation to the Debenture Trustee, the Issuer shall not enter into or perform any transaction(s) with a related party except in the ordinary course of business. Without prejudice to the foregoing, the Issuer shall not without the prior written consent of the Debenture Trustee acting on behalf of Majority Debenture Holders (i) enter into any transaction(s) whereby the overall outstanding amount owed to the Issuer under all such transactions exceeds 10.00% (ten point zero zero percent) of its net worth, (ii) whereby the overall expense incurred through such transactions during any financial year exceeds 10.00% (ten point zero zero percent) of its revenue, or (iii) provide any guarantee for any indebtedness of a related party.

The Debenture Trustee shall be granted access to any additional information that it deems necessary to monitor and evaluate this covenant.

For the purposes of this clause, the terms 'net worth' and 'related party' shall respectively have the meaning ascribed to them in sections 2(57) and 2(76) of the Companies Act, 2013 (and the rules framed thereunder).

(t) ***Change of business;***

The Issuer shall not without the prior written consent of the Debenture Trustee enter into or perform any transaction other than in its ordinary course of business.

For the purpose of this covenant, the "ordinary course of business" of the Issuer shall mean activities which are carried out by the Issuer pursuant to the Charter Documents and shall fulfill the following conditions as mentioned hereinbelow:

(i) It is normal for the particular business;

(ii) It is as per customs and practices of its business and of the Issuer;

(iii) It involves the usual allocation of resources considering the size and volume of the Issue and it is necessary, normal and usual from the perspective of the Issuer and its line of business; and

(iv) It is at arm's length.

(u) ***Amendment to Constitutional Documents.***

Change, amend or modify its Charter Documents save and except in case of:

(i) increase of authorised share capital of the Issuer and / or any reclassification;

(ii) equity infusion which shall not be detrimental to the interest of the Debenture Holders; and

(iii) Any change, detrimental to the interest of the Debenture Holders, in its Memorandum of Association and Article of Association. It is clarified that change in authorized shared capital upon prior intimation of the Debenture Trustee is permitted.

(v) ***Miscellaneous***

(i) Any restructuring of any borrowing arrangements or inclusion of co-lent loans;

(ii) To provide any guarantee except in case of ordinary course of business;

(iii) Enter into any transaction(s) (including but not limited to loans or advances and investment by way of share capital, except investment in the Issuer's subsidiary i.e. IKF Home Finance Limited, other than in its ordinary course of business;

(iv) To provide any guarantee or make any material change in its management;

(v) To cause or permit change in control (as defined under the under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011) of the Issuer; cause or permit acquisition of the ownership of or entitlement to more than 25% (twenty-five percent) of shares or capital or profits of the Issuer by any natural person(s), who, whether acting alone or together, or through one or more juridical person; and

(vi) enter into any compromise arrangement with its shareholders or creditors, or pass a resolution of voluntary winding up or implement any scheme for restructuring or reconstruction, consolidation, amalgamation, merger or other similar purposes or change its shareholding structure of the Issuer.

(c) REPORTING COVENANTS

Company shall provide or cause to be provided to the Debenture Trustee (and to the Debenture Holders if so requested), in form and substance reasonably satisfactory to the Debenture Trustee, each of the following items:

(a) Monthly Reports

(A) As soon as available and in any event within 25 (twenty-five) calendar days after the end of each calendar month, the statement of asset liability management, the RBI format or in such form and substance as may be satisfactory to the Debenture Trustee and the Debenture Holders;

(B) The Issuer shall provide the monthly financial statements to the Debenture Trustee and Debenture Holders as and when requested by them; and

(b) Quarterly Reports

As soon as available and in any event within 60 (sixty) calendar days after the end of each calendar quarter, the quarterly reporting required and in form and substance satisfactory to the Debenture Trustee and the Debenture Holders. Such reporting will include information detailing:

(A) a) operational or financial information, b) portfolio cuts, c) disbursements d) dpd statement, e) changes in Board and management and f) changes in shareholding pattern on a quarterly basis in the format as specified by the Debenture Trustee;

(B) financials, financial statements, operations, portfolio growth and asset quality (including static portfolio cuts, collection efficiency and portfolio at risk data), funding in formats acceptable to the Debenture Holders;

(C) a) new products introduced, or change in existing product features; b) geographical expansion to any new state; c) new business correspondent relationships or discontinuance of existing relationships; d) material changes to the IT / MIS systems; e) Revision in the Business Plan; d) Any changes in the accounting policy; f) hypothecation book/records of the Company; and g) any fraud amounting to more than 5 % (five percent) of GLP;

(D) the shareholding pattern and composition of the board of directors in the Company;

(E) if applicable, the financial and other returns filed by the Company with the RBI (including without limitation, the form NBS 7 filed with the RBI);

(F) a certified compliance certificate from the management of the Company regarding the financial covenants set forth in **Schedule VIII** (*Financial Covenants*) of the Debenture Trust Deed in form and substance reasonably satisfactory to the Debenture Trustee and the Debenture Holders;

(G) details of transactions with related parties and balances outstanding in the format as per the Act;

(H) the static pool analysis and vintage curve data of the portfolio and Gross Loan Portfolio in the format as specified by the Debenture Trustee;

(I) information on structural liquidity of the Company as per the format prescribed by the RBI, and as and when required by the Debenture Trustee;

(J) Promptly provide the list of top 20 (twenty) borrowers at the end of each relevant quarter of the Financial Year; and

(K) To provide information on facilities sanctioned to the Issuer including such sanction letters from other lenders of every relevant quarter of the Financial Year.

(L) The Company shall furnish quarterly report to the Debenture Trustee containing the following particulars:

(I) Updated list of the names and addresses of the Debenture Holders;

(II) Details of the Coupon due, but unpaid and reasons thereof; and

(III) The number and nature of grievances received from the Debenture Holders and (A) resolved by the Company (B) unresolved by the Company and the reasons for the same.

As soon as available and in any event within 45 (forty-five) calendar days after the end of each calendar quarter, the Company shall provide a list of specific loan receivables/identified book debts, to the Debenture Holders, over which the charge is created and subsisting by way of hypothecation ("**Quarterly Hypothecated Property Report**").

(c) Annual Reports

As soon as available, and in any event within 120 (one hundred and twenty) calendar days after the end of each Financial Year of the Company, the annual reporting required and in form and substance satisfactory to the Debenture Trustee and the Debenture Holders. Such reporting will include information detailing:

(A) certified copies of its audited consolidated and non-consolidated (if any) financial statements for its most recently completed fiscal year, prepared in accordance with IND-AS including its balance sheet, income statement and statement of cash flow. All such information shall be complete and correct in all material respects and fairly represents the financial condition, results of operation and changes in cash flow of the Company as of the date thereof;

(B) a certificate of the Chief Financial Officer or a Director of the Company confirming that his or her review has not disclosed the existence of any potential Event of Default or Event of Default;

(C) all annual information submitted to the RBI including but not limited to the structural liquidity statement, capital to risk (weighted) assets ratio, qualifying asset certificate, unhedged foreign currency certificate; and

(D) the corporate social responsibility report confirming adherence by the Company to its corporate social responsibility policy (if applicable).

(d) Event Based Reports

(A) As soon as available and in any event within 30 (thirty) Business Days of the occurrence of such event, the details of any change in the shareholding structure by more than 5% (five percent) in the Company, in form and substance satisfactory to the Debenture Trustee and the Debenture Holders;

(B) As soon as available and in any event within 30 (thirty) Business Days of the occurrence of such event, the details of any change in board of directors and other senior management officials like Chief Executive Officer or equivalent or change of the statutory auditor of the Company;

(C) As soon as available and in any event within 30 (thirty) Business Days after receiving approval by the board of the Company, the annual business plan of the Company including a detailed investment budget and forecast accounts for the following Financial Year and financial projections for at least the next 5 (five) years;

(D) The Company shall provide/cause to be provided information to the Debenture Trustee (and to the Debenture Holders, if so requested) as soon as practicable, and in any event within 30 (thirty) Business Days from the occurrence of such event:

(I) the Company obtains or reasonably should have obtained actual knowledge thereof, notice of the occurrence of any event or circumstance that could reasonably be expected to result in a Material Adverse Effect,

(II) the Company obtains or reasonably should have obtained actual knowledge thereof, notice of any dispute, litigation, investigation or other proceeding affecting the Company or its property or operations, which, if adversely determined, could result in a Material Adverse Effect,

(III) the Company obtains actual knowledge thereof, notice of the occurrence of any Event of Default or potential Event of Default, specifying the nature of such event and any steps the Company is taking and proposes to take to remedy the same,

(IV) any changes in the accounting policy of the Company from that followed as on the Deemed Date of Allotment,

(V) the details of any fraud amounting to more than 1% (one percent) of the Gross Loan Portfolio,

(VI) if the Company conducts a credit check using any other credit bureau apart from the credit bureaus currently being used by the Company,

(VII) the Company alters its Constitutional Documents except for the memorandum of association and articles of association as set out herein,

(VIII) any notice of any application for winding up having been made or receipt of any statutory notice of winding up under the provisions of the Act or any other notice under any other law or otherwise of any suit or legal process intended to be filed and affecting the title to the property of the Company,

(IX) any notice for prepayment of any financial obligation undertaken by the Company.

(X) Any Event of Default or potential Event of Default, and any steps taken/ proposed by the Issuer to remedy the same, and

(XI) the Company obtains or reasonably should have obtained actual knowledge thereof, of any material event adversely impacting its business.

(e) <u>Miscellaneous</u>

(i) To provide a written notice upon any event which is a material event adversely impacting the business of the Issuer.

(ii) At any event of occurrence of an Event of Default or likely an occurrence of an Event of Default, the Issuer shall provide a written notice.

(iii) A scanned certified certificate from an independent Chartered Accountant in relation to the utilization of the proceeds in accordance with Transaction Documents, within 90 (ninety) days of the Deemed Date of Allotment of the Debentures.

(d) FINANCIAL COVENANTS

The Company shall comply with each of the following financial covenants at all times until the redemption of all outstanding Debentures:

(a) During the tenor of the Debentures, the Company shall maintain a minimum capital ratio of Tier I Capital and Tier II Capital to aggregate risk weighted assets on-balance sheet and of risk adjusted value of Off-Balance Sheet Portfolio which shall not be less than 20% (Twenty percent), or as per the regulatory minimum prescribed by the RBI under the applicable Law, whichever is higher. For the purpose of calculation of minimum capital ratio: (i) first loss credit enhancements provided by the Issuer on securitization shall be reduced from Tier I Capital and Tier II Capital without any ceiling. (ii) credit enhancements provided by the Issuer on loans originated on behalf of other institutions shall be reduced from Tier I Capital and Tier II Capital without any ceiling. The deduction shall be made at 50% (fifty percent) from Tier I Capital and 50% (fifty percent) from Tier II Capital. (iii) It is also clarified that in computing the amount of subordinated debt eligible for inclusion in Tier II Capital, the aforementioned subordinated debt shall be subject to discounting as prescribed by RBI.

(b) The Company shall, commencing from the Deemed Date of Allotment until the Final Redemption Date, ensure that the cumulative asset liability mismatch (excluding the cash credit limits or working capital demand loan limits) be a positive mismatch in all buckets up to 1(one) year. If, any of the aforementioned covenants is breached then the Company shall have a cure period of 30 (thirty) days to maintain such cumulative asset liability mismatch (excluding the cash credit limits).

(c) During the tenor of the Debentures, the Company shall ensure to maintain a minimum permissible ratio of A:B, which shall be 12% (twelve percent) where A is the Tangible Net Worth of the Company and B is the Gross Loan Portfolio.

(d) The Company shall ensure that the maximum permissible ratio of A:B shall be 5.00% (five point zero zero percent), where A is the aggregate of the Portfolio At Risk Over 90 (ninety) days and write-offs (on the entire portfolio including receivables sold or discounted on a non-recourse basis of the Issuer) and B is Gross Loan Portfolio, herein the write-offs shall be calculated for trailing 12 (twelve) months.

(e) During the tenor of the Debentures, the Company shall ensure to not exceed (i.e. it shall be at or below) the leverage ratio (of its own book) by 4.50x (Four point five zero times) or as per the regulatory minimum prescribed by the Reserve Bank of India under the NBFC Master Directions, whichever is higher.

(f) During the tenor of the Debentures, the Company shall ensure that the aggregate shareholding of the Promoters of the Company shall not fall below 26% (twenty-six percent) of the issued, subscribed and paid-up share of the Company.

For the purpose of aforementioned Financial Covenants, following terms shall have the following meanings:

"Portfolio at Risk Over 90 days or PAR > 90" shall mean, on the Issuer's Gross Loan Portfolio at any point of time, as the case may be, the outstanding principal value of the Issuer's portfolio that has one or more instalments of principal, interest, penalty interest, fee or any other expected payments overdue for 90 (ninety) days or more and includes restructured loans.

"**Tangible Net-worth**" means, with respect to any person, the amount paid up on such person's issued equity share capital, compulsorily convertible instruments and any amount standing to the credit of its reserves, less equity or equity-like investments, goodwill, deferred tax assets and other intangible assets.

"**Gross Loan Portfolio**" means and includes the outstanding principal amounts of the loans originated by the Issuer on its own books, securitized portfolio as well as loans originated on behalf of other entities by entering into partnership agreements but not included on the Issuer's own book.

"Net Non Performing Assets" shall be calculated as gross non-performing assets less provisioning for non-performing assets. For the purpose of this definition, the terms 'non-performing assets' and 'gross non-performing assets' shall have the meanings stipulated by the RBI to such terms from time to time as may be applicable for the Issuer.

The Debenture Holder shall be granted access to any additional information that it deems necessary to monitor and evaluate compliance with the aforementioned Financial Covenants.

The Financial Covenants and such other covenants as are contained in this Debenture Trust Deed can be tested at any time during the tenure of the Debentures.

Without prejudice to its other rights under the Transaction Documents, the Debenture Holders reserves a right to levy a penalty equivalent to 1% p.a (one percent) of the Outstanding Amounts in relation to the Debentures, in an event of breach of any of the Financial Covenants (**"Penalty for Breach"**). In such an event, the Issuer shall pay the Penalty for Breach to the Debenture Holder within 30 (thirty) calendar days from the date of such breach.

3.3 EVENTS OF DEFAULT

(a) ***Payment Defaults***

The Company does not pay on the Due Date any amount payable pursuant to the Debenture Trust Deed and the Debentures (including but not limited to penal interest, if any) at the place at and in the currency in which it is expressed to be payable, unless its failure to pay is caused by technical error and payment is made within 3 (three) calendar days of its Due Date.

(b) ***Insolvency / Inability to Pay Debts / Distress***

(i) The Company is unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its Financial Indebtedness.

(ii) The Company is (or deemed by Law or a court to be) insolvent or bankrupt or unable to pay its debts or stops or suspends payments of all its debts, makes a general assignment or an arrangement or composition with or for benefit of the relevant creditors in respect of any such debts or a moratorium is agreed or declared in respect of or affecting all the debts of the Company.

(iii) Any distress, attachment, execution or other legal process is levied, enforced or sued out on or against any material part of the property, assets, or revenues of the Company and is not discharged or quashed or stayed within 15 (fifteen) days.

(c) ***Charge over Hypothecated Assets***

The Company creates or attempts to create any charge on the Hypothecated Assets or any part thereof, in addition to the charge created pursuant to the Deed of Hypothecation without the consent of the Special Majority Debenture Holders.

(d) ***Business***

The Company without obtaining the prior consent of the Special Majority Debenture Holders ceases to carry on its business or gives notice of its intention to do so.

(e) ***Security in Jeopardy***

(i) In the opinion of the Debenture Trustee the Hypothecated Assets is in jeopardy;

(ii) If, the security provided pursuant to the Deed of Hypothecation depreciates in value to such an extent that in the reasonable opinion of the Trustee further security should be given and on advising the Company to that effect such security has not been given to the Debenture Trustee to their satisfaction;

(iii) If, without the prior written approval of the Debenture Trustee, the Hypothecated Assets or any part thereof is transferred, assigned, charged, encumbered or alienated but no prior approval shall require for the replacement of assets comprising the Hypothecated Assets with other similar assets; or

(iv) the value of the Hypothecated Assets is insufficient to maintain the Security Cover Ratio and Company fails to maintain the minimum Security Cover Ratio specified in the Deed of Hypothecation within the stipulated timelines in the Deed of Hypothecation.

(f) ***Misrepresentation***

Any representation or warranty made by the Company in any Transaction Document or in any certificate, financial statement or other document delivered to the Debenture Trustee/Debenture Holders by the Company shall prove to have been incorrect, false or misleading in any material respect when made or deemed made.

(g) ***Material Adverse Change***

There shall have occurred a change in the business, operations, property, Assets, liabilities, condition (financial or otherwise) or prospects of the Company since the date hereof that has resulted in a Material Adverse Effect as may be determined by the Debenture Trustee, acting on the instructions of the Majority Debenture Holders.

(h) ***Liquidation or Dissolution of the Company / Appointment of Receiver or Liquidator***

(i) Any corporate action, legal proceedings or other procedure or step is taken in relation to:

(A) the suspension of payments, a moratorium of any Indebtedness, winding-up, dissolution, administration or re-organisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Company or its Affiliate;

(B) a composition, compromise, assignment or arrangement with any creditor of the Company or its Affiliate;

(C) the appointment of a liquidator, provisional liquidator, receiver, administrative receiver, administrator, compulsory manager, supervisor, trustee or other similar officer in respect of the Company or its Affiliate or any of its assets appointed or allowed to be appointed of all or any part of the undertaking of the Company;

(D) the Company or its Affiliate, in respect of any reference or enquiry or proceedings commenced, before the National Companies Law Tribunal or under any mechanism or prescription of the RBI in respect of resolution/restructuring of stressed assets; and

(E) the commencement of an insolvency resolution process under the (Indian) Insolvency and Bankruptcy Code, 2016 (to the extent applicable) or under any other applicable Law, in respect of the Company or its Affiliate,

Any other event occurs or proceeding instituted under any applicable Law that would have an effect analogous to any of the events listed in sub-Clauses (A) to (E) above.

(ii) An order is made or an effective resolution passed for the winding up or dissolution, judicial management or administration of the Company, or the Company ceases to carry on all of its business or operations, except for the purpose of and followed by a reconstruction, amalgamation, re-organization, merger or consolidation on terms approved by Special Resolution of Debenture Holders.

(iii) A petition for the reorganization, arrangement, adjustment, winding up

or composition of debts of the Issuer is filed on the Issuer (voluntary or otherwise) or have been admitted or the Issuer make a composition, assignment or arrangement with any creditor or an assignment for the benefit of its creditors generally and such proceeding is not contested by the Issuer for staying, quashing or dismissed within 15 (fifteen) days from the admission and / or filing of such petition in the relevant court;

(i) ***Cross Default***

The Company (i) defaults in any payment of any Financial Indebtedness, if any, provided in the instrument or agreement under which such Financial Indebtedness was created; (ii) defaults in the observance or performance of any agreement or condition relating to any Financial Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause or to permit the holder or holders of such Financial Indebtedness to cause (determined without regard to whether any notice is required) any such Financial Indebtedness to become due prior to its stated maturity; or (iii) any Financial Indebtedness of the Company shall be declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment, prior to the stated maturity thereof.

(j) ***Creditors' Process***

(i) All or a material part of the undertaking, Assets, rights or revenues of the Company are condemned, seized, nationalised, expropriated or compulsorily acquired, or shall have assumed custody or control of the business or operations of the Company, or shall have taken any action for the dissolution of the Company, or any action that would prevent the Company, their member, or their officers from carrying on their business or operations or a substantial part thereof, by or under the authority of any Government or any Government Authority.

(ii) The Company does not inform the Debenture Trustee of one or more of the other creditors of the Company accelerating the payment obligations on the grounds of a material adverse change (howsoever described) or a material adverse effect (howsoever described) in the financial, operational or regulatory conditions governing the Company.

(iii) The Company has voluntarily or involuntarily becomes the subject of proceedings under any bankruptcy or insolvency laws and such proceedings have been admitted by a competent court or the Company is voluntarily or involuntarily dissolved.

(iv) The Company is adjudged insolvent or takes advantage of any law for the relief of insolvent debtors.

(v) Any expropriation, attachment, garnishee, restraint of act of sequestration, distress or execution affects any Receivables constituting Hypothecated Assets or part thereof.

(k) ***Judgments Defaults***

One or more judgments or decrees entered against the Company involving a liability (not paid or not covered by a reputable and solvent insurance company), individually or in the aggregate, exceeding 5% (five percent) of the Total Assets of the Company PROVIDED THAT such judgments or decrees

are either final and non-appealable or have not been vacated, discharged or stayed pending appeal for any period of 30 (thirty) calendar days.

(l) ***Transaction Documents***

The Debenture Trust Deed or any other Transaction Document in whole or in part, are terminated or cease to be effective or cease to be a legally valid, binding and enforceable obligation of the Company.

(m) ***Unlawfulness***

(i) It is or becomes unlawful for the Company to perform any of its obligations under the Transaction Documents and/or any obligation or obligations of the Company under any Transaction Document are not or cease to be valid, binding or enforceable.

(ii) The Debenture Trust Deed or any other Transaction Document (in whole or in part), is terminated or ceases to be effective or ceases to be in full force or no longer constitutes a valid, binding and enforceable obligations of the Issuer.

(n) ***Repudiation***

The Company repudiates any of the Transaction Documents, or evidences an intention to repudiate any of the Transaction Documents.

(o) ***Information Covenants***

The failure to comply with any reasonably monitoring and/or servicing requests from Debenture Holders, including its monthly, quarterly, annual and event-based reporting requirements as required under the reporting covenants prescribed in **Schedule IX** (*Reporting Covenants*).

(p) ***Government Intervention***

(i) Any step is taken by Governmental Authority or agency or any other competent authority, with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or (in the opinion of the Debenture Trustee) a material part of the assets of the Company which is material to the Company;

(ii) Any Governmental Authority having assumed custody or control of the business or operations of the Company or having taken any action for the dissolution of the Company or any action that would prevent the Company or its officers from carrying on its business or operations thereof; or

(iii) The Company's organizational or legal status, or any license or franchise is revoked or suspended by any Governmental Authority or authority after the Company has exhausted all remedies and appeals relating thereto.

(q) ***Delisting***

If the Debentures are listed and any Debenture is subsequently delisted from any exchange on which it is listed without the prior written consent of the Debenture Trustee.

(r) ***Cessation of business***

The Company ceases or threatens to cease to carry on the main business it is currently engaged in.

(s) ***Alteration in Constitutional Documents***

The Company, without the previous consent in writing of the Debenture Trustee, makes or attempts to make any alteration in the provisions of its Constitutional Documents where (i) such change would have a Material Adverse Effect.

(t) ***Non-compliance with judicial order***

The Company fails to comply with or fulfil any judicial order passed against it provided however that such order shall not include any order against which appeal is available or for which an appeal is pending.

(u) ***Erosion of Net Worth***

Erosion of 50% (fifty per cent) or more of the Issuer's net worth commencing from 31st March 2024.

(v) ***Merger***

(i) The rearrangement or consolidation or amalgamation with or merger with or into, or receiving of all or substantially all the assets or obligations of, another entity, or any action for reorganisation of capital without the prior written consent of the Debenture Trustee.

(ii) The Company has taken or suffered to be taken any action for reduction of its capital or any rearrangement, merger or amalgamation without the prior written approval of the Debenture Trustee.

(w) ***Sale, disposal***

Sale, transfer, or other disposition of all or substantially all of the Company's Assets other than in the normal course of business of the Company.

(x) ***Third party***

A default or Event of Default occurs on account of a breach of representation or breach of an information covenant under the terms of any other agreement involving borrowed money or the extension of credit or any other Financial Indebtedness under which the Company may be obligated as a borrower or guarantor and pursuant to which the Company is called upon to and makes a prepayment to a third party without the prior written consent of the Debenture Holder. Such consent shall not be unreasonably delayed or withheld by the Debenture Holders.

(y) ***Wilful default***

Any Promoters or directors of the Company is/are declared as wilful defaulter by any competent authority or accused of, charged with, arrested or convicted a criminal offence involving moral turpitude, dishonesty or which otherwise impinges on the integrity of the promoter/s and/or director, including any accusations, charges and/or convictions of any offence relating to bribery.

(z) ***Breach of Affirmative Covenants***

Any breach of the following Affirmative Covenants, by whatsoever named called and as stipulated in **Schedule VII** (Affirmative Covenants), unless such breach is not cured within 30 (thirty) calendar days relating to:

(i) Preserve corporate status;

(ii) Authorisations;

(iii) Payment of stamp duty;

(iv) Handling of Debenture Holder grievances;

(v) Compliance with Investor Education and Protection Fund Requirements;

(vi) Regulatory filings;

(vii) Regulatory requirements in case of a foreign investor;

(viii) Maintenance of books of accounts; and

(ix) Corporate Governance.

(aa) ***Breach of Financial Covenants***

Any breach of financial covenants stipulated in **Schedule IX** (*Financial Covenants*) of the Debenture Trust Deed and such breach is not remedied (if capable of remedy) within the expiry of 60 (sixty) calendar days from the date of such breach.

(ab) ***Breach of Negative Covenants***

Any breach of the negative covenants in (a) Change of business; Role of Promoters and (b) Dividend as mentioned in **Schedule XI** (*Negative Covenants*) of the Debenture Trust Deed and such breach is not remedied (if capable of remedy) within the expiry of 30 (thirty) calendar days from the date of such breach.

(ac) ***Breach of other terms of the Debenture Trust Deed***

A breach by the Company of any of its obligations and covenants provided in terms of the Debenture Trust Deed or other Transaction Documents.

(ad) ***Fraud and embezzlement by officer***

Any material act of fraud, embezzlement, misstatement, misappropriation or siphoning off of the Issuer / Promoters' funds or revenues or any other act having a similar effect being committed by the management or an officer of the Issuer.

(ae) ***Change in structure***

Change in the existing shareholding pattern and related change in the Board composition of the Issuer upon an event of new equity raising. If the Issuer fails to receive consent of the Debenture Trustee (acting on the instructions of the

Majority Debenture Holders) within 7 (seven) calendar days from the date of such request, it will be deemed that the consent has been provided.

(af) ***Change in Management Control***

If there is any change in Management Control of the Issuer, without prior written consent from the Debenture Trustee (acting on the instructions of the Majority Debenture Holders). Any new equity raising which results in change in the existing shareholding pattern and related change in board composition would be communicated to Debenture Holders and consent would be sought. If there is no response within 7 (seven) calendar days, it will be deemed as consent given by Debenture Holders.

3.4 CONSEQUENCES OF EVENTS OF DEFAULT AND REMEDIES

If one or more of the events specified in **Schedule XI** (*Events of Default*) occur(s), the Debenture Trustee may, in its discretion, that is, without requiring any consent or confirmation of the Company, and upon request in writing of Special Majority Debenture Holders or by a Special Resolution duly passed at the meeting of the Debenture Holders held in accordance with the provisions set out in Clause 6 (*Provisions for meeting of Debenture Holders*) hereto by a notice in writing to the Company initiate the following course of action:

(a) require the Company to mandatorily redeem the Debentures and repay the principal amount on the Debentures, along with accrued but unpaid interest, and other costs, charges and expenses incurred under or in connection with the Debenture Trust Deed and other Transaction Documents;

(b) declare all or any part of the Debentures to be immediately (or on such dates as the Debenture Trustee may specify) due and payable, whereupon it shall become so due and payable immediately;

(c) provide a default interest of 2% (two percent) over and above the Interest Rate on of each respective Debentures under or in connection with the Debenture Trust Deed and other Transaction Documents;

(d) appoint any independent agency to inspect and examine the working of the Company and give a report to Debenture Holders/ the Debenture Trustee. The Company shall give full co-operation and provide necessary assistance to such agency and bear all costs and expenses of the examination including the professional fees and travelling and other expenses;

(e) enforce any security created pursuant to the Deed of Hypothecation in accordance with its terms, as may be set out herein or therein, towards repayment of the Debentures;

(f) to appoint a nominee director as per the SEBI (Debenture Trustee) Regulations, 1993 on the board of directors of the Company or to appoint an observer to all meetings of the board of directors of the Company;

(g) take necessary action of either enforcing the Security or entering into the Inter Creditor Agreement as stated in Clause 7.3 of the Debenture Trust Deed or take any other action as decided in the meeting of Debenture Holder(s) based on the decision of the Debenture Holder(s) with Special Majority, including the decision of formation of a committee of the Debenture Holder(s) to participate in the ICA or to enforce the Security or as may be decided in the meeting of Debenture Holder(s). Such a committee, if decided to be formed, may comprise of the designated members representing the interest of the ISIN level Debenture Holder(s) under the Debentures and be responsible to take

decisions which shall be binding on the specific ISIN level Debenture Holder(s) relating to ICA matters, or in relation to enforcement of the Security, or take any other action as may be decided by the Debenture Holder(s), from time to time. The Debenture Trustee(s) may in accordance with the decision of the Debenture Holder(s), sign the ICA and consider the resolution plan, if any, on behalf of the Debenture Holder(s)/ Beneficial Owners in accordance with the requirements under the extant RBI guidelines, SEBI circulars, guidelines and other applicable Laws;

(h) The Debenture Trustee after obtaining consent of Debenture Holder(s) for enforcement shall inform the designated stock exchange seeking release of the Recovery Expense Fund. The Debenture Trustee shall follow the procedure set out by Issuers of listed or proposed to be listed debt securities towards creation of "Recovery Expense Fund" issued by SEBI, as amended from time to time for utilization of the Recovery Expense Fund and be obligated to keep proper account of all expenses, costs including but not limited to legal expenses, hosting of meetings etc., incurred out of the Recovery Expense Fund towards enforcement of Security. All expenses over and above those met from the Recovery Expense Fund incurred by the Beneficial Owners(s)/Trustee after an Event of Default has occurred;

(h) take all such other action expressly permitted under the Debenture Trust Deed or in the other Transaction Documents or permitted under the Law including invocation of guarantee (if applicable); and

(i) exercise such other rights as the Debenture Trustee may deem fit under applicable Law to protect the interest of the Debenture Holders.

References to Schedules and Clauses in this Section refers to Schedules and Clauses as stated in the Debenture Trust Deed.

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

SECTION 4: OTHER INFORMATION AND APPLICATION PROCESS

4.1 Issue Procedure

Only Eligible Investors as given hereunder may apply for the Debentures by completing the Application Form (the format of which is more particularly as set out in **Annexure III** of this Key Information Document) in the prescribed format in block letters in English as per the instructions contained therein. The minimum number of Debentures that can be applied for and the multiples thereof shall be set out in the Application Form. No application can be made for a fraction of a Debenture. Application Forms should be duly completed in all respects and applications not completed in the said manner are liable to be rejected. The name of the applicant's bank, type of account and account number must be duly completed by the applicant. This is required for the applicant's own safety and these details will be printed on the refund orders and /or redemptions warrants.

The final subscription to the Debentures shall be made by the Eligible Investors through the electronic book mechanism as prescribed by SEBI under the EBP Guidelines by placing bids on the electronic book platform during the Issue period. In case the Eligible Investors are not registered on the EBP Platform, they will have to register themselves as investor on the said platform (as a one-time exercise) and also complete the mandatory KYC verification process. The Eligible Investors should also refer to the operational guidelines of the EBP in this respect. The disclosures required pursuant to the EBP Guidelines are set out hereinbelow:

Details of size of issue including green shoe option, if any and a range within which green shoe may be retained (if applicable)	**Base Issue Size:** Issue of up to 5,000 (Five Thousand) secured, listed, rated, unsubordinated, senior, redeemable, transferable, non-convertible debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh only) each, for cash, at par, aggregating to INR 50,00,00,000/- (Indian Rupees Fifty Crores Only) on a private placement basis. **Green Shoe option:** issue of up to 3,500 (Three Thousand Five Hundred) senior, secured, listed, rated, unsubordinated, redeemable, transferable, non-convertible debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, aggregating up to INR 35,00,00,000/- (Indian Rupees Thirty-Five Crores Only) and in total aggregating to INR 85,00,00,000/- (Indian Rupees Eighty-Five Crores Only) in a dematerialised form, on a private placement basis.
Bid opening and closing date	Bid opening date: 30th December 2024; and Bid closing date: 30th December 2024.
Minimum Bid Lot	100 (One Hundred) Debentures (aggregating to INR 1,00,00,000/- (Indian Rupees One Crore), and 1 (one) Debenture thereafter.
Manner of bidding in the Issue	Closed Bidding
Manner of allotment in the Issue	The allotment will be done on Uniform Yield basis in accordance with EBP Guidelines.
Manner of settlement in the Issue	Pay-in of funds through ICCL and the account details are given in the Section 4.2 (*Process flow of settlement*) of this Key Information Document.

Settlement Cycle	T+1, where T refers to the date of bid opening date / issue opening date.

4.2 Process flow of settlement:

The Eligible Investors whose bids have been accepted by the Issuer and to whom a signed copy of this Key Information Document have been issued by the Issuer and who have submitted/shall submit the Application Form ("**Successful Bidders**"), shall make the payments in respect of the Application Money in respect of the Debentures towards the allocation made to them, into the bank account of the ICCL, the details of which are as set out below:

Name of Bank	HDFC BANK
IFSC Code	HDFC0000060
Account number	ICCLEB
Name of beneficiary	INDIAN CLEARING CORPORATION LIMITED

Name of Bank	ICICI Bank Ltd.
IFSC Code	ICIC0000106
Account number	ICCLEB
Name of beneficiary	INDIAN CLEARING CORPORATION LTD

Name of Bank	YES BANK
IFSC Code	YESB0CMSNOC
Account number	ICCLEB
Name of beneficiary	INDIAN CLEARING CORPORATION LTD

The pay-in of the Application Money by the Successful Bidders will be made only from the bank account(s), which have been provided / updated by them in the EBP system. Any amount received from third party accounts or from accounts not specified in the EBP system will be refunded and no allotment will be made against such payments. Upon the transfer of funds into the aforesaid account of ICCL and the Issuer confirming its decision to proceed with the allotment of the Debentures in favour of the Successful Bidders to the ICCL, the R&T Agent and the EBP and initiating the requisite corporate action for allotment of Debentures and credit of the demat letter of allotment into the relevant demat account of the Successful Bidders through the R&T Agent, the R&T Agent shall provide corporate action file along with all requisite documents to the relevant Depositories by 12:00 hours and also intimate the EBP of the aforesaid actions. Upon the Depositories confirming the allotment of the Debentures and the credit of the Debentures into the demat account of the Successful Bidders to EBP, the subscription monies in respect of the Debentures from the aforesaid account of ICCL shall be released into the Issuer's bank account, the details of which are as set out below.

Beneficiary Name	IKF FINANCE LIMITED
Bank Account No.	034313100000104
SWIFT Code	UNION BANK OF INDIA
IFSC Code	Labbipet, Vijayawada

Bank Name	Cash Credit Account
Branch Address	UBIN0803430

It must be noted that all funds pay-in obligations need to be fulfilled in totality. Partial fund receipt against any given obligation will be treated as a default and debarment penalties will be applicable as specified by the EBP Guidelines.

4.3 Payment Instructions

The Application Form should be submitted directly. The entire amount of INR 1,00,000/- (Indian Rupees One Lakh) per Debenture is payable along with the making of an application. Applicants can remit the application amount on the Pay-in Date through RTGS to the following account:

Beneficiary Name	IKF FINANCE LIMITED
Bank Account No.	034313100000104
SWIFT Code	UNION BANK OF INDIA
IFSC Code	Labbipet, Vijayawada
Bank Name	Cash Credit Account
Branch Address	UBIN0803430

4.4 Eligible Investors

The following categories of investors, when specifically approached and have been identified upfront, are eligible to apply for this private placement of Debentures subject to fulfilling their respective investment norms/rules and compliance with laws applicable to them by submitting all the relevant documents along with the Application Form (**"Eligible Investors"**):

(a) Companies and Bodies Corporate eligible to invest in the Debentures;

(b) Financial Institutions eligible to invest in the Debentures;

(c) Foreign Portfolio Investors;

(d) Mutual Funds;

(e) Alternative Investment Funds; and

(f) Any other investor eligible to invest in these Debentures.

All Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures. Without prejudice to the aforesaid, where the selection of the eligible investors is required to be done pursuant to bidding mechanism on the Electronic Platform called the "EBP Platform" under the EBP Guidelines or any other successive arrangement/platform mandated by SEBI, only those Persons out of the aforesaid categories of investors, who are registered on the EBP Platform and are eligible to make bids for Debentures of the Issuer and to whom allocation is to be made by the Issuer pursuant to selection under the electronic book mechanism for issuance of securities on private placement basis in terms of the EBP Guidelines and the Electronic Book Providers shall be considered as "identified persons" for the purposes of Section 42(2) of the Companies Act, 2013 (as amended from time to time), to whom the Issuer shall make private placement of the Debentures and only such "identified persons" shall receive a direct communication from the Issuer

with offer to subscribe to the Debentures and only such "identified persons" shall be entitled to subscribe to the Debentures.

Additionally, those arrangers/brokers/intermediaries etc. (as per the defined limits under the EBP Guidelines) specifically mapped by the Issuer on the EBP Platform are also eligible to bid/apply/invest for this Issue.

All Eligible Investors are required to check and comply with applicable Law(s) including the relevant rules / regulations / guidelines applicable to them for investing in this Issue of Debentures and the Issuer, is not in any way, directly or indirectly, responsible for any statutory or regulatory breaches by any investor, neither is the Issuer required to check or confirm the same.

Hosting of the General Information Document / Key Information Document on the website of the BSE should not be construed as an offer or an invitation to offer to subscribe to the Debentures and the same has been hosted only as it is stipulated under the SEBI Regulations read with the EBP Guidelines. Eligible Investors should check their eligibility before making any investment.

Note: Participation by potential investors in the Issue may be subject to statutory and/or regulatory requirements applicable to them in connection with subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that they comply with all regulatory requirements applicable to them, including exchange controls and other requirements. Applicants ought to seek independent legal and regulatory advice in relation to the laws applicable to them.

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Serial No: 4
Addressed to: _____ (Name of the Debenture Holder(s))

SECTION 5: FORM NO. PAS-4

(Pursuant to Section 42 of the Companies Act, 2013 and Rule 14(3) of the Companies (Prospectus and Allotment of Securities) Rules, 2014)

Note: This Form No PAS-4 is prepared in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014.

ISSUE OF UP TO 5,000 (FIVE THOUSAND) SENIOR, SECURED, LISTED, RATED, UNSUBORDINATED REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES HAVING A FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH, FOR CASH, AT PAR, AMOUNTING UP TO INR 50,00,00,000/- (INDIAN RUPEES FIFTY CRORES ONLY) ALONGWITH A GREEN SHOE OPTION TO RETAIN OVERSUBSCRIPTION OF UP TO 3,500 (THREE THOUSAND FIVE HUNDRED) SENIOR, SECURED, LISTED, RATED, UNSUBORDINATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES HAVING A FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH, FOR CASH, AT PAR, AGGREGATING UP TO INR 35,00,00,000/- (INDIAN RUPEES THIRTY-FIVE CRORES ONLY) AND IN TOTAL AGGREGATING TO INR 85,00,00,000/- (INDIAN RUPEES EIGHTY-FIVE CRORES ONLY) IN A DEMATERIALISED FORM, ON A PRIVATE PLACEMENT BASIS (THE "ISSUE") (HEREINAFTER REFFERED TO AS "DEBENTURES") BY IKF FINANCE LIMITED (THE "COMPANY") OR ("ISSUER").

5.1 General Information:

(a) **Name, address, website, if any, and other contact details of the Company, indicating both registered office and the corporate office:**

Issuer / Company:	IKF Finance Limited (the "**Issuer**" or "**Company**" or "**IKF Finance**")
Registered Office:	40-1-144, 3rd Floor, Corporate Centre, M.G. Road, Vijayawada, Andhra Pradesh - 520010, India
Corporate Office:	Plot Nos: 30/A, Survey No: 83/1, 11th Floor, Myhome Twitza, APIIC Hyderabad Knowledge City, Raidurg (Panmaqtha) Village, Serilingampally Mandal, Rangareddy District, Hyderabad - 500081, Telanagana
Telephone No.:	0866-2474644
Website:	www.ikffinance.com
Fax:	NA
Contact Person:	Ch Sreenivasa Rao
Email:	sreenivas@ikffinfance.com

(b) **Date of Incorporation of the Company:**

30/05/1991

(c) **Business carried on by the Company and its subsidiaries with the details of branches or units, if any;**

As more particularly set out in the General Information Document

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

Branch details:

As more particularly set out in the General Information Document

Subsidiary details:

As of the date of this Key Information Document, the Company have one subsidiary company i.e. IKF Home Finance Private Limited incorporated on 05.08.2002 and the main business of the company is of providing Housing Loans and Loans against the properties.

(d) **Brief particulars of the management of the Company:**

S. No.	Name	Designation	Profile
1.	Mr. VGK Prasad	Chairman	Mr. Prasad has contributed a lot in institutionalizing the Automobile finance business operated by individuals in Andhra Pradesh. Mr. Prasad has presided over the Krishna District Auto Financiers Association, considered to be one of the strongest and most organized Financiers Association in India, for quite a considerable period. Mr. Prasad has occupied various positions in the Federation of Indian Hire Purchase Associations (FIHPA), the Apex body of Asset Financing Companies, and has acted as the Secretary General till 2010 and as President till 2012
2.	Mrs. K. Vasumathi Devi	Managing Director	She joined the Company in 2006 and has gained expertise in Business Development, Operations management, Credit & Risk etc. over the last 12 years.
3.	Rama Raju	CEO	Ex CEO of AML Finance (wholly – owned subsidiary of Automotive Manufacturers Ltd) Ex Zonal Business Head of SREI, managing INR 50 bn portfolio, Ex Kotak Mahindra Bank, Ex Tata Finance Ltd Leading the efforts to further professionalize the team, creating systems and process for next phase of growth Has successfully recruited several senior management team members from the industry across verticals
4.	Prakash Bhawnani	CFO	US CFA Chartered holder, MBA (Finance) from IBS, Bangalore and Qualified Company Secretary 15 years of rich experience cross Treasury, Risk Management, IPO, Debt Listing, RBI & SEBI Compliances, Audit, and strategic finance functions. Previously worked with Keertana Finserv as CFO and India Shelter Finance

			Corporation Ltd, as Treasury Head and Home Credit India Finance Private Limited, Treasury etc., .
5.	Chapalamadugu Sreenivasa Rao	Company Secretary	Qualified Cost Accountant & Company Secretary, has 20 + years of experience in Cost accounting & Company Secretarial Matters and has worked with BBM Bommidalla Group.

(e) **Name, addresses, Director Identification Number (DIN) and occupations of the directors**:

S. No.	Name	Designation	DIN	Address	Occupation
1	Gopala Kishan Prasad Vupputuri	Chairman & Wholetime Director	01817992	59A-16-4/8 Iii Rd Road Plot No 77 3Rd Cross Road Near Sai Baba Temple R.T.C. Colony Viyaya Wada Urban Polytechnic Krishna 520008	Business
2	Vasumathi Devi Koganti	Managing Director	03161150	Villa 18 Aditya Fort Veiw Puppalaguda Pratibha High School Manikonda Puppalguda Puppalg Uda K V Ranga Reddy 500089	Business
3	Satyanand Sinha Chunduri	Director	03644504	40-1-144, Corporate Centre MG Road Viajayawada 520010	Business
4	Sunil Rewachand Chandiramani	Independent Director	00524035	163-A, Sky Scraper Building, 74, Bhulbhai Desai Road, Cumbhatta Hill, Mumbai, Maharastra-400026	Business
5	Vinit Mukesh Mehta	Nominee Director	08792902	501, Satguru Towers, Central Avenue, Santacruz West, Mumbai 400054	Investment manager
6	Abhishek Agrawal	Nominee Director	06760344	Flt No. 401, 4th Flr. Sai Samman, Plot No. 28/29, Union Park, Chembur East, Mumbai	Investment manager
7	Satyanarayana Prasad Kanaparti	Director	03598603	8-3 -318/11/32,33,34 Fno. 501, Jai Prakash Nagar Vishnu Nivas Ameerpet Hyderabad 500016	Business

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S. No.	Name	Designation	DIN	Address	Occupation
8	Sethuraman Ganesh	Independent Director	07152185	305, Vensa Lakeview, Kempapura Main Road Opp Rachenahalli Lake, Dasarahalli, Bangalore North	Business
9	Raman Uberoi	Independent Director	03407353	C 32, Kalindi Colony, New Delhi 110065	Consultant
10	Kannan	Independent Director	01354529	Ta 1, Third floor, Krishna Regency, K.R. Road, Tata Silk Farm, Basavangudi, Bangalore - 560 004	Retired Banker

5.2 MANAGEMENT PERCEPTION OF RISK FACTORS:

Please refer to Section 3 of the General Information Document.

5.3 RISKS RELATED TO THE BUSINESS OF THE ISSUER

Please refer to Section 3 of the General Information Document.

5.4 Details of defaults, if any, including therein the amount involved, duration of default, and present status, in repayment of:

(i) Statutory Dues: Nil

(ii) Debentures and interest thereon: Nil

(iii) Deposits and interest thereon: Nil

(iv) Loan from any bank or financial institution and interest thereon: Nil

5.5 Name, designation, address and phone number, email ID of the nodal / compliance officer of the Company, if any, for the private placement offer process:

Name of Nodal/ Compliance officer	Designation	Address	Phone No.	Email ID
Ch Sreenivasa Rao	Compliance Officer	40-1-144, Corporate Centre, M. G. Road, Vijayawada - 520010, Andhra Pradesh	0866-2474644	sreenivas@ikffinfance.com

5.6 Registrar of the Issue:

Name: Bigshare Services Private Limited

Address: E-2, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai 400 072

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Logo:

Telephone Number: +022 2847 0652

Website: https://www.bigshareonline.com/

Email address: mohan@bigshareonline.com

Contact Person: Mr. N. V. K. Mohan

5.7 Valuation Agency: Not Applicable

5.8 Auditors:

Name: M/s. Mukund M Chitale & Co., Chartered Accountants

Logo:

Address: 2nd Floor, Kapur House, Paranjape B Scheme, Road No 1 Vile Parle(E) Mumbai-400057

Website: www.mmchitale.co.in

Email address: nilesh.joshi@mmchitale.com

Telephone Number: +91 22 2663 3500

Contact Person: Nilesh Joshi

5.9 Any default in annual filing of the Company under the Companies Act, 2013 or the rules made thereunder:

NIL

5.10 Particulars of the Offer:

Financial position of the Company for the last 3 (three) financial years	Please refer to **Annexure XI** of this Key Information Document.
Date of passing of Board Resolution	Board resolution dated 05th November 2024. Management Committee resolution dated 24th December 2024. A copy of both of these resolutions has been annexed hereto in **Annexure V - Part I** and **Annexure V - Part II** of this Key Information Document respectively.
Date of passing of resolution in the general meeting, authorizing the offer of securities	Shareholders resolutions under Section 42 of the Act dated 30th September, 2024. Shareholders resolutions under Section 180(1)(a) and Section 180(1)(c) of the Act dated 30th September, 2024. A copy of which is attached in **Annexure VI** hereto.

Kind of securities offered (i.e. whether share or debenture) and class of security; the total number of shares or other securities to be issued	**Issue Size:** Issue of up to 5,000 (Five Thousand) senior, secured, listed, rated, redeemable, transferable, non-convertible debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, amounting up to INR 50,00,00,000/- (Indian Rupees Fifty Crores Only), in a dematerialised form, on a private placement basis. **Green Shoe option:** issue of up to 3,500 (Three Thousand Five Hundred) senior, secured, listed, rated, unsubordinated redeemable, transferable, non-convertible debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, aggregating up to INR 35,00,00,000/- (Indian Rupees Thirty-Five Crores Only) and in total aggregating to INR 85,00,00,000/- (Indian Rupees Eighty-Five Crores Only) in a dematerialised form, on a private placement basis.
Price at which the security is being offered, including premium if any, along with justification of the price	The Debentures are being offered at face value of INR 1,00,000/- (Indian Rupees One Lakh) per Debenture
Name and address of the valuer who performed valuation of the security offered, and basis on which the price has been arrived at along with report of the registered valuer	Not Applicable as the Debentures are being offered at face value of INR 1,00,000 (Indian Rupees One Lakh) per Debenture.
Relevant date with reference to which the price has been arrived at (Relevant Date means a date at least 30 days prior to the date on which the general meeting of the Company is scheduled to be held)	Not applicable as each Debenture is a non-convertible debt instrument which is being issued at face value of INR 1,00,000 (Indian Rupees One Lakh).
The class or classes of persons to whom the allotment is proposed to be made	Please refer to '*Eligible Investors*' under Section 4.4 of this Key Information Document.
Intention of promoters, directors or key managerial personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer) [Not required in case of issue of non-convertible debentures]	Not Applicable.
The proposed time within which the allotment shall be completed	The Debentures will be deemed to be allotted on 31st December 2024 (**"Deemed Date of Allotment"**), and the Company will ensure that the Debentures are credited into the demat accounts of the holders of the Debentures (**"Debenture Holders"**) within 1 (one)

<table>
<tr><td></td><td>Business Day from the Deemed Date of Allotment, each in accordance with the debenture trust deed ("Debenture Trust Deed") to be entered into between the Company and the debenture trustee ("Debenture Trustee").

In any case, the period within which the Debentures will be allotted will not exceed the maximum period of 60 (sixty) days from the date of receipt of application money, as prescribed under the Companies Act, 2013.</td></tr>
<tr><td>The names of the proposed allottees and the percentage of post private placement capital that may be held by them [Not applicable in case of issue of non-convertible debentures]</td><td>Not Applicable.</td></tr>
<tr><td>The change in control, if any, in the company that would occur consequent to the private placement</td><td>Not Applicable</td></tr>
<tr><td>The number of persons to whom allotment on preferential basis / private placement / rights issue has already been made during the year, in terms of securities as well as price</td><td>NIL</td></tr>
<tr><td>The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer</td><td>Not applicable as each Debenture is a non-convertible debt instrument which is being issued at face value of INR 1,00,000/- (Indian Rupees One Lakh).</td></tr>
<tr><td>Amount, which the Company intends to raise by way of proposed offer of securities</td><td>Up to INR 85,00,00,000 (Indian Rupees Eighty-Five Crores Only).</td></tr>
<tr><td>Terms of raising of securities:</td><td><table>
<tr><td>Duration, if applicable:</td><td>up to 36 (Thirty-Six) Months i.e., 1096 (One Thousand and Ninety-Six) days from the Deemed Date of Allotment.

The proposed interest payment and redemption schedules are set out in Annexure IV of this Key Information Document.</td></tr>
<tr><td>Rate of Interest or Coupon:</td><td>Fixed coupon at 9.90% p.a. (Nine point nine zero percent per annum) and payable quarterly Please refer to the row titled 'Coupon Rate' in Section 2.8 (Issue Details) of the Key Information Document.</td></tr>
</table></td></tr>
</table>

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	Mode of Payment	Electronic clearing services (ECS)/credit through RTGS system/ direct credit or national electronic fund transfer (NEFT) or or Immediate Payment Service (IMPS). Wherein the subscription amounts on the Debentures issued by the Issuer should be paid into the account details set out in Section 4.2 (Process flow of settlement of this Key Information Document.
	Mode of Repayment	cheque(s) / electronic clearing services (ECS)/credit through RTGS system/funds transfer
Proposed time schedule for which the Issue/Offer Letter is valid	Issue Open Date: 30th December 2024 Issue Closing Date: 30th December 2024 Pay-in Date: 31st December 2024 Deemed Date of Allotment: 31st December 2024	
Purpose and objects of the Issue/Offer	Please refer to section named "Details of the *utilization of the Issue Proceeds*" in Section 2.8 (*Issue Details*) of this Key Information Document.	
Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects	NIL	
Principal terms of assets charged as security, if applicable	Please refer to section named "*Security (Including description, type of security, type of charge, likely date of creation of security, minimum security cover, revaluation, replacement of security)*" in Section 2.8 (*Issue Details*) of this Key Information Document.	
The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the Company and its future operations	NIL	

The pre-issue and post-issue shareholding pattern of the Company in the following format:

S. No.	Category	Pre-issue		Post-issue	
		No. of shares held	Percentage (%) of shareholding	No. of shares held	Percentage (%) of shareholding
A	*Promoters' holding*				

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	Indian				
1	Individual	2,84,41,453	40.54	2,84,41,453	40.54
	Bodies Corporate	-		-	
	Sub-total	2,84,41,453	40.54	2,84,41,453	40.54
2	Foreign promoters	16,11,800	2.30	16,11,800	2.50
	Sub-total *(A)*	3,00,53,253	42.84	3,00,53,253	42.84
B	*Non-promoters' holding*				
1	Institutional Investors	3,20,18,354	45.64	3,20,18,354	45.64
2	Non-Institutional Investors	-		-	
	Private Corporate Bodies	17,86,080	2.54	17,86,080	2.54
	Directors and relatives	-	-	-	-
	Indian public	62,51,924	8.91	62,51,924	8.91
	Others (including Non-resident Indians)	46,834	0.07	46,834	0.07
	Sub-total *(B)*	4,01,03,192	57.16	4,01,03,192	57.16
	GRAND TOTAL	7,01,56,445	100.00	7,01,56,445	100.00

5.11 Mode of payment for subscription:

- Cheque
- Demand Draft
- Other Banking Channels

5.12 Disclosure with regard to interest of directors, litigation, etc:

Any financial or other material interest of the directors, promoters or key managerial personnel in the offer/ Issue and the effect of such interest in so	Nil

<table>
<tr><td>far as it is different from the interests of other persons</td><td></td></tr>
<tr><td>Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the Company during the last 3 (three) years immediately preceding the year of the issue of this private placement offer cum application letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed</td><td>Nil</td></tr>
<tr><td>Remuneration of directors (during the current year and last 3 (three) financial years):</td><td>
<table>
<tr><th>Director</th><th>Fiscal FY 24-25 (Up to September 2024)</th><th>Fiscal FY 23-24</th><th>Fiscal FY 22-23</th><th>Fiscal FY 21-22</th></tr>
<tr><td>V.G.K.Prasad, Chairman</td><td></td><td></td><td></td><td></td></tr>
<tr><td>Remuneration</td><td>0.72</td><td>1.19</td><td>0.84</td><td>0.76</td></tr>
<tr><td>Commission</td><td>0</td><td>1.35</td><td>0.63</td><td>0.51</td></tr>
<tr><td>K Vasumathi Devi, Managing Director</td><td></td><td></td><td></td><td></td></tr>
<tr><td>Remuneration</td><td>0.36</td><td>0.65</td><td>0.60</td><td>0.54</td></tr>
<tr><td>Commission</td><td>0</td><td>0.68</td><td>0.44</td><td>0.36</td></tr>
</table>
</td></tr>
<tr><td>Related party transactions entered during the preceding 3 (three) financial years immediately preceding the year of issue of this private placement offer cum application letter and current financial year with regard to loans made or, guarantees given or securities provided</td><td>Please refer to Annexure XI of this Key Information Document.</td></tr>
<tr><td>Summary of reservations or qualifications or adverse remarks of auditors in the last 5 (five) financial years immediately preceding the year of issue of this private placement offer cum application letter and of their impact on the financial statements and</td><td>Nil</td></tr>
</table>

financial position of the Company and the corrective steps taken and proposed to be taken by the Company for each of the said reservations or qualifications or adverse remark	
Details of any inquiry, inspections or investigations initiated or conducted under the securities law or Companies Act or any previous company law in the last 3 (three) years immediately preceding the year of circulation of this private placement offer cum application letter in the case of the Company and all of its subsidiaries and if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last 3 (three) years immediately preceding the year of this private placement offer cum application letter and if so, section-wise details thereof for the Company and all of its subsidiaries	Nil
Details of acts of material frauds committed against the company in the last three years in any, and if so, the action taken by the company	Nil

5.13 Financial Position of the Company:

The capital structure of the company in the following manner in a tabular form:

The authorized, issued, subscribed and paid-up capital (number of securities, description and aggregate nominal value)

	Authorised Capital (In Rs.)	Issued Capital (In Rs.)	Subscribed Capital (In Rs.)	Paid Up Capital (In Rs.)
Number of Equity shares	1,05,00,00,00	7,01,56,445	7,01,56,445	7,01,56,445
Nominal amount of equity share	10	10	10	10
Total amount of equity shares	80,00,00,000	70,15,64,450	70,15,64,450	70,15,64,450
Number	25,00,000	0	0	0

	of preference shares				
	Nominal amount of preference shares	100	100	100	100
	Total amount of preference shares	25,00,00,000	0	0	0
Size of the Present Offer	**Base Issue Size:** Issue of up to 5,000 (Five Thousand) secured, listed, rated, unsubordinated, senior, redeemable, transferable, non-convertible debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, aggregating to INR 50,00,00,000/- (Indian Rupees Fifty Crores Only) in a dematerialised form, on a private placement basis. **Green Shoe option:** issue of up to 3,500 (Three Thousand Five Hundred) senior, secured, listed, rated, unsubordinated, redeemable, transferable, non-convertible debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each, for cash, at par, aggregating up to INR 35,00,00,000/- (Indian Rupees Thirty-Five Crores Only) and in total aggregating to INR 85,00,00,000/- (Indian Rupees Eighty-Five Crores Only) in a dematerialised form, on a private placement basis.				
Paid-up Capital: After the offer: **a. After the conversion of convertible instruments (if applicable)**	70,15,64,450 Not applicable as each Debenture is a non-convertible debt instrument which is being issued at face value.				
Share Premium Account: Before the offer: **a. After the offer:**	a. 4,63,33,45,621 b. 4,63,33,45,621				

Details of the existing share capital of the Issuer in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration:

Date of Allotment	No. of Equity Shares	Face Value (in Rs) per share	Issue Price (in Rs) per sha	Consideration (Cash, other than cash, etc.)	Nature of Allotment	Cumulative			Remarks
						No. of equity shares	Equity share capital (Rs)	Equity Share Premium (Rs) per share	

			re						
21.08.2023	55,81,395 fully paid up shares of Rs. 10 each	10	215	1,19,19,99,925	Preferential Issue	7,01,56,445	70,15,64,450	4,63,33,45,621	
31.03.2023	75,81,418 fully paid up shares of Rs. 10 each	10	215	1,63,00,04,870	Preferential Issue	6,45,75,050	64,57,50,500	3,48,91,59,645	-
17.02.2023	24,58,962 fully paid up shares of Rs. 10 each	10	215	52,86,76,830	Preferential Issue	5,69,93,632	56,99,36,320	1,93,49,68,955	-
10.11.2022	18,75,603 fully paid up shares of Rs. 10 each	10	209	39,20,01,027	Preferential Issue	5,45,34,670	54,53,46,700	143,08,81,746	-
31.03.2022	51,79,688 Partly paid up shares of Rs 8.10 paid up 3rd and Final Call Money	10	72.59	7,14,38,774	Preferential Issue	5,26,59,067	52,6,5,90,670	105,76,36,749	-
31.03.2021	51,79,688 Partly paid up shares of Rs 8.10 paid up 2nd Call Money	10	72.59	10,15,18,259	Preferential Issue	5,26,59,067	51,67,49,262.80	99,92,89,377	-
31.03.2019	51,79,688	10	72.59	10,15,18,259	Preferential	5,26,59,067	50,27,64,106	91,17,56,276	-

	Partly paid up shares of Rs 5.40 paid up 1st Call Money				Issue				
22.01.2019	12,22,278	10	128	15,64,51,584	Preferential Issue	5,26,59,067	48,87,78,948	82,42,23,175	-
18.01.2019	7,30,847	10	128	9,35,48,416	Preferential Issue	5,14,36,789	47,65,56,168	67,99,94,371	-
17.01.2018	51,79,688 (Application Money)	10	72.59	10,15,18,259	Preferential Issue	5,07,05,942	46,92,47,698	59,37,54,425	-
06/05/2015	80,13,375	10	31	24,84,14,625	Rights Issue	4,55,26,254	45,52,62,540	50,62,21,324	-
30/09/2013	30,00,000	10	13	3,90,00,000	Preferential Issue	3,21,00,000	32,10,00,000	9,00,07,000	-
18/03/2013	36,60,000	10	13.25	4,84,95,000	Preferential Issue	2,91,00,000	29,10,00,000	7,77,57,000	-
16/08/2012	68,50,000	10	13	8,90,50,000	Preferential Issue	254,40,000	25,44,00,000	6,58,63,000	-
21/03/2012	63,60,000	10	13	8,26,80,000	Preferential Issue	1,85,90,000	18,59,00,000	4,53,13,000	-

The number and price at which each of allotments were made by the Company in the last 1 (one) year preceding the date of this placement offer cum application letter separately indicating the allotments made for consideration other than cash and details of the consideration in each case	Nil
Profits of the Company, before and after making provision for tax, for the 3 (three) financial years immediately preceding the date of circulation of this private	**(INR in Crores)** **Year** | **Fiscal FY 23-24** | **Fiscal FY 22-23** | **Fiscal FY 21-22**

<table>
<tr><td>placement offer cum application letter.</td><td>
<table>
<tr><td>Profit before tax</td><td>103.37</td><td>67.31</td><td>54.27</td></tr>
<tr><td>Profit after tax</td><td>76.97</td><td>50.10</td><td>40.30</td></tr>
</table>
</td></tr>
<tr><td>Dividends declared by the Company in respect of the said 3 (three) financial years; interest coverage ratio for last three years (cash profit after tax plus interest paid/interest paid):</td><td>
(INR in Crores)
<table>
<tr><th>Year</th><th>Fiscal FY 23-24</th><th>Fiscal FY 22-23</th><th>Fiscal FY 21-22</th></tr>
<tr><td>Dividend Declared</td><td>NIL</td><td>NIL</td><td>NIL</td></tr>
<tr><td>Interest Coverage Ratio</td><td>1.47</td><td>1.46</td><td>1.48</td></tr>
</table>
</td></tr>
<tr><td>A summary of the financial position of the Company as in the 3 (three) audited balance sheets immediately preceding the date of circulation of this private placement offer cum application letter</td><td>Please refer to Annexure XI of this Key Information Document.</td></tr>
<tr><td>Audited Cash Flow Statement for the 3 (three) years immediately preceding the date of circulation of this private placement offer cum application letter</td><td>Please refer to Annexure XI of this Key Information Document.</td></tr>
<tr><td>Any change in accounting policies during the last 3 (three) years and their effect on the profits and the reserves of the Company</td><td>Nil</td></tr>
</table>

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

PART B

FORM NO PAS-4
PRIVATE PLACEMENT OFFER LETTER
(To be filled by the applicant)

Sr. No.	Particulars	First Holder	Second Holder
1	Name	[•]	[•]
2	Father's Name	[•]	[•]
3	Complete Address (including Flat/ House Number, Street, Locality, Pin Code)	[•]	[•]
4	Phone Number, if any	[•]	[•]
5	Email ID, if any	[•]	[•]
6	PAN Number	[•]	[•]
7	Bank Account Details	[•]	[•]
8	Number of Non- Convertible Debentures subscribed	[•]	[•]
9	Total value of Non- Convertible Debentures subscribed	[•]	[•]
10	Tick whichever is applicable: - (a) The applicant is not required to obtain Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares. (b) The applicant is required to obtain Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares and the same has been obtained, and is enclosed herewith	[•] [•]	[•] [•]

_____
Signature of the Subscriber

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DECLARATION (To be provided by the Directors)

A. The Company has complied with the provisions of the Companies Act, 2013 and the rules made hereunder;

B. The compliance with the Companies Act, 2013 and the rules made thereunder do not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government; and

C. The monies received under the offer shall be used only for the purposes and objects indicated in this Key Information Document.

I am authorized by the Board of Directors of the Issuer vide resolution number 05 dated 05th November 2024 read along with the resolution passed by the management committee of the Board of Directors of the Issuer dated 24th December 2024 to sign this Key Information Document and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with.

Whatever is stated in this Key Information Document and in the attachments thereto is true, correct and complete and no information material to the subject matter of this Key Information Document has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this Key Information Document.

The Issuer declares that all the relevant provisions in the regulations/guideline issued by SEBI and other applicable laws have been complied with and no statement made in this Key Information Document is contrary to the provisions of the regulations/guidelines issued by SEBI and other applicable laws, as the case may be. The information contained in this Key Information Document is as applicable to privately placed debt securities and subject to the information available with the Issuer. The extent of disclosures made in this Key Information Document is consistent with disclosures permitted by regulatory authorities to the issue of securities made by the companies in the past.

For **IKF FINANCE LIMITED**

Vasumathi Koganti
Digitally signed by Vasumathi Koganti
Date: 2024.12.26 16:06:46 +05'30'

Authorised Signatory

Name: Vasumathi Devi Koganti Rao

Title: Managing Director

Place: Vijayawada, India

Date: 26.12.2024

CHAPALAMADUGU SREENIVASA RAO
Digitally signed by CHAPALAMADUGU SREENIVASA RAO
Date: 2024.12.26 16:07:20 +05'30'

Authorised Signatory

Name: Ch Sreenivasa

Title: Company Secretary

Place: Vijayawada

Date:26.12.2024

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ANNEXURE I: RATING LETTER, RATING RATIONALE AND DETAILED PRESS RELEASE FROM THE RATING AGENT

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CareEdge RATINGS

No. CARE/CRO/RL/2024-25/1494

Ms. K Vasumathi Devi
Managing Director
IKF Finance Limited
40-1-144, 3rd floor, Corporate centre,
MG Road
Vijayawada
Andhra Pradesh 520010

December 24, 2024

Confidential

Dear Madam,

Credit rating for Non-Convertible Debenture issue

On the basis of recent developments including operational and financial performance of your Company for FY24 (Audited) and H1FY25 (Provisional), our Rating Committee has reviewed the following ratings:

Sr. No.	Instrument	Amount (₹ crore)	Rating[1]	Rating Action
1.	Non Convertible Debenture - XI	17.50 (Reduced from 70.00)	CARE A+; Stable	Upgraded from CARE A; Stable
2.	Non Convertible Debenture - XII	79.17 (Reduced from 150.00)	CARE A+; Stable	Upgraded from CARE A; Stable
3.	Non Convertible Debenture - XIII	50.00	CARE A+; Stable	Upgraded from CARE A; Stable
4.	Non Convertible Debenture - XIV	200.00	CARE A+; Stable	Upgraded from CARE A; Stable

2. Refer Annexure 1 for details of the rated instruments.

3. CARE Ratings Ltd. reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.

[1]Complete definitions of the ratings assigned are available at www.careedge.in and in other CARE Ratings Ltd.'s publications.

CARE Ratings Limited

Unit No: O-509/C, Spencer Plaza, 5th Floor,
No. 769, Anna Salai, Chennai - 600 002
Phone: +91-44-2849 0811 / 13 / 76

Corporate Office :4th Floor, Godrej Coliseum,
Somaiya Hospital Road, Off Eastern Express
Highway, Sion (E), Mumbai - 400 022
Phone: +91-22-6754 3456 • www.careedge.in

CIN-L67190MH1993PLC071691

Page **1** of **4**

4. CARE Ratings Ltd. reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE Ratings Ltd. warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE Ratings Ltd. so as to enable it to carry out continuous monitoring of the rating of the bank facilities, CARE Ratings Ltd. shall carry out the review on the basis of best available information throughout the life time of such bank facilities. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE Ratings Ltd. shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.
5. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.
6. Users of this rating may kindly refer our website www.careedge.in for latest update on the outstanding rating.
7. CARE Ratings Ltd. ratings are not recommendations to buy, sell, or hold any securities.

If you need any clarification, you are welcome to approach us in this regard.

Thanking you,

Yours faithfully,

Hareesh H
Lead Analyst
hareesh.h@careedge.in

Ravi Shankar R
Associate Director
ravi.s@careedge.in

Encl.: As above

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

Disclaimer

The ratings issued by CARE Ratings Limited are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings Limited has based its ratings/outlooks based on information obtained from reliable and credible sources. CARE Ratings Limited does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings Limited have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings Limited or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE Ratings Limited is, inter-alia, based on the capital deployed by the partners/proprietor and the current financial strength of the firm. The rating/outlook may undergo a change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE Ratings Limited is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE Ratings Limited's rating.
Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

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Annexure - 1
Details of rated Instruments

Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Amount Rated (Rs. Crore)
NCD - XI	INE859C08111	Mar 27, 2023	10.60%	Mar 27, 2025	17.50
NCD – XII	INE859C07154	Aug 11, 2023	9.75%	Aug 11, 2025	18.75
	INE859C07154	Sep 05, 2023	9.75%	Aug 11, 2025	18.75
	INE859C07162	Mar 27, 2024	9.95%	Mar 27, 2027	41.67
NCD – XIII & NCD – XIV	INE859C07204	Nov 13, 2024	9.90%	Mar 15 2027	60.00
NCD – XIV	INE859C07196	Oct 17, 2024	9.00%	Oct 17, 2026	60.00
	INE859C07170	Jul 25, 2024	9.95%	Jul 25, 2026	70.00
	INE859C07188	Aug 01, 2024	10.30%	Jul 30, 2027	60.00

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RATING RATIONALE

CareEdge RATINGS

Annexure
Press Release
IKF Finance Limited

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long-term bank facilities	2,600.00	CARE A+; Stable	Upgraded from CARE A; Stable
Subordinated debt – I	25.00	CARE A+; Stable	Upgraded from CARE A; Stable
Subordinated debt – II	140.00	CARE A+; Stable	Upgraded from CARE A; Stable
Non-convertible debentures – XI	17.50 (Reduced from 70.00)	CARE A+; Stable	Upgraded from CARE A; Stable
Non-convertible debentures – XII	79.17 (Reduced from 150.00)	CARE A+; Stable	Upgraded from CARE A; Stable
Non-convertible debentures - XIII	50.00	CARE A+; Stable	Upgraded from CARE A; Stable
Non-convertible debentures - XIV	200.00	CARE A+; Stable	Upgraded from CARE A; Stable
Non-convertible debentures - XV	200.00	CARE A+; Stable	Assigned

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

CARE Ratings Limited (CARE Ratings) has taken a consolidated approach of IKF Finance Limited (IKF) and IKF Home Finance Limited (IKFHF). Revision in ratings assigned to bank facilities and debt instruments of IKF Finance Limited (IKF) factors in consistent financial performance along with improvement in the scale of operations while maintaining comfortable capitalisation levels supported by equity raise on regular intervals. The scale of operations improved with assets under management (AUM) on consolidated basis grew from ₹1,777 crore as on March 31, 2021 to ₹4,811 crore as on March 31, 2024 at a compounded annual growth rate (CAGR) of 39%, supported by tangible net worth (TNW) of ₹924 crore as on March 31, 2024. The AUM (Consol) stood at ₹5,386 crore as on September 30, 2024, with a TNW of ₹1,016 crore as on September 30, 2024. The profitability parameters have also remained consistent over the period with the company reporting return on total asset (ROTA) of 2.61% in FY24 against 2.28% in FY23.

Asset quality continues to remains moderate, characterised by higher delinquencies in softer buckets with improvement witnessed y-o-y. Gross non-performing asset (GNPA) and net NPA (NNPA) on a standalone basis stood at 2.35% and 1.80%, respectively, as on March 31, 2024. The overall softer delinquencies has been witnessing improvement y-o-y with 0+ days past due (DPD) improving from 45% as on March 31, 2021, to 21% as on March 31, 2024.

The rating continues to derive strength from the long and established track record of operations in the lending business with a strong brand image and seasoned and gradual growth in portfolio in the last several years. Ratings further derive strength from well-defined credit and recovery policy with strong collection systems adopted and moderately diversified resource profile. The rating is constrained by regional concentration of portfolio, inherent risks associated with its borrower profile mostly being self-employed in the informal segment, high ticket exposure to small and medium enterprises (SME), and non-banking financial companies (NBFC) segments.

[1]Complete definition of ratings assigned are available at www.careedge.in and other CARE Ratings Limited's publications.

CARE Ratings Limited

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Corporate Office :4th Floor, Godrej Coliseum,
Somaiya Hospital Road, Off Eastern Express
Highway, Sion (E), Mumbai - 400 022
Phone: +91-22-6754 3456 • www.careedge.in

CIN-L67190MH1993PLC071691

Rating sensitivities: Factors likely to lead to rating actions

Positive factors: Factors that could individually or collectively lead to positive rating action/upgrade:

- Sustainable improvement in asset quality along with improvement in delinquencies in softer buckets.
- Significant growth in the scale of operations while maintaining profitability and capitalisation at comfortable levels.

Negative factors: Factors that could individually or collectively lead to negative rating action/downgrade:

- Deterioration in the asset quality with the GNPA above 4%, thereby impacting the profitability for an extended period.
- Moderation of the capital structure with a weakening of the overall gearing ratio to over 4.5x on a sustained basis.

Analytical approach:
Consolidated, considering that subsidiary IKFHF as an integral part of the group with shared brand name and business linkages.

Outlook: Stable
The stable outlook reflects the likely continuation of stable credit profile with comfortable capitalisation levels and healthy profitability levels.

Detailed description of key rating drivers:

Key strengths

Long and established track record of operations

IKF has a robust track record of nearly three decades in the vehicle financing sector. VGK Prasad, the Chairman, brings over 30 years of experience, significantly benefiting IKF's operations through his extensive background in auto finance and a well-established industry network. He has also held prominent roles in industry associations, including serving as President of the Federation of Indian Hire Purchase Associations (FIHPA). In 2007, VGK Prasad's daughter, K Vasumathi Devi, took on a leadership role at IKF and was gradually elevated as Managing Director in January 2022. The company is supported by a highly qualified and experienced board and management team.

IKFHF, a subsidiary of IKF, holds strategic importance for the IKF group. The subsidiary is led by Vasantha as Managing Director, younger daughter of VGK Prasad. As a parent company, IKF provides management and operational support, leveraging its established branch network and risk management systems, and assisting in loan sourcing. Additionally, IKFHF benefits from the shared 'IKF' brand name and access to the group's common treasury, enabling it to secure resources at competitive rates from banks, financial institutions, and capital markets.

Well-defined credit policy and improving MIS system

IKF has a presence in commercial vehicles (CV), construction equipment (CE), and three-wheeler/four-wheeler segments and the SME financing sector, with a well-defined credit policy for each segment. With a view to manage growing scale of operations and exposure in each segment, the company has been improving its technology platform. Its loan origination and credit appraisal processes are now tab-based, resulting in improved efficiency and a better underwriting process. The company has implemented a customised mobile collection module (tab-based system) software for ease of underwriting process and to ensure lower turnaround time. IKF has strengthened its collection system by establishing stringent collection processes, with early delinquency checks, establishing bucket-wise collection, and strengthening its collection team by hiring professionals with substantial experience in the domain. IKF also prefers selling its repossessed vehicles to its existing customers rather than auctioning them to reduce loss on sale of repossessed assets.

Improving scale of operations

Over the three years ending March 31, 2024, IKF (Consolidated) achieved a CAGR of 39%, expanding from ₹1,777 crore on March 31, 2021, to ₹4,811 crore on March 31, 2024 (previous year: ₹3,148 crore), with a notable 53% growth in FY24. In FY24, IKF (Consolidated) disbursed ₹3,145 crore, marking a 53% increase over FY23 disbursements.

Vehicle finance remains IKF's primary focus, accounting for ~61% of the consolidated portfolio in FY24. This includes commercial vehicles (24.92%), cars and multi-utility vehicles (MUVs; 11.75%), and construction equipment (20.58%). The subsidiary IKF Home offers housing loans and loan against property (LAP), which represent 13.27% and 8.55% of the consolidated portfolio, respectively. Loans to other NBFCs and the SME portfolio constitute 8.28% and 8.81% of the portfolio, respectively, as of March 31, 2024.

IKF has a seasoned portfolio with a long-standing presence in vehicle finance. Hence, significant shift to other asset classes will be a key monitorable. On a standalone basis, IKF reported an AUM of ₹3,775 crore as on March 31, 2024 and ₹4,223 crore as on September 30, 2024. During the same periods, IKFH reported an AUM of ₹1,049 crore and ₹1,173 crore, respectively. CARE Ratings expects the growth momentum in AUM to slightly moderate for the medium term considering the slower growth in the NBFC sector.

Consistency in profitability profile

In FY24, on a consolidated basis, IKF reported a profit after tax (PAT) of ₹102 crore on a total income of ₹586 crore against a PAT of ₹62 crore on a total income of ₹378 crore in FY23. Yield on advances improved from 15.60% in FY23 to 15.77% in FY24. Cost of funds marginally increased to 9.48% in FY24 against 9.19% in FY23 considering increase in cost of borrowing for the overall NBFC sector. Net interest margin (NIM) improved to 7.62% in FY24 from 6.80% in FY23. Opex (as a percentage of total assets) remained stable at 3.69% in FY24 against 3.61% in FY23. Credit cost increased from 0.23% in FY23 to 0.52% in FY24 considering the increase in bad debt write-off amounting to ₹12 crore. Return on total assets (ROTA) improved to 2.61% in FY24 against 2.28% in FY23. On a standalone basis, IKF reported a PAT of ₹77 crore as on March 31, 2024 and ₹53 crore on September 30, 2024. On a standalone basis, ROTA in FY24 and H1FY25 stood at 2.39% and 2.90%, respectively.

Comfortable capitalisation supported by capital raise in regular intervals

Supported by regular capital infusions from promoters and private equity (PE) investors, and retained internal accruals, IKF has maintained comfortable capital adequacy levels in recent years. In FY23, the company raised ₹255 crore in equity from Accion and high-net-worth individuals (HNIs), and infused ₹45 crore into its housing finance subsidiary, IKF Home. Following this infusion, IKF's shareholding in IKF Home stood at 89.13% as on March 31, 2024.

In FY24, IKF raised ₹120 crore from the Teachers Insurance and Annuity Association of America. Post this capital raise, the capital adequacy ratio (CAR) and Tier-I CAR were 26.50% and 22.66%, respectively, as on March 31, 2024, and 23.56% and 21.02%, respectively, as on September 30, 2024, on a standalone basis. The overall gearing on a consolidated basis was 3.73x as on March 31, 2024, and 4.09x as on September 30, 2024. CARE Ratings expects IKF's capitalisation levels to remain comfortable in the medium term.

Moderately diversified resource profile with an inclination towards banks

Bank borrowings have been the primary funding source for IKF (Standalone), accounting for 67.80% of total borrowings as of March 31, 2024 (previous year: 72.31%). By September 30, 2024, this proportion slightly decreased to 66.27%. The company had cash credit (CC) facilities of ₹323 crore from banks as on September 30, 2024. Term loans from NBFCs and financial institutions (FIs) made up 20.36% of borrowings as of March 31, 2024 (previous year: 15.32%), and 21.55% as of September 30, 2024. Borrowings through non-convertible debentures (NCDs) and sub-debt were 5.85% and 5.99%, respectively, as of March 31, 2024, compared to 3.73% and 8.02% as of March 31, 2023. As on September 30, 2024, NCDs and sub-debt borrowings stood at ~7.23% and 4.95%, respectively.

For IKF Home, the subsidiary, the share of borrowings through term loans from banks increased from 56% as on March 31, 2023, to 66% as of March 31, 2024. The share of term loans from NBFCs decreased from 26% to 20% over the same period. Borrowings from the National Housing Bank (NHB) rose from 4% to 7%, while NCDs decreased from 14% to 7%. As on September 30, 2024,

the shares of term loans from banks, term loans from NBFCs, NHB, and NCDs were 70%, 14%, 11%, and 5%, respectively. As a subsidiary of IKF, the company benefits from the parent company's strong relationships with major banks and financial institutions.

Key weaknesses

Geographical concentration of portfolio

In FY24, IKF expanded its operations to Odisha, bringing its presence to nine states: Andhra Pradesh, Telangana, Gujarat, Tamil Nadu, Karnataka, Maharashtra, Madhya Pradesh, Rajasthan, and Odisha. As on March 31, 2024, IKF operated 165 branches (up from 134 the previous year), and IKFH operated 79 branches (up from 64 the previous year). By H1FY25, IKF had 179 branches and IKFH had 94 branches.

The portfolio remains concentrated in South India, accounting for 67% of AUM as of March 31, 2024, and 64% as on September 30, 2024, on a consolidated basis. The home states of Andhra Pradesh and Telangana represented 46% of consolidated AUM as of March 31, 2024, and 38% as of September 30, 2024. CARE Ratings expects IKF's portfolio to continue being concentrated in South Indian states, particularly Andhra Pradesh and Telangana, in the medium term.

Exposure to high-ticket SME financing and loans to NBFCs

In the last three years ending March 31, 2024, IKF has been restricting disbursements in the high-ticket SME financing segment. The company is now focusing more on lower-ticket MSME loans, which is expected to lower the overall risk of the SME portfolio. As on March 31, 2024, SME financing accounted for 8.81% of the total AUM (Consolidated), and this proportion decreased slightly to 8.01% by September 30, 2024. However, the share of the SME portfolio in the overall AUM is expected to grow due to the expansion of the MSME portfolio. Loans to other NBFCs constituted 8.28% of the AUM as of March 31, 2024, and decreased to 7.04% by September 30, 2024.

Moderate asset quality characterised by high delinquency in softer buckets

On a standalone basis, IKF's GNPA were 2.35% as on March 31, 2024, down from 2.83% as on March 31, 2023. The company wrote off ₹10.41 crore in FY24, compared to ₹3.43 crore in FY23. The provision coverage ratio increased to 23% as of March 31, 2024, from 21% the previous year. Consequently, the NNPA decreased from 2.25% as on March 31, 2023, to 1.80% as on March 31, 2024. As on September 30, 2024, GNPA and NNPA stood at 2.25% and 1.75%, respectively.

Enhanced collection efforts and repossession activities led to an improvement in delinquency in softer buckets, with 0+ days past due (DPD) improving from 29% as of March 31, 2023, to 21% as of March 31, 2024. However, by September 30, 2024, 0+ DPD increased to 24%.

IKFHF reported a GNPA of 0.76% and an NNPA of 0.56% as on March 31, 2024. However, these figures moderated to 1.16% and 0.55%, respectively, by September 30, 2024.

Liquidity: Adequate

IKF's asset liability maturity (ALM) stood adequate, with no negative cumulative mismatches in time buckets up to one year as on September 30, 2024. As on September 30, 2024, the company had cash and cash equivalents of ₹178 crore and un-availed lines of credit (including unutilised CC of ₹74 crore) of ₹214 crore on a standalone basis. On consolidated basis, cash and cash equivalents stood at ₹251 crore. Of the total borrowings raised in H1FY25, majority were bank borrowings. The company's ability to mobilise funds from banks at a competitive rate with improved incremental cost of borrowings adds comfort.

Applicable criteria

Consolidation
Definition of Default
Rating Outlook and Rating Watch
Financial Ratios - Financial Sector
Non Banking Financial Companies

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Financial services	Financial services	Finance	Non banking financial company (nbfc)

IKF was incorporated as IndraKeela Financiers Private Limited in 1991. The company became a closely held public company in 1994, with a change in name to IKF Finance & Investments Limited. The company had a public issue in 1995 and IKF's shares were listed on the Bombay Stock Exchange Limited (BSE) and Ahmedabad Stock Exchange. In 1998, the company was renamed IKF Finance Limited and shares were subsequently delisted on February 18, 2015. IKF is registered as a non-deposit taking NBFC and is primarily engaged in used vehicle and SME financing. As on March 31, 2024, vehicle and SME finance (including loan to NBFC) constitutes 78% and 22% of the total AUM, respectively.

The company is promoted by VGK Prasad, Chairman, who has over three decades of experience in the industry and is currently managed by Vasumathi Devi, Managing Director. As on September 30, 2024, promoters held a 42.84% share, followed by two funds (India Business Excellence Fund II – 11.12% and IIA – 18.60%) managed by Motilal Oswal Private Equity (MOPE), 7.96% by Accion digital transformation fund, 7.96% by Teachers Insurance and Annuity Association of America and the rest by others. The company has presence majorly in South India across Andhra Pradesh, Telangana, Karnataka, Tamil Nadu and has been expanding across Gujarat, Maharashtra, Madhya Pradesh, Rajasthan, and Odisha in the last few years. It has 179 branches as on September 30, 2024. IKF has a subsidiary, IKF Home, with a shareholding of 90.55% (rest by promoters) as on September 30, 2024. It is primarily engaged in providing home loan products and refinancing solutions and LAP.

Brief Financials (₹ crore) (Consolidated)	March 31, 2023 (A)	March 31, 2024 (A)	September 30, 2024 (UA)
Total Income	378	586	394
PAT	62	102	69
Interest coverage (times)	1.43	1.48	1.49
Total Assets	3,334	4,471	5,258
Net NPA (%)	2.25*	1.80*	1.75*
ROTA (%)	2.28	2.61	2.85

A: Audited UA: Unaudited; Note: these are latest available financial results
**Standalone*

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

List of subsidiaries/ associates taken for consolidation: Annexure-6

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Debentures-Non-convertible debentures – XV	Proposed	-	-	-	200.00	CARE A+; Stable
Debentures-Non-convertible debentures – XI	INE859C08111	27-Mar-2023	10.60%	27-Mar-2025	17.50	CARE A+; Stable
Debentures-non-convertible debentures - XII	INE859C07162	27-Mar-2024	9.95%	27-Mar-2027	41.67	CARE A+; Stable
Debentures-non-convertible debentures - XII	INE859C07154	05-Sep-2023	9.75%	11-Aug-2025	18.75	CARE A+; Stable
Debentures-non-convertible debentures - XII	INE859C07154	11-Aug-2023	9.75%	11-Aug-2025	18.75	CARE A+; Stable
Debentures-non-convertible debentures – XIII & XIV	INE859C07204	13-Nov-2024	9.90%	15-Mar-2027	60.00	CARE A+; Stable
Debentures-non-convertible debentures –XIV	INE859C07196	17-Oct-2024	9.00%	17-Oct-2026	60.00	CARE A+; Stable
Debentures-non-convertible debentures –XIV	INE859C07170	25-Jul-2024	9.95%	25-Jul-2026	70.00	CARE A+; Stable
Debentures-non-convertible debentures –XIV	INE859C07188	01-Aug-2024	10.30%	30-Jul-2027	60.00	CARE A+; Stable
Debt-subordinate debt – I	INE859C08079	19-Jan-2021	13.25%	20-Jul-2026	25.00	CARE A+; Stable
Debt-subordinate debt – II	INE859C08103	28-Oct-2022	13.85%	28-Apr-2028	140.00	CARE A+; Stable
Fund-based - LT-Cash Credit	-	-	-	-	436.20	CARE A+; Stable
Fund-based - LT-Term Loan	-	-	-	March, 2028	2163.80	CARE A+; Stable

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s)	Date(s) and Rating(s)	Date(s) and Rating(s)	Date(s) and Rating(s)

					assigned in 2024-2025	assigned in 2023-2024	assigned in 2022-2023	assigned in 2021-2022
1	Fund-based - LT-Cash Credit	LT	436.20	CARE A+; Stable	1)CARE A; Stable (22-Jul-24)	1)CARE A; Stable (21-Mar-24) 2)CARE A; Stable (06-Jul-23)	1)CARE A; Stable (20-Mar-23) 2)CARE A; Stable (27-Sep-22)	1)CARE A; Stable (29-Sep-21)
2	Debentures-Non-convertible debentures	LT	-	-	-	-	-	1)Withdrawn (29-Sep-21)
3	Fund-based - LT-Term Loan	LT	2163.80	CARE A+; Stable	1)CARE A; Stable (22-Jul-24)	1)CARE A; Stable (21-Mar-24) 2)CARE A; Stable (06-Jul-23)	1)CARE A; Stable (20-Mar-23) 2)CARE A; Stable (27-Sep-22)	1)CARE A; Stable (29-Sep-21)
4	Debentures-Non-convertible debentures	LT	-	-	-	-	1)Withdrawn (27-Sep-22)	1)CARE A; Stable (29-Sep-21)
5	Debentures-Non-convertible debentures	LT	-	-	-	1)Withdrawn (06-Jul-23)	1)CARE A; Stable (20-Mar-23) 2)CARE A; Stable (27-Sep-22)	1)CARE A; Stable (29-Sep-21)
6	Debentures-Non-convertible debentures	LT	-	-	-	-	1)Withdrawn (27-Sep-22)	1)CARE A; Stable (29-Sep-21)
7	Debentures-Non-convertible debentures	LT	-	-	-	-	1)Withdrawn (27-Sep-22)	1)CARE A; Stable (29-Sep-21)
8	Debentures-Non-convertible debentures	LT	-	-	-	-	1)Withdrawn (27-Sep-22)	1)CARE A; Stable (29-Sep-21)
9	Debentures-Non-convertible debentures	LT	-	-	-	1)Withdrawn (21-Mar-24) 2)CARE A; Stable (06-Jul-23)	1)CARE A; Stable (20-Mar-23) 2)CARE A; Stable (27-Sep-22)	1)CARE A; Stable (29-Sep-21)
10	Debt-Subordinate Debt	LT	25.00	CARE A+; Stable	1)CARE A; Stable (22-Jul-24)	1)CARE A; Stable (21-Mar-24) 2)CARE A; Stable (06-Jul-23)	1)CARE A; Stable (20-Mar-23) 2)CARE A; Stable (27-Sep-22)	1)CARE A; Stable (29-Sep-21)

11	Debentures-Market Linked Debentures	LT	-	-	-	-	-	1)Withdrawn (05-Oct-21) 2)Provisional CARE PP-MLD A; Stable (25-Jun-21)
12	Debentures-Market Linked Debentures	LT	-	-	-	1)Withdrawn (21-Mar-24) 2)CARE PP-MLD A; Stable (06-Jul-23)	1)CARE PP-MLD A; Stable (20-Mar-23) 2)CARE PP-MLD A; Stable (27-Sep-22)	1)CARE PP-MLD A; Stable (29-Sep-21)
13	Debt-Subordinate Debt	LT	140.00	CARE A+; Stable	1)CARE A; Stable (22-Jul-24)	1)CARE A; Stable (21-Mar-24) 2)CARE A; Stable (06-Jul-23)	1)CARE A; Stable (20-Mar-23) 2)CARE A; Stable (30-Sep-22)	-
14	Debentures-Non-convertible debentures	LT	17.50	CARE A+; Stable	1)CARE A; Stable (22-Jul-24)	1)CARE A; Stable (21-Mar-24) 2)CARE A; Stable (06-Jul-23)	1)CARE A; Stable (20-Mar-23)	-
15	Debentures-Non-convertible debentures	LT	79.17	CARE A+; Stable	1)CARE A; Stable (22-Jul-24)	1)CARE A; Stable (21-Mar-24) 2)CARE A; Stable (06-Jul-23)	-	-
16	Debentures-Non-convertible debentures	LT	50.00	CARE A+; Stable	1)CARE A; Stable (22-Jul-24)	1)CARE A; Stable (21-Mar-24)	-	-
17	Debentures-Non-convertible debentures	LT	200.00	CARE A+; Stable	1)CARE A; Stable (22-Jul-24)	-	-	-
18	Debentures-Non-convertible debentures	LT	200.00	CARE A+; Stable				

LT: Long term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Debentures-Non-convertible debentures	Simple
2	Debt-Subordinate Debt	Simple
3	Fund-based - LT-Cash Credit	Simple
4	Fund-based - LT-Term Loan	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please click here

Annexure-6: List of entities consolidated

Sr No	Name of the entity	Extent of consolidation	Rationale for consolidation
1	IKF Home Finance Limited	Full	90.55% Subsidiary

Note on complexity levels of rated instruments: CARE Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

Contact us

Media Contact	Analytical Contacts
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Relationship Contact Pradeep Kumar V Senior Director **CARE Ratings Limited** Phone: +91-44-2850 1001 E-mail: pradeep.kumar@careedge.in	Ravi Shankar R Associate Director **CARE Ratings Limited** Phone: +91-44-2850 1016 E-mail: ravi.s@careedge.in Hareesh H Lead Analyst **CARE Ratings Limited** E-mail: hareesh.h@careedge.in

About us:

Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

Disclaimer:

The ratings issued by CARE Ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities or to buy, sell, or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings has based its ratings/outlook based on information obtained from reliable and credible

sources. CARE Ratings does not, however, guarantee the accuracy, adequacy, or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating/outlook assigned by CARE Ratings is, inter-alia, based on the capital deployed by the partners/proprietors and the current financial strength of the firm. The ratings/outlook may change in case of withdrawal of capital, or the unsecured loans brought in by the partners/proprietors in addition to the financial performance and other relevant factors. CARE Ratings is not responsible for any errors and states that it has no financial liability whatsoever to the users of the ratings of CARE Ratings. The ratings of CARE Ratings do not factor in any rating-related trigger clauses as per the terms of the facilities/instruments, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and triggered, the ratings may see volatility and sharp downgrades.

For detailed Rationale Report and subscription information,
please visit www.careedge.in

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ANNEXURE II: CONSENT LETTER FROM THE DEBENTURE TRUSTEE

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CIN: U65993WB2010PTC152401

VARDHMAN
TRUSTEESHIP PRIVATE LIMITED
Nurturing & Protecting Your Trust

CL/MUM/24-25/DEB/218

Date: December 25, 2024

To
IKF Finance Limited
D No.40-1-144, Corporate Centre M G Road,
Vijayawada,
Andhra Pradesh - 520010

Kind Attn: Mr. P Chandra Sekhar

Dear Sir,

Sub: Consent to act as Rated Unsubordinated Secured Listed Transferable Redeemable Non-convertible debentures ("NCDs" or "Debentures") aggregating to INR. 85 Crores (Rupees Eighty Five Crores Only) (Base Issue: 50 Crore & Green Shoe option: 35 Crore) the "Issue" to be issued to be issued by by IKF Finance Limited.

We, the undersigned, hereby consent to be named as the Debenture Trustee to the Issue and to our name being inserted as the Debenture Trustee to the Issue in the Information Memorandum/disclosure document/listing application or any other document to be filed with the BSE/NSE Limited ("Stock Exchange") or any other authority as required. The following details with respect to us may be disclosed:

Name	Vardhman Trusteeship Private Limited
Address	The Capital, A Wing, 412A, Bandra Kurla Complex, Bandra (East), Mumbai-400051
Tel	22 4264 8335/ 22 4014 0832
Email	corporate@vardhmantrustee.com
Website	https://vardhmantrustee.com
Contact Person	Rushabh Desai
SEBI Registration No	IND000000611
CIN	U65993WB2010PTC152401
Logo	VARDHMAN TRUSTEESHIP PVT LTD Nurturing & Protecting Your Trust

We confirm that we are registered with the SEBI and that such registration is valid as on the date of this letter. We enclose a copy of our registration certificate enclosed herein as Annexure A and declaration regarding our registration with SEBI as Annexure B. We also confirm that we have not been prohibited by SEBI to act as an intermediary in capital market issues.

Yours faithfully,

For Vardhman Trusteeship Private Limited

Authorised Signatory

Vardhman Trusteeship Pvt. Ltd.

Registered Office Turner Morrison Building, Unit No. 15, 6 Lyons Range, Kolkata - 700001.
Corporate Office The Capital, 412A, Bandra Kurla Complex, Bandra (East), Mumbai- 400051.
+91 22 4264 8335 / +91 22 4014 0832
corporate@vardhmantrustee.com www.vardhmantrustee.com

Mumbai Bengaluru Kolkata New Delhi

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

CIN: U65993WB2010PTC152401

VARDHMAN
TRUSTEESHIP PRIVATE LIMITED
Nurturing & Protecting Your Trust

CL/MUM/24-25/DEB/218

Date: December 25, 2024

To
IKF Finance Limited
D No.40-1-144, Corporate Centre M G Road,
Vijayawada,
Andhra Pradesh - 520010

Kind Attn: Mr. P Chandra Sekhar

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We, the undersigned, hereby consent to be named as the Debenture Trustee to the Issue and to our name being inserted as the Debenture Trustee to the Issue in the Information Memorandum/disclosure document/listing application or any other document to be filed with the BSE/NSE Limited ("Stock Exchange") or any other authority as required. The following details with respect to us may be disclosed:

Name	Vardhman Trusteeship Private Limited
Address	The Capital, A Wing, 412A, Bandra Kurla Complex, Bandra (East), Mumbai-400051
Tel	22 4264 8335/ 22 4014 0832
Email	corporate@vardhmantrustee.com
Website	https://vardhmantrustee.com
Contact Person	Rushabh Desai
SEBI Registration No	IND000000611
CIN	U65993WB2010PTC152401
Logo	VARDHMAN TRUSTEESHIP PVT LTD Nurturing & Protecting Your Trust

We confirm that we are registered with the SEBI and that such registration is valid as on the date of this letter. We enclose a copy of our registration certificate enclosed herein as Annexure A and declaration regarding our registration with SEBI as Annexure B. We also confirm that we have not been prohibited by SEBI to act as an intermediary in capital market issues.

Yours faithfully,

For Vardhman Trusteeship Private Limited

Authorised Signatory

Vardhman Trusteeship Pvt. Ltd.

Registered Office Turner Morrison Building, Unit No. 15, 6 Lyons Range, Kolkata - 700001.
Corporate Office The Capital, 412A, Bandra Kurla Complex, Bandra (East), Mumbai- 400051.
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corporate@vardhmantrustee.com www.vardhmantrustee.com

Mumbai Bengaluru Kolkata New Delhi

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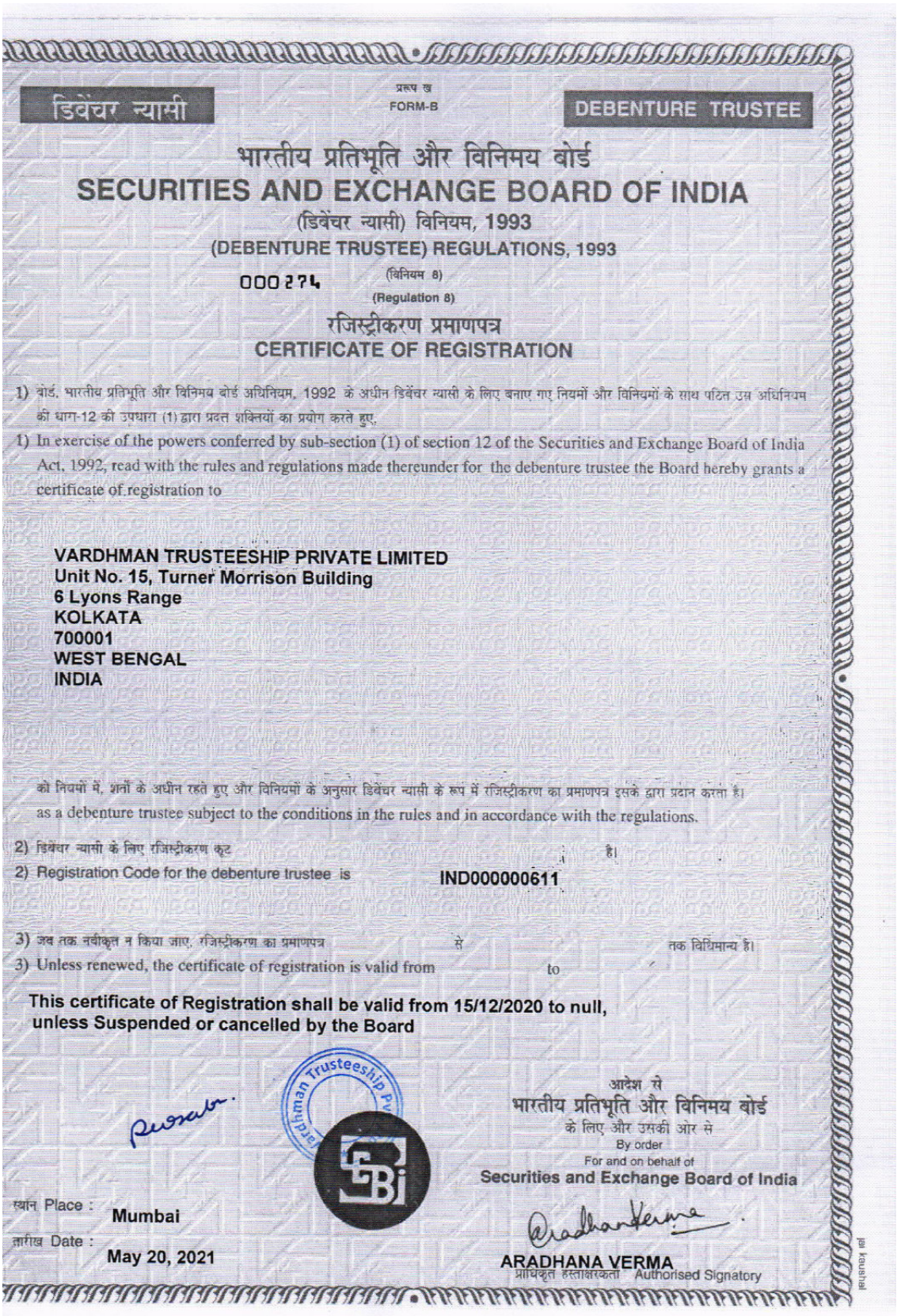

डिबेंचर न्यासी

प्ररूप ख
FORM-B

DEBENTURE TRUSTEE

भारतीय प्रतिभूति और विनिमय बोर्ड
SECURITIES AND EXCHANGE BOARD OF INDIA
(डिबेंचर न्यासी) विनियम, 1993
(DEBENTURE TRUSTEE) REGULATIONS, 1993

000274

(विनियम 8)
(Regulation 8)

रजिस्ट्रीकरण प्रमाणपत्र
CERTIFICATE OF REGISTRATION

1) बोर्ड, भारतीय प्रतिभूति और विनिमय बोर्ड अधिनियम, 1992 के अधीन डिबेंचर न्यासी के लिए बनाए गए नियमों और विनियमों के साथ पठित उस अधिनियम की धारा-12 की उपधारा (1) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए,

1) In exercise of the powers conferred by sub-section (1) of section 12 of the Securities and Exchange Board of India Act, 1992, read with the rules and regulations made thereunder for the debenture trustee the Board hereby grants a certificate of registration to

VARDHMAN TRUSTEESHIP PRIVATE LIMITED
Unit No. 15, Turner Morrison Building
6 Lyons Range
KOLKATA
700001
WEST BENGAL
INDIA

को नियमों में, शर्तों के अधीन रहते हुए और विनियमों के अनुसार डिबेंचर न्यासी के रूप में रजिस्ट्रीकरण का प्रमाणपत्र इसके द्वारा प्रदान करता है।
as a debenture trustee subject to the conditions in the rules and in accordance with the regulations.

2) डिबेंचर न्यासी के लिए रजिस्ट्रीकरण कूट है।
2) Registration Code for the debenture trustee is **IND000000611**

3) जब तक नवीकृत न किया जाए, रजिस्ट्रीकरण का प्रमाणपत्र से तक विधिमान्य है।
3) Unless renewed, the certificate of registration is valid from to

This certificate of Registration shall be valid from 15/12/2020 to null, unless Suspended or cancelled by the Board

आदेश से
भारतीय प्रतिभूति और विनिमय बोर्ड
के लिए और उसकी ओर से
By order
For and on behalf of
Securities and Exchange Board of India

स्थान Place : **Mumbai**
तारीख Date : **May 20, 2021**

ARADHANA VERMA
प्राधिकृत हस्ताक्षरकर्ता Authorised Signatory

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

CIN: U65993WB2010PTC152401

VARDHMAN
TRUSTEESHIP PRIVATE LIMITED
Nurturing & Protecting Your Trust

Annexure B

We hereby confirm that as on date the following details in relation to our registration with the Securities and Exchange Board of India as a Debenture Trustee is true and correct:

1	Registration Number	IND000000611
2	Date of registration/ Renewal of registration	15/12/2020
3	Date of expiry of registration	Null, unless suspended or cancelled by SEBI
4	If applied for renewal, date of application	N/A
5	Any communication from SEBI prohibiting the entity from acting as an intermediary	No
6	Any enquiry/ investigation being conducted by SEBI	No
7	Details of any penalty imposed by SEBI	No

Vardhman Trusteeship Pvt. Ltd.

Registered Office Turner Morrison Building, Unit No. 15, 6 Lyons Range, Kolkata - 700001.
Corporate Office The Capital, 412A, Bandra Kurla Complex, Bandra (East), Mumbai- 400051.
+91 22 4264 8335 / +91 22 4014 0832
corporate@vardhmantrustee.com www.vardhmantrustee.com

Mumbai Bengaluru Kolkata New Delhi

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

ANNEXURE III: APPLICATION FORM

IKF FINANCE LIMITED

A public limited company incorporated and validly existing under the Companies Act 1956 and validly existing under the Companies Act, 2013.

Date of Incorporation: 30th May 1991

Registered Office: 40-1-144, 3rd Floor, Corporate Centre, M.G. Road, Vijayawada, Andhra Pradesh - 520010, India

Telephone No.: 0866-2474644

Website: https://www.ikffinance.com

DEBENTURE SERIES APPLICATION FORM SERIAL NO.									

ISSUE OF UP TO 5,000 (FIVE THOUSAND) SENIOR, SECURED, LISTED, RATED, UNSUBORDINATED REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES HAVING A FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH, FOR CASH, AT PAR, AMOUNTING UP TO INR 50,00,00,000/- (INDIAN RUPEES FIFTY CRORES ONLY) ALONGWITH A GREEN SHOE OPTION TO RETAIN OVERSUBSCRIPTION OF UP TO 3,500 (THREE THOUSAND FIVE HUNDRED) SENIOR, SECURED, LISTED, RATED, UNSUBORDINATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES HAVING A FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH, FOR CASH, AT PAR, AGGREGATING UP TO INR 35,00,00,000/- (INDIAN RUPEES THIRTY-FIVE CRORES ONLY) AND IN TOTAL AGGREGATING TO INR 85,00,00,000/- (INDIAN RUPEES EIGHTY-FIVE CRORES ONLY) IN A DEMATERIALISED FORM, ON A PRIVATE PLACEMENT BASIS (THE "ISSUE") (HEREINAFTER REFFERED TO AS "DEBENTURES") BY IKF FINANCE LIMITED (THE "COMPANY") OR ("ISSUER").

Dear Sir / Madam,

I AM/ WE ARE ( ) COMPANY ( ) OTHERS ( ) SPECIFY _____

We have read and understood the terms and conditions of the Key Information Document dated 26th December 2024 for the issue of Debentures on a private placement basis including the Risk Factors described in the Key Information Document ("**Key Information Document**") issued by the Issuer and have considered these in making our decision to apply. We bind ourselves to these terms and conditions and wish to apply for allotment of these Debentures. We request you to please place our name(s) on the Register of Debenture Holders, on allotment of the Debentures to us.

I/ We bind myself/ourselves to the terms and conditions as contained in the Key Information Document. I/we note that the Company is entitled in its absolute discretion, to accept or reject this application in whole, or in part, without assigning any reason whatsoever.

(PLEASE READ THE INSTRUCTIONS CAREFULLY BEFORE FILLING THIS FORM)

All capitalised terms used in this Application Form which are not defined shall have the meaning attributed to them in the Key Information Document.

DEBENTURE SERIES APPLIED FOR:

Number of Debentures: ____In words: _____ only

Amount INR_____/- In words Indian Rupees :_____Only

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

DETAILS OF PAYMENT:
Cheque / Demand Draft / RTGS
No. _____ Drawn on_____
Funds transferred to **IKF Finance Limited**
Dated _____
Total Amount Enclosed
(In Figures) INR /- (In words) Only

APPLICANT'S NAME IN FULL (CAPITALS) **SPECIMEN SIGNATURE**

APPLICANT'S ADDRESS

ADDRESS																		
STREET																		
CITY																		

PIN							**PHONE**								**FAX**										

APPLICANT'S PAN/GIR NO. _____ IT CIRCLE/WARD/DISTRICT ____

Name of the Authorised Signatory(ies)	Designation	Signature

Applicant's Signature:

We the undersigned, are agreeable to holding the Debentures of the Company in dematerialised form. Details of my/our Beneficial Owner Account are given below:

DEPOSITORY	**NSDL/CDSL**
DEPOSITORY PARTICIPANT NAME	
DP-ID	
BENEFICIARY ACCOUNT NUMBER	
NAME OF THE APPLICANT(S)	

Applicant Bank Account: (Settlement by way of Cheque / Demand Draft / Pay Order / Direct Credit / ECS / NEFT/RTGS/other permitted mechanisms)	

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

FOR OFFICE USE ONLY
DATE OF RECEIPT _____ DATE OF CLEARANCE _____

(Note: Cheque and Drafts are subject to realisation)

We understand and confirm that the information provided in the Key Information Document is provided by the Issuer and the same has not been verified by any legal advisors to the Issuer, and other intermediaries and their agents and advisors associated with this Issue. We confirm that we have for the purpose of investing in these Debentures carried out our own due diligence and made our own decisions with respect to investment in these Debentures and have not relied on any representations made by anyone other than the Issuer, if any.

We understand that: i) in case of allotment of Debentures to us, our Beneficiary Account as mentioned above would get credited to the extent of allotted Debentures, ii) we must ensure that the sequence of names as mentioned in the Application Form matches the sequence of name held with our Depository Participant, iii) if the names of the Applicant in this application are not identical and also not in the same order as the Beneficiary Account details with the above mentioned Depository Participant or if the Debentures cannot be credited to our Beneficiary Account for any reason whatsoever, the Company shall be entitled at its sole discretion to reject the application or issue the Debentures in physical form.

Applicant's

Signature

FOR OFFICE USE ONLY

DATE OF RECEIPT _____ DATE OF CLEARANCE _____

(Note : Cheque and Drafts are subject to realisation)

----------(TEAR HERE)----------

ACKNOWLEDGMENT SLIP

(To be filled in by Applicant) **SERIAL NO.**									

Received from _____

Address_____
_____
Cheque/Draft/UTR # _____ Drawn on _____ for INR _____ on account of application of _____ Debenture

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

INSTRUCTIONS

1. Application form must be completed in full, IN ENGLISH.

2. Signatures must be made in English or in any of the Indian languages. Thumb Impressions must be attested by an authorized official of the Bank or by a Magistrate/Notary Public under his/her official seal.

3. Application form, duly completed in all respects, must be submitted with the respective Collecting Bankers. The payment is required to be made to the following account, in accordance with the terms of the EBP Guidelines:

4. The payment is required to be made to the following account:

Name of Bank	HDFC BANK
IFSC Code	HDFC0000060
Account number	ICCLEB
Name of beneficiary	INDIAN CLEARING CORPORATION LIMITED

Name of Bank	ICICI Bank Ltd.
IFSC Code	ICIC0000106
Account number	ICCLEB
Name of beneficiary	INDIAN CLEARING CORPORATION LTD

Name of Bank	YES BANK
IFSC Code	YESB0CMSNOC
Account number	ICCLEB
Name of beneficiary	INDIAN CLEARING CORPORATION LTD

5. The Company undertakes that the application money deposited in the above-mentioned bank account shall not be utilized for any purpose other than:

   a) for adjustment against allotment of securities; or

   b) for the repayment of monies where the company is unable to allot securities.

6. Receipt of applicants will be acknowledged by the Company in the “Acknowledgement Slip” appearing below the application form. No separate receipt will be issued.

7. All applicants should mention their Permanent Account No. or their GIR No. allotted under Income Tax Act, 1961 and the Income Tax Circle/Ward/District. In case where neither the PAN nor the GIR No. has been allotted, the fact of non-allotment should be mentioned in the application form in the space provided. Income Tax as applicable will be deducted at source at the time of payment of interest including interest payable on application money.

8. The application would be accepted as per the terms of the manner outlined in the transaction documents for the private placement.

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

ANNEXURE IV: ILLUSTRATION OF BOND CASH FLOWS

Illustration of bond cash flows	
Company	IKF Finance Limited
Face Value (per security)	INR 1,00,000 (Indian Rupees One Lakh Only)
Issue Date / Date of Allotment	Issue Opening Date: 30th December 2024 Deemed Date of Allotment: 31st December 2024
Redemption Date / Maturity Date	Redemption Date / Maturity Date: up to 36 (Thirty-Six) Months i.e., 1096 (One Thousand and Ninety-Six) days from the Deemed Date of Allotment.
Coupon Rate	Please refer to Section 2.8 (Issue Details) of this Key Information Document
Frequency of the Coupon Payment with specified dates	Please refer to Section 2.8 (Issue Details) of this Key Information Document Please also see below.
Day Count Convention	Actual/Actual

Cash flows - Redemption Amount and Coupon Payment Schedule
(Per Debenture)

PAYOUT DATE	OUTSTANDING PRINCIPAL	PRINCIPAL REPAYMENT	INTEREST	TOTAL CASHFLOW
31-Jan-25	1,00,000.00	0.00	0.00	0.00
28-Feb-25	1,00,000.00	0.00	0.00	0.00
31-Mar-25	1,00,000.00	8,333.33	2,441.10	10,774.43
30-Apr-25	91,666.67	0.00	0.00	0.00
31-May-25	91,666.67	0.00	0.00	0.00
30-Jun-25	91,666.67	8,333.33	2,262.53	10,595.86
31-Jul-25	83,333.34	0.00	0.00	0.00
31-Aug-25	83,333.34	0.00	0.00	0.00
30-Sep-25	83,333.34	8,333.33	2,079.45	10,412.78
31-Oct-25	75,000.01	0.00	0.00	0.00
30-Nov-25	75,000.01	0.00	0.00	0.00
31-Dec-25	75,000.01	8,333.33	1,871.51	10,204.84
31-Jan-26	66,666.68	0.00	0.00	0.00
28-Feb-26	66,666.68	0.00	0.00	0.00
31-Mar-26	66,666.68	8,333.33	1,627.40	9,960.73
30-Apr-26	58,333.35	0.00	0.00	0.00
31-May-26	58,333.35	0.00	0.00	0.00
30-Jun-26	58,333.35	8,333.33	1,439.79	9,773.12
31-Jul-26	50,000.02	0.00	0.00	0.00
31-Aug-26	50,000.02	0.00	0.00	0.00
30-Sep-26	50,000.02	8,333.33	1,247.67	9,581.00
31-Oct-26	41,666.69	0.00	0.00	0.00

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PAYOUT DATE	OUTSTANDING PRINCIPAL	PRINCIPAL REPAYMENT	INTEREST	TOTAL CASHFLOW
30-Nov-26	41,666.69	0.00	0.00	0.00
31-Dec-26	41,666.69	8,333.33	1,039.73	9,373.06
31-Jan-27	33,333.36	0.00	0.00	0.00
28-Feb-27	33,333.36	0.00	0.00	0.00
31-Mar-27	33,333.36	8,333.33	813.70	9,147.03
30-Apr-27	25,000.03	0.00	0.00	0.00
31-May-27	25,000.03	0.00	0.00	0.00
30-Jun-27	25,000.03	8,333.33	617.06	8,950.39
31-Jul-27	16,666.70	0.00	0.00	0.00
31-Aug-27	16,666.70	0.00	0.00	0.00
30-Sep-27	16,666.70	8,333.33	415.89	8,749.22
31-Oct-27	8,333.37	0.00	0.00	0.00
30-Nov-27	8,333.37	0.00	0.00	0.00
31-Dec-27	8,333.37	8,333.37	207.95	8,541.32

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ANNEXURE V - PART I: BOARD RESOLUTION

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(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

EXTRACT OF THE MINUTES OF THE MEETING OF BOARD OF DIRECTORS OF IKF FINANCE LIMITED HELD ON TUESDAY, THE 5TH DAY OF NOVEMBER, 2024 AT THE REGISTERED OFFICE OF THE COMPANY SITUATED #40-1-144, CORPORATE CENTRE, M.G.ROAD, VIJAYAWADA, ANDHRA PRADESH AT 1.30 P.M.,

APPROVAL FOR RE CONSTITUTION OF MANAGEMENT COMMITTEE AND DELEGATION OF POWERS

The Board was informed that due to retirement of Sri.K.Satyanarayana Prasad, Independent Director and member of the Management Committee it is proposed to reconstitute Management Committee of the Company. In this regard, the Board has discussed in detail and approved to re constitute the Management Committee duly passing the following resolutions

"**RESOLVED THAT** pursuant to the provisions of the Companies Act, 2013, applicable clauses of Listing Agreement with the Bombay Stock Exchange and other applicable provisions/circulars/notifications if any of the concerned Regulatory Authorities and in due compliance of Master Direction - Master Direction - Information Technology Framework for the NBFC Sector, the consent of the Board of Directors be and is hereby accorded to re constitute the Management Committee of the Company as follows:

S No	Name of the Member	Designation
1	Mr V.G.K.Prasad	Chairman & Executive Director
2	Mrs K.Vasumathi Devi	Managing Director
3	Mr Kannan	Independent Director

"RESOLVED THAT pursuant to the provisions of Section 179(3), 180 and 186 of the Companies Act, 2013 and the rules made there under (including any statutory modification(or re-enactments thereof for the time being in force), the Management Committee of the Board comprise the members i) Mr .V.G.K.Prasad, Chairman & Executive Director, ii) Mrs.K.Vasumathi Devi, Managing Director and iii) Mr.Kannan, Independent Director to exercise the following powers on behalf of the Board of Directors from time to time

- To borrow money, as and when required, from, including without limitation, any Bank and/or Public Financial Institution as defined under Section 2(72) of the Companies Act, 2013 and/or eligible foreign lender and/or any entity/ entities and/or authority/ authorities and/ or through suppliers credit, any other securities or instruments, such as floating rate notes, fixed rate notes, syndicated loans, debentures, commercial papers, short term loans or any other instruments etc. and/or through credit from official agencies and/or by way of commercial borrowings from the private sector window of multilateral financial institution, either in rupees or in such other foreign currencies as may be permitted by law from time to time, for an aggregate amount not exceeding Rs.6,000 Crores (Rupees Six Thousand Crores Only)

- To create charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the company, on such assets and properties of the company, both present and future, in favour of all or any Banks, financial institutions, investments institutions and their subsidiaries, any other bodies corporate and any other lenders (hereinafter collectively referred to "the lending agencies") and/ or Trustees for the holders of debentures/ bonds/ other instruments to secure borrowing of the Company by way of loans/ issue of debentures/ bonds/ other instruments which may be issued for a sum not exceeding Rs.5,000 Crore (Rupees Six

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Thousand Crore only) over and above the aggregate of the paid up capital of the company, its free reserves and securities premium which have been /or propose to be obtained from or privately placed with the lending agencies

- To issue, offer or invitation and allot secured/unsecured, redeemable, non-convertible, listed / unlisted, senior/subordinated bonds/debentures/Commercial Paper/ Tier II Debt/ Other debt securities ("Bonds") of value aggregating upto Rs.3,000 Cr (Rupees Three Thousand Crores Only) through private placement offer letter(s) in one or more tranches

- To finalize the terms and conditions and approve the assignment and securitization transaction with all NBFCs, Banks and other Financial Institutions

- To Invest surplus funds in Investment grade rated Companies Non-Convertible Debentures

- To approve the day to day management transactions

- To open any Bank Account and approve the authorities to operate the accounts or to close any inoperative Bank accounts

- To apply for any approvals, permissions with Statutory authorities like Registrar of Companies, Reserve Bank of India

- To give authorization to the Directors and other authorities to execute the documents on behalf of the Company

- To approve the sale of repossessed assets

//Certified True Copy//
For IKF Finance Limited

CHAVALAMADUGU SREENIVASA RAO

(Ch Sreenivasa Rao)
Company Secretary
MNo: A14723

Place: Vijayawada
Date: 07.11.2024

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ANNEXURE V - PART II: MANAGEMENT COMMITTEE RESOLUTION

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IKF FINANCE

EXTRACT FROM THE MINUTES OF THE MEETING OF THE MANAGEMENT COMMITTEE OF BOARD OF DIRECTORS (THE "COMMITTEE") OF IKF FINANCE LIMITED (THE "COMPANY") HELD AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT #40-1-144, CORPORATE CENTRE, M.G.ROAD, VIJAYAWADA-520010, ANDHRA PRADESH HELD ON TUESDAY, DECEMBER 24, 2024, AT 11.00 A.M

ISSUE OF SENIOR RATED SECURED LISTED TRANSFERABLE REDEEMABLE NON-CONVERTIBLE DEBENTURES ON A PRIVATE PLACEMENT BASIS

The Committee noted the Company's proposal for raising of debt by way of private placement of up to 5,000 (Five Thousand) Rated, Secured Listed Transferable Redeemable Non-convertible debentures, having a face value of INR. 1,00,000/- (Indian Rupees One Lakh only) each, for cash, aggregating up to INR 50,00,00,000/- (Indian Rupees Fifty Crores Only) with a green shoe option of 3,500 (Three Thousand Five Hundred) Rated, Secured Listed Transferable Redeemable Non-convertible debentures, having a face value of INR. 1,00,000/- (Indian Rupees One Lakh only) each, for cash, aggregating up to INR 35,00,00,000 (Indian Rupees Thirty Five Crores) in dematerialised form, to raise funds will be used its on-lending requirement towards various classes of loan products of the Company, including but not limited to vehicle loans and various other classes of loan products of the Company, and pursuant to the approval of the Board of Directors of the Company in their meeting held on 05.11.2024 and members at their meeting held on 30.09.2024.

The Chairman informed the Committee that:

1. In order for the Company to raise funds, *inter alia*, for augmenting the funds for raising debt for the ongoing business of the Company (including the expansion of the Company's onward lending), and pursuant to the approval of the Board of Directors of the Company at their meeting held on 05.11.2024 and pursuant to the approval of the members of the Company at their meeting held on 30.09.2024, the Company is planning to raise debt to make a private placement of non-convertible debentures, by way of an issue of up to 5,000 (Five Thousand) Rated, Secured Listed Transferable Redeemable Non-convertible debentures, having a face value of INR. 1,00,000/- (Indian Rupees One Lakh only) each, for cash, aggregating up to INR 50,00,00,000/- (Indian Rupees Fifty Crores Only) with a green shoe option of 3,500 (Three Thousand Five Hundred) Rated, Secured Listed Transferable Redeemable Non-convertible debentures, having a face value of INR. 1,00,000/- (Indian Rupees One Lakh only) each, for cash, aggregating up to INR 35,00,00,000 (Indian Rupees Thirty Five Crores), in a single series (the "**Debentures**") to be issued and allotted in dematerialised form, to identified categories of investors, being financial institutions, insurance companies, provident funds, gratuity, pension, superannuation funds, regional rural banks, mutual funds, alternate investment funds, companies, body corporates authorized to invest in bonds, trusts, association of persons, societies, individuals, scheduled commerical banks, cooperative bank, partnership firms, HUF and any other person (not being an individual or a group), who shall meet the eligibility criteria as set out in the information memorandum/offer letter, on such terms and conditions as set out in the term sheet tabled before the Committee and do all other acts in connection with the issue of the Debentures.

2. Further, in relation to the issuance of Debentures and other acts required in connection therewith, the Company will be required to *inter alia*:

    a. Appoint a debenture trustee to act for and on behalf of the holders of the Debentures;

b. Procure rating for the Debentures from an accredited rating agency;

c. Obtain listing of Debentures on wholesale debt market segment of the BSE;

d. Enter into the requisite agreements with the depository participant i.e., National Securities Depository Limited and/or Central Depository Services (India) Limited for the issue of the Debentures in a dematerialized form and procuring the international securities identification number (ISIN) for the same;

e. To pay all stamp duty required to be paid for the issue, offer and allotment of the Debentures in accordance with the laws of India and procure the stamped documents from the relevant governmental authorities;

f. Open such bank account(s) as may be required in relation to servicing of the Debentures;

g. Create and perfect the security as required in accordance with the terms of the transaction documents in relation to the issue, offer and allotment of the Debentures;

h. Execute the debenture trust deed, the debenture trustee agreement, the deed of hypothecation, disclosure document/offer letter/key information document, powers of attorney, and such other documents as may be required to be executed in relation to the Debentures.

The Committee discussed the matter and thereafter unanimously passed the following resolution:

"RESOLVED THAT pursuant to the powers conferred upon the Committee in terms of the resolution of the Board of Directors of the Company dated 05.11.2024, and as approved by the Board of Directors of the Company by way of the said resolution and members of the Company in the general meeting held on 30.09.2024 and pursuant to the provisions of the Memorandum and Articles of Association of the Company, the applicable provisions of the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, listing agreement entered into by the Company with Bombay Stock Exchange, the regulations issued by the Reserve Bank of India as applicable to Non-Banking Financial Companies from time to time and other applicable laws, if any, the Committee hereby approves the issuance of up to 5,000 (Five Thousand) Rated, Secured Listed Transferable Redeemable Non-convertible debentures, having a face value of INR. 1,00,000/- (Indian Rupees One Lakh only) each, for cash, aggregating up to INR 50,00,00,000/- (Indian Rupees Fifty Crores Only) with a green shoe option of 3,500 (Three Thousand Five Hundred) Rated, Secured Listed Transferable Redeemable Non-convertible debentures, having a face value of INR. 1,00,000/- (Indian Rupees One Lakh only) each, for cash, aggregating up to INR 35,00,00,000 (Indian Rupees Thirty Five Crores) in a single series (the "**Debentures**") on a private placement basis to identified categories of investors, being financial institutions, insurance companies, provident funds, gratuity, pension, superannuation funds, regional rural banks, mutual funds, alternate investment funds, companies, body corporates authorized to invest in bonds, trusts, association of persons, societies, individuals, scheduled commercial banks, cooperative bank, partnership firms, HUF and any other person (not being an individual or a group), who shall meet the eligibility criteria as set out in the information memorandum/offer letter) and who are successful bidders on the electronic book platform as per the applicable regulations issued by the Securities and Exchange Board of India in relation to the EBP mechanism, on such terms and conditions

such as issue size, tenor and coupon as the Committee may deem appropriate based on prevailing market and other conditions and do all other acts as may be required in connection with the issue of Debentures.

RESOLVED THAT the Committee hereby approves the appointment of:

a Vardhman Trusteeship Private Limited as the trustee to act for and on behalf of the holders of the Debentures;

b. National Securities Depository Limited ("**NSDL**") or Central Depository Services Limited ("**CDSL**") or both, as determined by any authorised signatory as the depository for the issue of Debentures; and

c. Bigshare Services Private Limited as the registrar to the issue of Debentures.

RESOLVED FURTHER THAT (i) Sri.V.G.K.Prasad, Chairman, (ii) Smt.K.Vasumathi Devi, Managing Director iii) Sri Prakash Bhawnani, Chief Financial Officer iv) Sri.Ch.Sreenivasa Rao, Company Secretary, (v) Mrs. Kalyani Chunduri, AVP Lender Relations, (v) Mr. Arunachalam Rm, sales Manager, (vi) Ms. Sujatha S, Deputy Company Secretary ("**Authorised Signatories**") of the Company, be and are hereby severally authorized on behalf of the Company, to negotiate, finalise, sign and execute the necessary definite agreements including debenture trust deed, debenture trustee agreement, deed of hypothecation, powers of attorney and other agreements, documents, papers, writing, amendments, disclosure document, private placement offer-cum-application letter, key information document, on behalf of the Company with respect to the Debentures and to take such steps as may be necessary for filing of the said documents with the respective authority, to create and perfect the security over the receivables of the Company which shall be maintained at least 1.10x (one decimal point one zero times) the aggregate amount of the redemption amount in relation to the Debentures as required in accordance with the terms of the transaction documents in relation to the issue, offer and allotment of the Debentures and to obtain approvals, statutory, contractual or otherwise, in relation to the above if required and to settle all matters arising out of and incidental thereto, on behalf of the Company and generally to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution.

RESOLVED FURTHER THAT the contents of the transaction documents including the general information document and the key information documents have been perused by the board of directors, and the final and ultimate responsibility of the contents mentioned herein shall also lie with the board of directors.
The following shall be the authorised persons to approve the general information document/key information document:
i. executive Chairperson and compliance officer; or
ii. Managing Director or Chief Executive Officer and compliance officer; or
iii. Chief Financial Officer and compliance officer; or
iv. whole-time director and compliance officer; or
v. any two key managerial personnel.
they are duly authorised to attest as per this clause by the board of directors or the governing body, as the case may be, by a resolution, a copy of which should also disclosed in the offer document.

RESOLVED FURTHER THAT the Authorised Signatories of the Company, be and are hereby severally authorised to do all such acts, deeds, things and execute or ratify all such documents whatsoever as may be required in connection with the issue of the Debentures including without limitation execution or ratification of the requisite agreement(s) with the National Securities Depository Limited and/ or the Central Depository

Services (India) Limited, the opening of bank accounts and opening of demat accounts, listing of Debentures on wholesale debt market segment of the BSE, appointment of the trustees, appointment of legal counsel, the registrar and transfer agent to the issue, credit rating company and other advisors as may be required and making payment of their fees.

RESOLVED FURTHER THAT any of the Directors, and the Authorised Signatories of the Company, be and are hereby severally authorised to do all such acts, deeds and things as are necessary for registering any of the documents, being executed by the Company, take steps relating to the creation, perfection and registration of charges, and for filing of necessary forms, returns and such other documents pertaining to the aforesaid issuance of Debentures with the relevant registrar of companies, the Ministry of Corporate Affairs, stock exchanges, Securities and Exchange Board of India ("**SEBI**"), or any other authority.

RESOLVED FURTHER THAT the Committee hereby authorizes the issuance of power of attorney authorizing the Authorised Signatories to execute or ratify all documents required to be executed or ratified as aforesaid and do all such acts and deeds as may be required in relation to the issue of Debentures.

RESOLVED FURTHER THAT the approval of the Committee be and is hereby given to affix the Common Seal of the Company on any or all documents as per the Articles of Association of the Company.

RESOLVED FURTHER THAT the aforesaid resolutions shall come into effect immediately and a copy of the foregoing resolutions certified to be a true copy by any of the Directors or Company Secretary of the Company be furnished to such parties concerned with respect to the issue of the Debentures."

//CERTIFIED TRUE COPY//
for IKF Finance Limited

CHAPALAMADUGU SREENIVASA RAO
Digitally signed by CHAPALAMADUGU SREENIVASA RAO
Date: 2024.12.26 13:57:13 +05'30'

(Ch Sreenivasa Rao)
Company Secretary

Place: Vijayawada

Date: 24.12.2024

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

ANNEXURE VI: SHAREHOLDERS RESOLUTION

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IKF FINANCE

EXTRACT OF THE RESOLUTION PASSED BY THE SHAREHOLDERS OF THE COMPANY AT THE 33RD ANNUAL GENERAL MEETING OF THE COMPANY HELD ON MONDAY, 30TH DAY OF THE SEPTEMBER, 2024 AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT #40-1-144, CORPROATE CENTRE, M.G.ROAD, VIJAYAWADA-520010, ANDHRA PRADESH AT 11.00 A.M.,

APPROVAL TO RENEW THE POWER OF BOARD OF DIRECTORS OF THE COMPANY TO LEASE AND MORTGAGE OF THE PROPERTY (IES) OF THE COMPANY

"RESOLVED THAT pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, consent of the Company be and is hereby given to the Board of Directors (hereinafter referred to as the Board, including any committee thereof for the time being exercising the powers conferred on them) of the company to create charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the company, on such assets and properties of the company, both present and future and in such manner as the Board may direct, in favour of all or any Banks, financial institutions, investments institutions and their subsidiaries, any other bodies corporate and any other lenders (hereinafter collectively referred to "the lending agencies") and/ or Trustees for the holders of debentures/ bonds/ other instruments to secure borrowing of the Company by way of loans/ issue of debentures/ bonds/ other instruments which may be issued for a sum not exceeding ` 6000 Crore (Rupees Six Thousand Crore only) over and above the aggregate of the paid up capital of the company, its free reserves and securities premium which have been or propose to be obtained from or privately placed with the lending agencies together with interest there on at agreed rates, further interest, liquidated damages, premium on prepayment or on redemption, costs, charges, expenses, and all other monies payable by the company to the trusties under the trust deeds and/or to the lending agencies under their respective agreements/loan agreements /debentures trust deeds entered into/to be entered by the company in respect of said borrowings."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to finalize with the Lending Agencies/ Trustees, the documents for creating the aforesaid mortgages, charges and/or hypothecations and to accept any modifications to, or to modify, alter or vary, the terms and conditions of the aforesaid documents and to do all such acts and things and to execute all such documents as may be necessary for giving effect to this Resolution."

//Certified True Copy//
For IKF Finance Limited

CHAPALAMADUGU SREENIVASA RAO

(Ch Sreenivasa Rao)
Company Secretary
M No: A14723

Place: Vijayawada
Date: 09.10.2024

IKF Finance Limited
Registered Office: #40-1-144, Corporate Centre, M.G.Road, VIJAYAWADA - 520 010.
Ph: 91-866-2474644, 2474633 I Fax: 91-866-2485755 I Email: ikffinance@gmail.com I Web: www.ikffinance.com
Corporate Office: Plot No's. 30/A, Survey No. 83/1, 11th Floor, My Home Twitza, , APIIC Hyderabad Knowledge City, Raidurg (Panmaqtha) Village, Serilingampally Mandal, Ranga Reddy District, Hyderabad – 500081, Telangana
Ph: 91-40-69268899 | **CIN:U65992AP1991PLC012736**

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

EXTRACT OF THE RESOLUTION PASSED BY THE SHAREHOLDERS OF THE COMPANY AT THE 33RD ANNUAL GENERAL MEETING OF THE COMPANY HELD ON MONDAY, 30TH DAY OF THE SEPTEMBER, 2024 AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT #40-1-144, CORPROATE CENTRE, M.G.ROAD, VIJAYAWADA-520010, ANDHRA PRADESH AT 11.00 A.M.,

APPROVAL TO REVISE THE BORROWING POWERS OF THE COMPANY

"RESOLVED THAT pursuant to the provisions of Section 180 (1) (c) and other applicable provisions, if any, and the Companies Act, 2013 including any statutory modifications or re-enactments thereof andin supersession of all the earlier resolutions passed inthis regard, the Board of Directors (hereinafter referredto as the Board, including any committee thereof for the time being exercising the powers conferred on them), be and is hereby authorized toborrow money, as and when required, from, including without limitation, any Bank and/or Public Financial Institution as defined under Section 2(72) of the Companies Act, 2013 and/or eligible foreign lender and/or any entity/ entities and/or authority/ authorities and/ or through suppliers credit, any other securitiesor instruments, such as floating rate notes, fixed rate notes, syndicated loans, debentures, commercialpapers, short term loans or any other instruments etc. and/or through credit from official agencies and/or by way of commercial borrowings from the private sector window of multilateral financial institution, either inrupees or in such other foreign currencies as may be permitted by law from time to time, as may be deemedappropriate by the Board for an aggregate amountnot exceeding ` 6000 Crores (Rupees Six Thousand Crores Only), notwithstanding that money so borrowedtogether with the monies already borrowed by theCompany, if any (apart from temporary loans obtainedfrom the Company's bankers in the ordinary course ofbusiness) may exceed the aggregate of the paid-up share capital of the Company, its free reserves and securities premium that is to say, reserves not set apartfor any specified purpose."

"RESOLVED FURTHER THAT the Board of Directorsbe and is hereby authorized to take such steps asmay be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary,proper, expedient or incidental for giving effect to this resolution."

//Certified True Copy//
For IKF Finance Limited

CHAPALAMADUGU SREENIVASA RAO

(Ch Sreenivasa Rao)
Company Secretary
M No: A14723

Place: Vijayawada
Date: 09.10.2024

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EXTRACT OF THE RESOLUTION PASSED BY THE SHAREHOLDERS OF THE COMPANY AT THE 33RD ANNUAL GENERAL MEETING OF THE COMPANY HELD ON MONDAY, 30TH DAY OF THE SEPTEMBER, 2024 AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT #40-1-144, CORPROATE CENTRE, M.G.ROAD, VIJAYAWADA-520010, ANDHRA PRADESH AT 11.00 A.M.,

AUTHORIZATION TO ISSUE OF NON-CONVERTIBLE DEBENTURES (NCD)/TIER II DEBT(S)/COMMERCIAL PAPERS/BONDS ON PRIVATE PLACEMENT BASIS

"RESOLVED THAT pursuant to the provisions of Section 42, 71 and other applicable provisions of the Companies Act, 2013, read with Companies (Prospectus and Allotment of Securities) Rules, 2014,the Companies (Share Capital and Debentures) Rules,2014 and other applicable provisions of the CompaniesAct, 2013, as amended and in force, in accordance with the memorandum and Articles of Association, theBoard of Directors including any committee thereoffor the time being of the Company be and is hereby authorized to issue, offer or invitation and allot secured/ unsecured, redeemable, non-convertible, listed / unlisted, senior/subordinated bonds/debentures/ Commercial Paper/ Tier II Debt/ Other debt securities ("Bonds") of value aggregating up to ` 3,000 Cr (Rupees Three Thousand Crores Only) through private placement offer letter(s) in one or more tranches in conformity and in compliance with the all applicable rules, regulation, directions made in this regard, as amended from time to time to such person or persons, including one or more companies, bodies corporate(s),statutory corporations, commercial banks, lending agencies, financial institutions, insurance companies, mutual funds, alternative investment funds, pension/ provident funds and individuals, as the case may beor such other person/persons as the board of directorsmay decide so.

RESOLVED FURTHER THAT the Board including anycommittee thereof for the time being be and is hereby authorized to do all such acts, deeds and things as may be deemed necessary in respect of issue of Bonds/ Debenture including but not limited to number of issues/ tranches, face value, issue price, issue size,timing, amount, security, coupon/interest rate(s), yield,listing, allotment and other terms and conditions of issue Bonds as they may, in their absolute discretion, deemed necessary to take all necessary steps."

//Certified True Copy//
For IKF Finance Limited

CHAPALAMADUGU SREENIVASA RAO

(Ch Sreenivasa Rao)
Company Secretary
M No: A14723

Place: Vijayawada
Date: 09.10.2024

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

ANNEXURE VII: DUE DILIGENCE CERTIFICATES

CIN: U65993WB2010PTC152401

VARDHMAN
TRUSTEESHIP PRIVATE LIMITED
Nurturing & Protecting Your Trust

Ref: 1706/OPR/VTPL/2024-25

Date: 26th December, 2024

To, Securities Exchange Board of India Investment Management Department Division of Funds – I, Plot No. C 4 A, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051	To, BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001

Dear Sir / Madam

SUB.: ISSUE OF RATED SECURED LISTED TRANSFERABLE REDEEMABLE NON-CONVERTIBLE DEBENTURES AGGREGATING TO RS. 85 CRORES (RUPEES EIGHTY-FIVE CRORES ONLY) (BASE ISSUE: 50 CRORE & GREEN SHOE OPTION: 35 CRORE) THE "ISSUE" TO BE ISSUED BY IKF FINANCE LIMITED.

We, the debenture trustee(s) to the above-mentioned forthcoming issue state as follows:

1. We have examined documents pertaining to the said issue and other such relevant documents, reports, and certifications.
2. On the basis of such examination and of the discussions with the Issuer, its directors and other officers, other agencies and on independent verification of the various relevant documents, reports, and certifications:

We confirm that:

a) The Issuer has made adequate provisions for and/or has taken steps to provide for adequate security for the debt securities to be issued.

b) The Issuer has obtained the permissions / consents necessary for creating security on the said property(ies)

c) The Issuer has made all the relevant disclosures about the security and its continued obligations towards the holders of debt securities.

d) Issuer has adequately disclosed all consents/ permissions required for creation of further charge on assets in offer document or placement memorandum and all disclosures made in the offer document or placement memorandum/ information memorandum with respect to creation of security are in confirmation with the clauses of debenture trustee agreement.

e) Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.), offer document or placement memorandum

f) Issuer has given an undertaking that charge shall be created in favour of debenture trustee as per terms of issue before filing of listing application.

We have satisfied ourselves about the ability of the Issuer to service the debt securities.

Place: Mumbai

Date: 26th December, 2024

For Vardhman Trusteeship Private Ltd.

Vardhman Trusteeship Pvt. Ltd.

Authorized Signatory

Registered Office Turner Morrison Building, Unit No. 15, 6 Lyons Range, Kolkata - 700001.
Corporate Office The Capital, 412A, Bandra Kurla Complex, Bandra (East), Mumbai- 400051.
+91 22 4264 8335 / +91 22 4014 0832
corporate@vardhmantrustee.com www.vardhmantrustee.com
Mumbai Bengaluru Kolkata New Delhi

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

ANNEXURE VIII: CONSENT LETTER OF THE REGISTRAR AND TRANSFER AGENT

Bigshare Services Pvt. Ltd.

Dated 26.12.2024

To
The Managing Director
National Security Depository Services Limited
4th Floor, Trade World, A Wing
Kamala Mills Compound
Senapathi Bapat Marg
Lower Parel
Mumbai-400013

Dear Sir,

We hereby confirm that we have been appointed as R& T agent (Business Partner ID – IN200117 (BP ID) allocated by NSDL by M/s IKF Finance Limited – senior, secured, listed, rated, redeemable, transferable Non-convertible debentures of Rs 85 Cr.(Base Issue Rs 50 Cr and Green shoe option Rs 35 Cr)

Yours faithfully
For **Bigshare Services Pvt. Ltd.,**

S D Prabhakar
Deputy General Manager

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

ANNEXURE IX: IN-PRINCIPLE APPROVAL

DCS/COMP/RM/IP-PPDI/140/24-25 October 11, 2024

IKF Finance Limited
40-1-144, 3rd Floor,
Corporate Centre,
M.G. Road, Vijayawada- 520010

Re: Private Placement of Senior / Unsubordinated / Subordinated, Secured / Unsecured, Rated, Listed, Non-Convertible Securities aggregating for an amount as shall be more particularly set out in the Key Information Document, in multiple Tranches / Issuances, for Cash, at par or at premium or at discount, by IKF Finance Limited (The "Company") or ("Issuer"). Gid Dated- 09th October 2024

We acknowledge receipt of your application on the online portal on October 09, 2024, seeking In-principle approval for issue of captioned security. In this regard, the Exchange is pleased to grant in-principle approval for listing of captioned security subject to fulfilling the following conditions at the time of seeking listing:

1. Filing of listing application.

2. Payment of fees as may be prescribed from time to time.

3. Compliance with SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder and also Compliance with provisions of Companies Act 2013.

4. Receipt of Statutory & other approvals & compliance of guidelines issued by the statutory authorities including SEBI, RBI, DCA etc. as may be applicable.

5. Compliance with change in the guidelines, regulations, directions, circulars of the Exchange, SEBI or any other statutory authorities, documentary requirements from time to time.

6. Compliance with below mentioned circular dated June 10, 2020 issued by BSE before opening of the issue to the investors.:
https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20200610-31

7. Issuers, for whom use of EBP is not mandatory, specific attention is drawn towards compliance with Chapter XV of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and BSE Circular No 20210519-29 dated May 19, 2021. Accordingly, Issuers of privately placed debt securities in terms of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 or ILDM Regulations for whom accessing the electronic book platform (EBP) is not mandatory shall upload details of the issue with any one of the EBPs within one working day of such issuance. The details can be uploaded using the following links Electronic Issuance - Bombay Stock Exchange Limited (bseindia.com).

8. It is advised that Face Value of NCDs issue through private placement basis should be kept as per Chapter V of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021

9. ***Issuers are hereby advised to comply with signing of agreements with both the depositories as per Regulation 7 of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021.***

10. Company is further requested to comply with SEBI Circular SEBI/HO/DDHS/DDHS-RACPOD1/CIR/P/2023/56 dated April 13, 2023, (if applicable) read along with BSE Circular https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20230428-18 and ensure compliance of the same.

This In-Principle Approval is valid for a period of 1 year from the date of issue of this letter or period of 1 year from the date of opening of the first offer of debt securities under the General information Document, which ever applicable. The Exchange reserves its right to withdraw its in-principle approval at any later stage if the information submitted to the Exchange is found to be incomplete/ incorrect/misleading/false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Guidelines/Regulations issued by the statutory authorities etc. Further, it is subject to payment of all applicable charges levied by the Exchange for usage of any system, software or similar such facilities provided by BSE which the Company shall avail to process the application of securities for which approval is given vide this letter.

Yours faithfully,
For BSE Limited

Prasad Bhide
Senior Manager

Pooja Ganatra
Deputy Manager

BSE - PUBLIC

(This Key Information Document is neither a prospectus nor a statement in lieu of a prospectus)

ANNEXURE X: INFORMATION RELATED TO REGULATORY DISCLOSURES

1. About the Issuer: A brief summary of business / activities of the Issuer and its subsidiaries with the details of branches or units if any and its line of business containing at least the following information:

   Branch Details:

   As on date of this Key Information Document, the Company has 181 (One Hundred and Eighty One branches/corporate offices across India.

Sr. No.	Branch Name	Branch Address	City	District	State
1	Ahmednagar	2nd Floor, Mauli Sankul, Manmad Road, Savedi, Maharashtra, Ahmednagar - 414001	Ahmednagar	Ahmednagar	Maharashtra
2	Ahmedabad	Unit No 315, 316, 317, Sun West Bank, B Block, Vallabh Sadan River Front Road, Ashram Road, Ahmedabad, Gujarat - 380009	Ahmedabad	Ahmedabad	Gujarat
3	Ajmer	2nd Floor, Krishna Tower, Near Navajeevan Hospital, Adarsh Nagar, Busstand,Ajmer, Rajastan-305001	Ajmer	Ajmer	Rajasthan
4	Alwar	1St Floor Siyaram Tower, 35,Pratap Nagar Tijara Road, Alwar, Rajasthan-301001	Alwar	Alwar	Rajasthan
5	Anand	203 , 2Nd Floor ,Dev Shikhar Commercial,Near La Casa Inn Hotel,Ganesh Chokdi Anand - 388001	Anand	Anand	Gujarat
6	Anantapur	IKF Finance Limited, D No. 6/375, Jojodi Ganga Plaza,Bellary Raod, Azad Nagar,Anantapur - 515001	Anantapur	Anantapur	Andhra Pradesh
7	Aurangabad	F-7, Opp Atithi Hotel, Rana Nagar, Kuber Avenue Plaza, Jalna Road Aurangabad- 431001	Aurangabad	Aurangabad	Maharashtra
8	Bangalore	No 64 & 65, 3Rd Floor, Galaxy Chambers, 21St Main Road, Bsk Ll Stage, Bangalore 560070.	Bangalore	Bangalore Urban	Karnataka
9	Baramati	Office No 103,First Floor, Shree Plaza, Plot No.2/1,2/2, Ring Road,	Baramati	Pune	Maharashtra

Sr. No.	Branch Name	Branch Address	City	District	State
		Ambikanagar,Jalochi,Baramati,Pune-413102			
10	Belapur	Office No 504, B Wing, Brahma Complex, Plot No 53, Sector- 15, Cbd Belapur, Navi Mumbai-400614	Belapur	Mumbai City	Maharashtra
11	Belgaum	Mahadev Plaza, C.T.S No. 10719, 3Rd Floor, Kholapur Cross, Nehru Nagar, Belgaum - 590001	Belgaum	Belgaum	Karnataka
12	Bellary	H.No:22/B Maruthi Complex, Ward No-60,Balaji Rao Road, Bellary-583101	Bellary	Bellary	Karnataka
13	Bhanwar Kuwa	Ikf Finance Ltd, 202 Prem Plaza, 4 Ashok Nagar, Bhawarkua Main Road, Indore	Bhanwar Kuwa	Indore	Madhya Pradesh
14	Bhimavaram	D./No 2-1-39, 2Nd Floor, Ram'S Plaza ,Hlf Office Back Side, Hotlines Super Market Upstair, Sivaraopeta, Juvvalapalem Road, Bhimavaram - 534202.	Bhimavaram	West Godavari	Andhra Pradesh
15	Bhopal	Plot No 11, Alkankar Complex, 2Nd Floor, Mp Nagar Zone, Bhopal - 462011	Bhopal	Bhopal	Madhya Pradesh
16	Bhuj	Ikf Finance Limited, North Block, Ofiice No. 111, 1St Floor, Ashapura Nagar, Near Plan Circle, Opp. Aiya Nagar, Bhuj - Kutch - 370001	Bhuj	Kutch	Gujarat
17	Chanda Nagar	Svl Towers , Office Number 2-57/5/104, 1St Floor Chanda Nagar Hyderabad - 500050	Hyderabad	Hyderabad	Telangana
18	Chandrapur	Ikf Finance Ltd, At Shende Layout, Hari-Om Nagar, Opp Chandak Bunglow, Rahamat Nagar Road, Chandrapur (Mh)-442401	Chandrapur	Chandrapur	Maharashtra
19	Chennai	Door No 29, First Floor, Dr Nair Road, T Nagar,	Chennai	Chennai	Tamil Nadu

Sr. No.	Branch Name	Branch Address	City	District	State
		Chennai, Tamilnadu - 600017			
20	Coimbatore	IKF FINANCE LIMITED, MANCHESTER SQUARE, 12/1-3, Ground floor, Puliyakulam Road,Coimbatore – 641037	Coimbatore	Coimbatore	Tamil Nadu
21	Ecil	Plot Number 11, Sriram Nagar Agarwal Super Market, Radhika Theater Back Side Ecil, Hyderabad Pin Code -500062	Hyderabad	Hyderabad	Telangana
22	Eluru	Office No 504, D.No-238/57, Vasavi Plaza, Eedara Vari Street, Opp Satyabhama Showroom, Rr Peta, Eluru-534002	Eluru	West Godavari	Andhra Pradesh
23	Erode	Ikf Finance Ltd, No.142, Perundurai Road, Erode	Erode	Erode	Tamil Nadu
24	Gandhidam	Office-11,Plot No:16, Sector-9,Ground Floor,Blue Rose Arcade, Opp: Gmcb Banking Circle, Gandhidam-Kutch, Gujarat-370201	Gandhidam	Kutch	Gujarat
25	Guntur	Kothamasu Plaza, 2Nd Floor , Opp Kiran Tailor, 3/1 Arundelpet, Guntur - 522002	Guntur	Guntur	Andhra Pradesh
26	Himmatnagar	Shop No13-14, Sun Complex, Behind Navjeevan Hotel, Moti Pura Circle , Himmat Nagar - 383001	Himmatnagar	Sabarkantha	Gujarat
27	Hubli	Marvel Artiza, Cts No. 4A/2, First Floor-110,Jayanagara,Vidyanag, Opposite Kims,Hubli-580021	Hubli	Dharwad	Karnataka
28	Hyderabad	6-3-902/A, Near Yashoda Hospital, Somajiguda - 500082	Hyderabad	Hyderabad	Telangana
29	Indore	OFFICE NO. 503, 5TH FLOOR, SATGURU PARINAY, 5 PU 3 SCH. NO. 54, VIJAY NAGAR, INDORE PIN 452001	Indore	Indore	Madhya Pradesh

Sr. No.	Branch Name	Branch Address	City	District	State
30	Jabalpur	Plot No 75, Ukari Road, Shitalpuri Baldevbag, Jabalpur, Mp-482001	Jabalpur	Jabalpur	Madhya Pradesh
31	Jaipur	F2-A,Jagdamba Tower, Amprapali Circle, Vaishali Nagar, Jaipur-302021	Jaipur	Jaipur	Rajasthan
32	Jalgoan	Unit No 7, 2Nd Floor, Sanvi Plaza, Beside Subhash Urban Co Op Society, Jalgaon, Maharastra - 425001	Jalgoan	Jalgaon	Maharashtra
33	Junagadh	Indralok Arcade ,1St Floor,Office No-110 & 111 ,Jayshree Cinema Road , Near Talav Darwaja,Junagadh-362001	Junagadh	Junagadh	Gujarat
34	Kakinada	13-1-51, 1St Floor, Opp Hero Honda Show Room, Surya Peta Main Road, Kakinada-533001.	Kakinada	East Godavari	Andhra Pradesh
35	Karimnagar	H.No. 8-7-297/2/21, Hanuman Nagar, Karimnagar - 505001	Karimnagar	Karimnagar	Telangana
36	Khammam	H No: 15-9-1, 2nd Floor, Kaviraj Nagar, Opp Reliance Digital, Beside: Indian Oil Petrol Bank, Khammam-507002	Khammam	Khammam	Telangana
37	Kodada	Door No 12-143/5/4, 1St Floor, Sri Sai Towers, Beside Oriental Insurance, Near Petrol Bunk, Srinivasa Nagar,	Kodada	Nalgonda	Telangana
38	Kota	No 223, 3Rd Floor, Above Baroda Rajastan Gramina Bank, Near Manik Bhawan, Gumanpura, Kota, Rajastan -324007	Kota	Kota	Rajasthan
39	Krishnagiri	Venkateswara Complex, 2nd Floor, Chennai 1/342 baypass road,Pathirigankottai ,Krishnagiri - 635001	Krishnagiri	Krishnagiri	Tamil Nadu
40	Kurnool	Plot No:212, 2Nd Floor, Ragamayuri Pride, Backside D-Mart,Shopping Complex, Bellary	Kurnool	Kurnool	Andhra Pradesh

Sr. No.	Branch Name	Branch Address	City	District	State
		Chowrastha, Kurnool-518003.			
41	Lb Nagar	H.No.5-5-934/1 ,Agamaiah Nagar, Chinthalkunta,Lb Nagar.	Hyderabad	Hyderabad	Telangana
42	Madurai	199, Byepass Road, Chandrakanthi Nagar, Madurai - 625 016	Madurai	Madurai	Tamil Nadu
43	Mahaboob Nagar	Ikf Finance Limited,H.No. 10-4-10/A & 10-4-10/B/A, Yenugonda, Mahabubnagar, Telangana - 509001	Mahaboob Nagar	Mahaboob Nagar	Telangana
44	Mehsana	Office No F15, First Floor, Sanskrut Shopping Mall, Highway Road, Mehasana-Gujarat - 384002	Mehsana	Mehsana	Gujarat
45	Miriyalguda	Door No 18-708, Survey No 843, Block No.18, Near Mahathma Gandhi Statue,Sagar Road, Miryalaguda, Nalgonda Dist Telangana,508207	Miriyalguda	Nalgonda	Telangana
46	Morbi	2 Nd Floor, Chanakya Puri Complex, Nr Om Shanthi School, Above Sbi Bank, Chhatralay Road,Morbi, Gujarat-363641	Morbi	Morbi	Gujarat
47	Nagpur	IKF FINANCE LIMITED, Shop No. 03, Devanjali Complex, Near Hedgewar Smruti Smarak,Reshimbagh, Nagpur ,Maharashtra, 4400018	Nagpur	Nagpur	Maharashtra
48	Nandyal	Shop No 16, Auronodhaya Complex, Srinivas Nagar,Nandyal-518501	Nandyal	Kurnool	Andhra Pradesh
49	Nashik	No 02, Sharada Niketan, Gsk Avenue, Tilak Wadi, Sgaranpur Road, Nasik. Pin Code -422002.	Nashik	Nashik	Maharashtra
50	Nellore	3 Rd Floor,Sridhars Krishna Towers, Annamaya Circle, Iskan City Road,Nellore , Ap-524003	Nellore	Prakasam	Andhra Pradesh

Sr. No.	Branch Name	Branch Address	City	District	State
51	Nizamabad	1-12-52/2, 2Nd Floor, Ramdas Complex, Vinayaka Nagar, Nizamabad, Telangana -503 001	Nizamabad	Nizamabad	Telangana
52	Ongole	Gupthas Square, Atf - 7, 3Rd Floor, 60 Feet Road, Ongole - 523001	Ongole	Prakasam	Andhra Pradesh
53	Palanpur	D/5,Second Floor, Above Punjab National Bank, Sanskruti Complex, Abu Highway Palanpur-385001	Palanpur	Panchmahal	Gujarat
54	Perambaluru	Ikf Finance Ltd, No-185/10A, First Floor, Sellammal Narayanan Complex, Aviayar Street, Ariyalur Main Road, Near Chennai Four Way, Perambalur - 621212	Perambalur u	Perambaluru	Tamil Nadu
55	Pondicherry	Portion - C, 100 Feet Road, Sudarajan Nagar, Pondicherry - 605004	Pondicherry	Pondicherry	Puducherry
56	Proddatur	D No: 7//273, First Floor Holmes Peta, Opp : Bank Of Baroda,Proddatur-516360	Kadapa	Kadapa	Andhra Pradesh
57	Pune	IKF FINANCE LTD, PENTAGON OFFICE NO: 406, 4th FLOOR, BEHIND LOTUS COURT, ABOVE AXIS BANK, PUNE SATARA ROAD, PUNE-411043	Pune	Pune	Maharashtra
58	Rajahmundry	D.No 79-1-6 4Th Floor, Shoubagya Nilayam, Tilak Road Opposite Southern Spice Restaurant, Rajahmundry-Ap - 533103	Rajahmundry	East Godavari	Andhra Pradesh
59	Rajkot	Viral Heights, 6Th Floor, Office Number-607, Ayodhya Chowk, 150 Feet Ring Road, Rajkot-Pin-360006	Rajkot	Rajkot	Gujarat
60	Ratlam	Reliable Trade Centre,Cabin No : 208, 2Nd Floor, Station Road, Above Corporation Bank Ratlam - 457001.	Ratlam	Ratlam	Madhya Pradesh

Sr. No.	Branch Name	Branch Address	City	District	State
61	Salem	No 6, Second Floor, Raghava Street, Swarnapurai, Hasthampatty, Salem, Tamilnadu - 636 004	Salem	Salem	Tamil Nadu
62	Surat	3Rd Floor,Shree Kuberji Complex, Athugar Street, Near Nanpura Post Office, Nanpura, Surat - 395001	Surat	Surat	Gujarat
63	Surendra Nagar	245, 2Nd Floor, Mega Mall, Near Milan Cinema, Station Road, Surendranagar -363001	Surendra Nagar	Surendranagar	Gujarat
64	Tadipatri	13/203, 1St Floor, Above Medplus, Cb Road, Tadipatri - 515411	Tadipatri	Anantapur	Andhra Pradesh
65	Tanjavur	1St Floor ,Sri Balaji Complex Medical College Road Opp -Balaji Nagar ,Thanjavur-613007	Tanjavur	Thanjavur	Tamil Nadu
66	Thane	Omega business park office no 417, 4th floor Wagle industrial estate thane 400604 for Thane Branch	Thane	Thane	Maharashtra
67	Tirunelveli	Vavoo Center, 1/A Shop No 3, Madhurai Road, Opp Kidney Center Land, Tirunelvelli-627001.	Tirunelveli	Tirunelveli	Tamil Nadu
68	Tirupati	No 19-4-8/10 A, 4Th Floor, Above Biryani Wala, Beside Agarwals Eye Hospital, Lakshmipuram Circle, Tirupati – Ap 517501	Tirupati	Chittoor	Andhra Pradesh
69	Trichy	D No 60, Room No -2, 3Rd Floor, Sri Krishna Arcade, Tennur, Trichy - 620017	Trichy	Tiruchirappalli	Tamil Nadu
70	Ujjain	Office No- A-13/6, Mahakal Vanijya Kendhra,Near Nanakheda Police Station, Ujjain, Madhya Pradesh-456010	Ujjain	Ujjain	Madhya Pradesh
71	Vadodara	IKF Finance Limited, 312 – Atlantis Complex, Sarabhai Road, Genda Circle, Vadodara – 390007	Vadodara	Vadodara	Gujarat

Sr. No.	Branch Name	Branch Address	City	District	State
72	Vapi	C105, M Cube, Business Hub, Nr Bombay Restaurent, Balitha, Vapi, Gujarat -396191	Vapi	Valsad	Gujarat
73	Vellore	No:- 160, 2Nd Floor, Puthukudiyan Sathiram St, Thottapalayam, Vellore - 632004	Vellore	Vellore	Tamil Nadu
74	Veraval	Office No-18, 2Nd Floor, Vinayak Plaza-1, Nr.Hdfc Bank, Rajendra Bhavan Road Veraval-362265.	Veraval	Gir Somnath	Gujarat
75	Vijayawada	IKF FINANCE LIMITED, D.NO-54-15-1/2B,VENKATESWARA NAGAR COLONY, 1ST FLOOR, YALAMANCHILI COMPLEX SERVICE ROAD, NTR DISTRICT, VIJAYAWADA- 520008, ANDHRA PRADESH.	Vijayawada	Krishna	Andhra Pradesh
76	Visakhapatnam	9-14-3,5-I, 4 Th Floor, Balaji Mangalgiri, Chambers,Vip Road, Balaji Nagar,Siripuram,Visakhapatnam-530003	Visakhapatnam	Visakhapatnam	Andhra Pradesh
77	Warangal	Dr. K S R Sastry & Dr.Jhansi Devi Business Park #2-1-583/1,Nayeemnagar,Kuc X Road,Hanumakonda,Warangal, Ts-506001.	Warangal	Warangal	Telangana
78	Mysore	#40 , 1St Floor , 3Rd Stage, D. Devaraj Urs Road , Next To Anjaneya Temple Mysore-570001	Mysore	Mysuru	Karnataka
79	Tumkur	Chamundi Complex, K.R.Extn, Barline Road, Near Chamundeshwari Temple, Tumakuru - 572102	Tumkur	Tumkur	Karnataka
80	Dhar	No: 21&22, 1St Floor, Kashi Bagh Colony, Trimurti Chouraha, Above Idbi Bank, Dhar - 454001.	Dhar	Dhar	Madhya Pradesh
81	Satara	S.No.509/B/1/2, Office No 2, Ground Floor,	Satara	Satara	Maharashtra

Sr. No.	Branch Name	Branch Address	City	District	State
		Generation Building Shaha Complex , Sadar Bazar, Satara 415002			
82	Bhandara	Ikf Finance Limited, Second Floor, Shivarpan Towers, Rajiv Gandhi Chowk, Bhandara - 441904	Bhandara	Indore	Maharashtra
83	Redhills	Ikf Finance Ltd, No. 302, Gnt Road, Red Hills, Chennai. Pin : 600052	Chennai	Tiruvallur	Tamil Nadu
84	Siddipet	Plot No 2/4, Sy No 176, Mythrivanam, Hyderabad Road, Siddipeta - 502103	Siddipet	Siddipet	Telangana
85	Sivakasi	No 42/9, 1St Floor, Parsn Plaza Complex, Chairman Shanmuga Nadar Road, Srivilliputtur Raod, Near Water Tank, Sivakasi - 626123	Sivakasi	Sivakasi	Tamil Nadu
86	Dindigal	Ikf Finance Ltd, D No: F3 & F4, 1St Floor, Kavin Complex, Kotta Party (Po), Palani, Madurai Bypass Road, Dindigul - 624002.	Dindigal	Dindigal	Tamil Nadu
87	Dharmapuri	No 5/1657 - E3, Salem Main Road, Lakkiam Patty, Collector Office Post, Dharmapuri - 636705.	Dharmapuri	Dharmapuri	Tamil Nadu
88	Manchiryal	H No: 1-1/1-4, S V Complex, Bypass Road, Near Laxmi Theater, Above Mahindra Showroom, Mancheriyal - 504208.	Manchiryal	Manchiryal	Telangana
89	Peenya	Ikf Finance Ltd, No 24, 1St Floor, Kaidab Road, Chokkasandra, Near Dynamicold Land Aerospace, T.Dasarahalli, Peenya - 560057	Peenya	Peenya	Karnataka
90	Sikar	2Nd Floor Of Building, Main Rani Sati Road, , Near Shastri Nagar Corner, Sikar, Rajasthan - 332001	Sikar	Sikar	Rajasthan
91	K R Puram	No 5M, 408/8, K No 309, 1St Floor, East Of Ngef, Vijinapura, Kr Pura, Bangalore 560036.	Bangalore	Bangalore Urban	Karnataka

Sr. No.	Branch Name	Branch Address	City	District	State
92	Gadwal	No. 1-4-2/4A, 1St Floor, Near Krishnaveni Chowk, Bheema Nagar, Gadwal-509125	Gadwal	Jogulamba Gadwal	Telangana
93	Jagtial	No. 1-5-81/11/1, Aravind Nagar, Rajeev Bypass Road, Near Govind Pally Chowrasta, Jagtial-505327	Jagtial	Jagtial	Telangana
94	Kalyan	Shop No. 02, 1St Floor, Sarvoday Mall, Opp. Apmc - Market Kalyan, Near Patri Pool, Kalyan (West) - 421301	Kalyan	Kalyan	Maharashtra
95	Madanapalle	Ikf Finance Ltd, 199, Byepass Road, Chandrakanthi Nagar, Madurai - 625016	Madanapalle	Madanapalle	Andhra Pradesh
96	Vasai	Office No - 502, North Lanes, Vartak College Road, Near Vasai Railway Station, Vasai (W) - 401202	Vasai	Vasai	Maharashtra
97	Kompally	Laxmi Towers Plot No:63Half Portion Of 3Rd Floor Ragavendracolony,Quthbullapur Road, Suchitra Circle, 5000067	Kompally	Kompally	Telangana
98	Sangareddy	# 4-92/4, 1St Floor,Mig-1,House No-1,Phase3,Pothireddypally, Sangareddy-502001	Sangareddy	Sangareddy	Telangana
99	Solapur	Haripriya Offices, 267/45, Raviwar Peth, Kuchan High School Road,Opp. Umasa Pathpedi, Solapur Maharashtra- 413005	Solapur	Solapur	Maharashtra
100	Borivali	Ikf Finance Limited, Shop No. 9, Madhur Apartments, 56Th Tps Road, Borivali West, Mumbai - 400092	Mumbai	Mumbai	Maharashtra
101	Chakan	Ikf Finance Limited, 2Nd Floor Gn 1209 Sai Corporate Building Shop No 217 Mutkewadi Pune Nashik Highway Chakan Tal Khed Dist Pune 410504	Chakan	Chakan	Maharashtra

Sr. No.	Branch Name	Branch Address	City	District	State
102	Pimpri	Ikf Finance Limited, 2Nd Floor Gn Shop No 13 Ground Floor Tapasvi Plaza, Chinchwad Pimpri, Dist Pune, Mh 411019	Pimpri	Pimpri	Maharashtra
103	Sangamner	Ikf Finance Limited, Plot No 23, Top Ten Emperial,Above Haldiram Sweet,Nasik Road.Sangamner Tal-Sangamner, Ahmednagar, Mh	Sangamner	Sangamner	Maharashtra
104	Rajkot-Msme	Ikf Finance Limited, Office No 704, Viral Heights, Beside Times Squares 2, Nr Ayodhya Chowk, 150 Ft Ring Road, Madhapur, Rajkot - 360006	Rajkot	Rajkot	Gujarat
105	Jaipur-Msme	Ikf Finance Limited, Office No 330, 3Rd Floor, Ganapati Plaza, Mi Road, Jaipur - Rajastan - 302001	Jaipur	Jaipur	Rajasthan
106	Wardha	Ikf Finance Limited, Sukhkakarte Complex, Arvi Naka Chowk, Wardha, Mp - 442001	Wardha	Wardha	Maharashtra
107	Davanagere	Door No. 199/3A, P.J.Extension,3Rd Main, 7Th Cross, Davangere	Davanagere	Davanagere	Karnataka
108	Gwalior	2Nd Floor, 886 Rk Tower, Kailash Vihar, City Center, Gwalior, Madhya Pradesh - 474011	Gwalior	Gwalior	Madhya Pradesh
109	Malegaon	2Nd Floor, City Junction, Opp. Indian Kids, Camp Road, Malegoan, Maharashtra	Malegaon	Nashik	Maharashtra
110	Sumerpur	1St Floor, Jawai Bandh Road, Beside Aarya Samaj Circle, Opp-Defeance Electronic, Sumerpur, Rajasthan-306902	Sumerpur	Pali	Rajasthan
111	Suryapet	Shop No. 1-2-267/2, Near Anjali High School, Suryapet, Telangana - 508213	Suryapet	Suryapet	Telangana

Sr. No.	Branch Name	Branch Address	City	District	State
112	Uppal	#1-38, Mtr Complex, 2Nd Floor, Uppal To Nagol Road, Beside Mekala Bharathi Garden, Uppal, Hyderabad -500039	Hyderabad	Hyderabad	Telangana
113	Bhongir	D.No. 1-4-291/81, Plot No. 07 & 08, Tata Nagar, Hanumakonda Road, Bhongir, Telangana-508116	Bhongir	Bhongir	Telangana
114	Banswada	H.No. 1-1-12/6, Ambedkar Chowrasta, Banswada, Nizamabad (Dist), Telangana-503187	Banswada	Nizamabad	Telangana
115	Anakapalli	H No. 14-21-13/1, Laxminarayana Nagar, Ring Road , Ring Road Anakapalli – Andhra Pradesh - 531001	Anakapalli	Anakapalli	Andhra Pradesh
116	Akola	As Heights, Plot No.2/13, Ratanlal Plot, Akola, Mh 444001	Akola	Akola	Maharashtra
117	Barmer	Opp Thar Hospital Siyag Market, Shastri Nagar, Barmer, Rajasthan - 344001	Barmer	Barmer	Rajasthan
118	Bhavnagar	Office No. 303, 3Rd Floor, Eva Surbhi Commercial Complex, Vaghawadi Road, Opp.Aksharwadi, Bhavnagar-364002	Bhavnagar	Bhavnagar	Gujarat
119	Bikaneer	765- Sankhla Building,3Rd Floor,Above Equitas Small Finance Bank, Ambedkar Circle, Near Railway Crossing, Bikaner, Rajasthan-334001	Bikaneer	Bikaner	Rajasthan
120	Devanahalli	19Th Ward,3Rd Division, Near Nakshatra Hospital,Puttappanagudi Beedi, Devanahalli, Bangalore Rural, Karnataka-562110	Devanahalli	Bangalore Rural	Karnataka
121	Jodhpur	3Rd Floor, Mahendra Motors, House No. 654-A, Residency Road, Jodhpur, Rajasthan-342001	Jodhpur	Jodhpur	Rajasthan

Sr. No.	Branch Name	Branch Address	City	District	State
122	Nokha	4/52, Aanand Bhawan, Near Union Bank, Opp-C.O.Office, Bikaner Road,Nokha, Bikaneer, Rajasthan-334803	Nokha	Bikaner	Rajasthan
123	Pachore	First Floor Shop No 8 Shri Faludi Mall Old Ab Road Pachore - Rajgarh, Mp - 465683	Pachore	Rajgarh	Madhya Pradesh
124	Phalodi	Kheteshwar Palace, Near Nagar Palika, Nagaur Road, Phalodi, Jodhpur District, Rajasthan-342301	Phalodi	Phalodi	Rajasthan
125	Sagar	IKF FINANCE LIMITED, INFRONT OF INCOME TAX OFFICE, DWARKAJI COMPLEX, 1ST, FLOOR 5 CIVIL LINES SAGAR PIN 470002	Sagar	Sagar	Madhya Pradesh
126	Dilsukhnagar	13-8-110, Plot No 21, Survey No 248, Goutham Nagar, Dilsuknagar Gaddiannaram, Saroor Nagar, Rr District, Telangana 500060	Hyderabad	Rangareddy	Telangana
127	Kolhapur	Office No. Sh3-4, Ground Floor, Bharat Tower, Ctc No. 894/1A, Shahupuri 5Th Lane, Kolhapur - Mh - 416005	Kolhapur	Kolhapur	Maharashtra
128	Ramanagara	Jaggesh Complex, B M Road, Ramnagar, Bangalore - 562159	Ramanagara	Ramanagara	Karnataka
129	Gondia	Ikf Finance Limited, Plot No 11/1068, Radhika Complex, Near Gondia Hospital Fulchur Road, Bajrang Nagar, Gondia - Mh - 441601	Gondia	Gondia	Maharashtra
130	Nanded	Ikf Finance Limited, Plot No 18387/5, 2Nd Floor, Govindaraj Nivas, Mangapura, New Mondha, Nanded, Mh- 431602	Nanded	Nanded	Maharashtra
131	Shrirampur	Ikf Finance Limited, 1St Floor, T M Sonar Complex, Kalaram Mandir Road, War	Shrirampur	Ahmednagar	Maharashtra

Sr. No.	Branch Name	Branch Address	City	District	State
		No 7, Shrirampur, Ahmednagar, Maharastra - 413709			
132	Amravati	Ikf Finance Limited, Mangesh Dakhane, Samarthwadi, Sad Guru Nagar, Badnera Road, Amravati, Maharastra-444601	Amravati	Amravati	Maharashtra
133	Khargone	Ikf Finance Limited,1St Floor,Devi Ahilya Complex, Yash Tower, Diversion Road, Opposite Pwd Office, Khargone, District Khargone Madhya Pradesh-451001	Khargone	Khargone	Madhya Pradesh
134	Mandsaur	Ikf Finance Limited, Ward No 12, Yashodharman Marg, Mandsaur, Madhya Pradesh - 458002	Mandsaur	Mandsaur	Madhya Pradesh
135	Satna	Ikf Finance Limited, Lal Gulab Tower Above Union Bank, Panna Road Umri, Nh75, Satna, Madhyapradesh- 485001	Satna	Satna	Madhya Pradesh
136	Bharuch	Ikf Finance Limited, 10 - Sai Heights, First Floor, Opp Maruti True Value And Commercial Showroom, Bharuch, Gujarat - 392001	Bharuch	Bharuch	Gujarat
137	Narsaraopet	Ikf Finance Limited, 10-1-11, Varalakshmi Complex, 2Nd Floor, Opp: Reddy College, Palnaaadu Bus Stand, Narasaraopeta- Ap - 522601	Narsaraopet	Guntur	Andhra Pradesh
138	Haveri	Ikf Finance Limited, 1St Floor Vidya Nagar, Pb Road Haveri, Karnataka – 581110	Haveri	Haveri	Karnataka
139	Tambaram	Ikf Finance Limited, 239, 2Nd Floor, Valacherry Main Road, Slayur, Kancheepuram, Tambaram, Tn-600 073	Tambaram	Tambaram	Tamil Nadu
140	Ashta	Ikf Finance Limited, H.No. 166, Ward No. 16, Kannod	Ashta	Sehore	Madhya Pradesh

Sr. No.	Branch Name	Branch Address	City	District	State
		Road, Ashta, Madyha Pradesh - 466116			
141	Godhra	G/F -3 Gayatri Complex Bhuravav Godhra Panchmahal Gujarat 389001	Godhra	Panchmahal	Gujarat
142	Karaikudi	No: 3/1026 H, Cmd Tower, Old Housing Board Bustop, Near Kalanivasl, Tirchy Bypass Raod, Sivagangai, Karaikudi - 630001	Karaikudi	Sivagangai	Tamil Nadu
143	Latur	Ikf Finance Limited, 1St Floor , Kiriti Chambernear Water Tank , Above Medplus Barshi Road Latur-Pin 413512	Latur	Latur	Maharashtra
144	Dhule	Cts No. 1494, Plot No. A-4, Navjeevan Nagar, Chitod Road, Fashipool Chowk, Dhule - 424001	Dhule	Dhule	Maharashtra
145	Vizianagaram	Plot No.Mig-174/B, 1St Floor,East Part,Babametta Area,Near Raithu Bazar,Vizianagaram,Andhra Pradesh-535002	Vizianagaram	Vizianagaram	Andhra Pradesh
146	Kumbakonam	Saravana Towers,Dr Besant Road,2 Nd Floor,Ward No-1,Opp To Vijayalakshmi Theatre,Kumbakonam-6120001	Kumbakonam	Thanjavur	Tamil Nadu
147	Bhubaneswar	Plot No: 1056/A, 2Nd Floor,Opp To Iskon Temple, Nayapally,Bhubaneswar,Odisha-751012	Bhubaneswar	Khordha	Odisha
148	Hassan	Ikf Finance Limited, No. 29A Rc Road West Division Avk College Road Hassan	Hassan	Hassan	Karnataka
149	Gadag	Ikf Finance Limited, Desai Complex, 1St Floor, Dattatraya Raod, Opp One Number Givt School, Near Old Bsnl Office, Gadag, Karnataka - 582103	Gadag	Gadag	Karnataka
150	Vikarabad	Ikf Finance Limited,#H.No:4-2-1118 & 1119 , 2Nd	Vikarabad	Rangareddy	Telangana

Sr. No.	Branch Name	Branch Address	City	District	State
		Floor,Venkateshwara Complex. Ntr "X" Road,Vikarabad District – 501101 (T.S)			
151	Pandharpur	Singan Empire ,2Nd Floor, Nagaland Chowk, Link Road ,Singan Nagar Pandhapur Maharashtra - 413304	Pandharpur	Solapur	Maharashtra
152	Dharashiv	Mauli Plaza 1St Floor, Gala No 5&6 Near Central Building,Sambhaji Dharashiv -Maharashtra 413501	Dharashiv	Osmanabad	Maharashtra
153	Tuticorin	No 111/11E/11 J , State Bank Colony , Ark Complex , Near Tuticorin City North Zona	Tuticorin	Thoothukudi	Tamil Nadu
154	Tiruppur	496/384 B, Kamaraj Rd, Opposite Palladam Main Road, Kattuvalavu, Tirupur	Tiruppur	Tiruppur	Tamil Nadu
155	Namakkal	Kvn Complex, 6/299, Trichy Main Road, Namakkal - 637001	Namakkal	Namakkal	Tamil Nadu
156	Jeypore	Purnagada Junction, Near Hero Services Station, Jeypore, Koraput, Odisha - 764001	Jeypore	Koraput	Odisha
157	Theni	44 D, White House Road, Theni- 625531	Theni	Theni	Tamil Nadu
158	Choutuppal	H.No.3-330/10/4, Choutuppal, Yadadri Bhuvanagiri (Dist)	Choutuppal	Nalgonda	Telangana
159	Sangli	S No 639/1, Office No – 301, 3Rd Floor, Siddivinayak Lamdmark Pushpraj Chowk, Sangli, Mh -416416	Sangli	Satara	Maharashtra
160	Berhampur	Ground Floor, Main Road, Gosaninuagam, Near Old Police Station, Brahampur - 760003 (Orrisa	Berhampur	Ganjam	Odisha
161	Kancheepuram	No. 21, S V N Street, Opposite Tt KSM Super Market, Kancheepuram	Kancheepuram	Kancheepuram	Tamil Nadu
162	Katni	Behind Gurudwara Gurunanak Ward Murwara	Katni	Katni	Madhya Pradesh

Sr. No.	Branch Name	Branch Address	City	District	State
		Katni - 483501			
163	Mallepally	H.No.5-34/ff110, 1st floor of the complex,Vishnu shopping mall,Konda mallepally(vi &md),Nalgonda(di),Telangana-508243	Mallepally	Medak	Telangana
164	Tiruvanamalai	No. 32G, Gandhi Nagar Bye Pass Road, Near Vijay Nagar Bus Stop, Tiruvannamalai	Tiruvanamalai	Tiruvanamalai	Tamil Nadu
165	Tiruvallur	RAJ PLAZA, No. 3662, TNHB, KAKKALUR BYE PASS, THIRUVALLUR, TAMIL NADU. Pin. : 602001	Tiruvallur	Tiruvallur	Tamil Nadu
166	Warud	Shop No 1,1A Khanduja Complex Multai Square In front Of Tehsil Office, Warud, Maharastra - 444906	Warud	Warud	Maharashtra
167	Shamsabad	H.NO.21-65/C BRUNDAVAN COLONY SHAMSHABAD RANGA REDDY: 501218	Shamsabad	Shamsabad	Telangana
168	Udgir	H No. 3-2-1659, Maruti Complex ,Bidar Naka Udgir Udgir, Latur, Maharashtra - 413517	Udgir	Udgir	Maharashtra
169	TEMBHURNI	Shop No 12 , Ground Floor, Deshmukh Shopping Center , Karmala Road, Tembhurni -Tal - Madha- Dist Solapur -Maharashtra -413211	TEMBHURNI	TEMBHURNI	Maharashtra
170	Nirmal	HNO: 1-3-155/14/1/2, SHASTRY NAGAR, Mancherial Road, NIRMAL,504106	Nirmal	Nirmal	Telangana
171	Nalgonda	IKF FINANCE LIMITED, NO:F33&F34, 1st FLOOR,BLOCK NO-1, LPT MARKET BULIDING COMPLEX, HYDERABAD ROAD, NALGONDA - 508001	Nalgonda	Nalgonda	Telangana
172	Udaipur	43/6, ICON Tower, Near ICICI Bank, Madhuban,	Udaipur	Udaipur	Rajasthan

Sr. No.	Branch Name	Branch Address	City	District	State
		Udaipur			
173	Pudukottai	No. 2238 South Raja veethi, Pudukottai-622001	Pudukottai	Pudukottai	Tamil Nadu
174	Yavatmal	2ND FLOOR, BHAJI MANDI SQUARE, 2ST BEHIND DATTA MANDIR, YAVATMAL- MH- 445001	Yavatmal	Yavatmal	Maharashtra
175	WASHIM	Shop No 04, Paras Plaza heights, Above HDFC bank, Risod Road, Washim, MH - 444505	WASHIM	WASHIM	Maharashtra
176	JAJPUR	PLOT NO.1000, 1ST FLOOR, CHORDA BY PASS, CHORDA, JAJPUR ROAD, DIST - JAJPUR, ODISHA-755019	JAJPUR	JAJPUR	Odisha
177	RAYAGADA	2ND FLOOR, SAIPRIYA NAGAR, 1ST LANE, RAYAGADA, DIST - RAYAGADA, ODISHA-765001	RAYAGADA	RAYAGADA	Odisha
178	Buldhana	Sai Samarth building, 101, 1st floor club layout Near State bank of India, Buldhana-443001	Buldhana	Buldhana	Maharashtra
179	GADCHIROLI	Battuwar complex Chandrapur road , opp bank of India Gadchiroli-442605	GADCHIROLI	GADCHIROLI	Maharashtra
180	Morena	1st Floor Gopal Market NewCourt Road Tiraha Morena – 476001	Morena	Morena	Madhya Pradesh
181	KAMAREDDY	D No 5-3-70/2 OPP. R &B Guest House Kamareddy Telangana 503111	KAMAREDDY	KAMAREDDY	Telangana

2. Shareholding pattern of the Company as on last quarter end, i.e. 30th September 2024, as per the format specified under the listing regulations:

Shareholding Pattern as on 30.09.2024			
Particulars	**Equity Shares - Fully Paid Up**		
Indian			
Promoters - Individuals	**No of Shares**	**Amount**	**% to Total**
VUPPUTURI GOPALA	1,98,53,581	19,85,35,810	28.30%

KISHAN PRASAD			
KOGANTI VASUMATHI DEVI	26,47,266	2,64,72,660	3.77%
VUPPUTURI VASANTHA LAKSHMI	24,91,794	2,49,17,940	3.55%
VUPPUTURI RAGHU RAM	18,00,670	1,80,06,700	2.57%
VUPPUTURI INDIRA DEVI	16,48,142	1,64,81,420	2.35%
Vistra ITCL (India) Limited (TRUSTEE OF BUSINESS EXCELLENCE TRUST II - INDIA BUSINESS EXCELLENCE FUND II)	78,04,018	7,80,40,180	11.12%
Public			
Domestic Companies/LLP/Trusts	17,86,080	1,78,60,800	2.55%
Resident Indians	62,51,924	6,25,19,240	8.91%
HUF	39,613	3,96,130	0.06%
Total Indian Investment	4,43,22,088	**44,32,30,880**	63.18%
Foreign Investment			
Promoters- Individuals			
DURGA RANI CHUNDURI	14,94,100	1,49,41,000	2.13%
CHUNDURI SINHA SATYANAND	1,17,700	11,77,000	0.17%
Foreign Body Corporates- India Business Excellence Fund- IIA	1,30,51,546	13,05,15,460	18.60%
ACCION DIGITAL TRANSFORMATION FUND, LP	55,81,395	5,58,13,950	7.96%
Teachers Insurance And Annuity Association Of America	55,81,395	5,58,13,950	7.96%
Other Non Resident Shareholders	7,221	72,210	0.01%
Total Foreign Investment	**2,58,33,357**	**25,83,33,570**	36.82%
Grand Total	**7,01,56,445**	**70,15,64,450**	**100.00%**

3. Key Operational and Financial Parameters for the last 3 audited years, on a consolidated basis (wherever available) else on a standalone basis:

PARTICULARS	MARCH 31, 2022 (in INR, in Lakh)	MARCH 31, 2023 (in INR, in Lakh)	March 31, 2024 (in INR, in Lakh)	September 30, 2024 (in INR, in Lakh)
	Audited	Audited	Audited	Limited Review
BALANCE SHEET				
Assets				
Property, Plant and Equipment	260.11	250.24	237.54	284.73
Financial Assets	169965.13	272429.21	363487.61	427,347.32
Non-financial Assets excluding property, plant and equipment	1600.29	3750.19	3885.28	3,998.32
Total Assets	**171825.53**	**276429.64**	**367610.42**	**431,630.37**
Liabilities				
Financial Liabilities				
- Derivative financial instruments	0.00	0.00	0.00	0.00
- Trade Payables	0.00	0.00	0.00	0.00
- Debt Securities	15186.47	18838.54	15989.65	23928.67
- Borrowings (other than Debt Securities)	109462.84	168496.32	240928.87	290651.57
- Subordinated liabilities	6003.45	16345.06	16372.47	16385.97
- Other financial liabilities	2030.13	2921.34	5470.71	6326.9
Non-Financial Liabilities				
- Current tax liabilities (net)	0.00	0.00	0.00	0.00
- Provisions	306.37	210.50	288.37	355.69
- Deferred tax liabilities (net)	0.00	188.83	218.55	341.05
- Other non-financial liabilities	99.50	179.07	275.74	251.9
Equity (Equity Share Capital and Other Equity)	**38736.77**	**69249.98**	**88066.06**	**93388.62**
Total Liabilities and	**171825.53**	**276429.64**	**367610.42**	**431630.37**

Equity				
PROFIT AND LOSS				
Revenue from operations	22059.51	28641.89	43422.54	29363.56
Other Income	63.31	17.79	325.04	502.15
Total Income	22122.82	28659.68	43747.58	29865.71
Total Expenses	**16695.54**	**21928.96**	**33410.13**	22715.13
Profit after tax for the year	4030.44	5000.51	7697.26	5338.31
Other Comprehensive income	8.28	9.86	-3.26	-16.21
Total Comprehensive Income	**4038.72**	**5010.37**	**7694.00**	**5322.1**
Earnings per equity share (Basic)	7.8	9.31	11.32	7.61
Earnings per equity share (Diluted)	7.8	9.31	11.32	7.6
CASH FLOW				
Net cash from / used in (-) operating activities	-18849.48	-55525.22	-102542.1	-34713.23
Net cash from / used in (-) investing activities	-1948.29	-24628.57	2984.16	-11121.64
Net cash from / used in (-) financing activities	12381.7	99816.01	80926.47	57515.14
Net increase / decrease (-) in cash and cash equivalents	-8416.07	19662.22	-18631.47	11680.27
Cash and cash equivalents as per Cash Flow Statement as at the end of Half Year	3377.21	23039.43	4407.96	16088.23
ADDITIONAL INFORMATION				
Net Worth	38736.77	69249.98	88066.06	93,388.62
Cash and cash equivalents	3377.21	23039.42	4407.96	16,088.23
Loans	156325.40	210754.51	325530.75	367,248.09
Loans (Principal	156325.40	210754.51	325530.75	367,248.09

Amount+ interest)				
Total Debts to Total Assets	0.76	0.74	0.76	0.77
Interest Income	20719.09	27930.83	42803.08	28,708.28
Interest Expense	11213.04	14610.55	20829.30	14,281.65
Impairment on Financial Instruments	511.78	539.85	1640.51	1,205.86
Bad Debts to Loans	0.49%	0.28%	0.32%	0.00%
% Stage 3 Loans on Loans (Principal Amount)	2.72%	2.83%	2.35%	2.25%
% Net Stage 3 Loans on Loans (Principal Amount)	1.84%	2.28%	1.80%	1.75%
Tier I Capital Adequacy Ratio (%)	21.55%	26.25%	22.67%	21.02%
Tier II Capital Adequacy Ratio (%)	2.56%	6.77%	3.84%	2.54%

4. List of top 10 holders of equity shares of the Company as at the latest quarter end, i.e. 30th September 2024:

Sr. No.	Names of the Shareholders	Total no. of equity shares	No. of shares in demat form	Total shareholding as % of total no. equity shares
1	VUPPUTURI GOPALA KISHAN PRASAD	19853581	19853581	28.3
2	INDIA BUSINESS EXCELLENCE FUND IIA	13051546	13051546	18.6
3	Vistra ITCL (India) Limited (TRUSTEE OF BUSINESS EXCELLENCE TRUST II – INDIA BUSINESS EXCELLENCE FUND II)	7804018	7804018	11.12
4	TEACHERS INSURANCE AND ANNUITY ASSOCIATION OF AMERICA	5581395	5581395	7.96
5	ACCION DIGITAL TRANSFORMATION FUND, LP	5581395	5581395	7.96
6	KOGANTI VASUMATHI DEVI	2647266	2647266	3.77
7	VUPPUTURI VASANTHA LAKSHMI	2491794	2491794	3.55
8	VUPPUTURI RAGHU RAM	1800670	1800670	2.57
9	VUPPUTURI INDIRA DEVI	1648142	1648142	2.35
10	DURGA RANI CHUNDURI	1494100	1494100	2.13

5. Remuneration payable or paid to a director by the Company, its subsidiary or associate company; shareholding of the director in the company, its subsidiaries and associate companies on a fully diluted basis.

Director	Fiscal FY 23-24 (Up to September 2024)	Fiscal FY 23-24	Fiscal FY 22-23	Fiscal FY 21-22Fiscal FY 20-21
V.G.K.Prasad, Chairman				
Remuneration	0.72	1.19	0.84	0.76
Commission	0	1.35	0.63	0.51
K Vasumathi Devi, Managing Director				
Remuneration	0.36	0.65	0.60	0.54
Commission	0	0.68	0.44	0.36

6. Details of outstanding secured loan facilities as on the preceding quarter (30th September 2024):

Sr. No.	Name	Bank/ FIs	Nature of facility	Amount Sanctioned (Rs. Crs)	Availed (Rs. Crs)	Principal Outstanding (Rs. Crs)	Security Type	Repayment Date / Schedule (MM/DD/YYYY)	Credit Rating	Asset classification
10	IDFC First Bank	Bank	CC/OD	25.00	25.00	25.00	Book Debts	NA	CARE 'A+'	Standard
11	Central Bank of India	Bank	CC/OD	95.00	82.91	81.69	Book Debts	NA	CARE 'A+'	Standard
12	Indian Overseas Bank	Bank	CC/OD	40.00	24.00	39.25	Book Debts	NA	CARE 'A+'	Standard
13	IDBI Bank Limited	Bank	CC/OD	20.00	17.97	17.00	Book Debts	NA	CARE 'A+'	Standard
14	Union Bank of India	Bank	CC/OD	58.00	51.24	19.01	Book Debts	NA	CARE 'A+'	Standard
15	Federal Bank Limited	Bank	CC/OD	15.00	10.92	13.66	Book Debts	NA	CARE 'A+'	Standard
16	Bank of Maharashtra	Bank	CC/OD	10.00	10.00	10.00	Book Debts	NA	CARE 'A+'	Standard
17	Punjab National Bank	Bank	CC/OD	18.20	17.56	16.86	Book Debts	NA	CARE 'A+'	Standard
18	DCB Bank	Bank	CC/OD	75.00	75.00	75.00	Book Debts	NA	CARE 'A+'	Standard
67	Indusind Bank	Bank	CC/OD	50.00	50.00	50.00	Book Debts	NA	CARE 'A+'	Standard
68	Bandhan Bank	Bank	CC/OD	1.00	0.00	0.00	Book Debts	NA	CARE 'A+'	Standard
80	HDFC Bank Limited	Bank	CC/OD	30.00	30.00	14.05	Book Debts	NA	CARE 'A+'	Standard
98	Vardhaman Trustee (Neo)	NBFC	NCD-Secure	100.00	100.00	50.00	Book Debts	8/11/2025	CARE 'A+'	Standard

Sr. No.	Name	Bank/ FIs	Nature of facility	Amount Sanctioned (Rs. Crs)	Availed (Rs. Crs)	Principal Outstanding (Rs. Crs)	Security Type	Repayment Date / Schedule (MM/DD/YYYY)	Credit Rating	Asset classification
			d							
99	Vardhaman Trustee (Northern Arc)	NBFC	NCD-Secured	50.00	50.00	41.67	Book Debts	3/27/2027	CARE 'A+'	Standard
100	Equirus Securities	NBFC	NCD-Secured	60.00	60.00	60.00	Book Debts	7/30/2027	CARE 'A+'	Standard
101	Dezerv	NBFC	NCD-Secured	70.00	70.00	70.00	Book Debts	6/25/2026	CARE 'A+'	Standard
1	Suryoday Small Finance Bank	Bank	Term Loan	20.00	20.00	0.00	Book Debts	9/5/2024	CARE 'A+'	Standard
2	Suryoday Small Finance Bank	Bank	Term Loan	45.00	45.00	41.85	Book Debts	7/5/2027	CARE 'A+'	Standard
3	DBS Bank	Bank	Term Loan	30.00	30.00	0.00	Book Debts	9/30/2024	CARE 'A+'	Standard
4	Woori Bank	Bank	Term Loan	30.00	30.00	5.83	Book Debts	4/7/2025	CARE 'A+'	Standard
5	Jana Small Finance Bank	Bank	Term Loan	50.00	50.00	14.82	Book Debts	7/3/2025	CARE 'A+'	Standard
6	SIDBI	Bank	Term Loan	45.90	45.90	16.83	Book Debts	8/10/2025	CARE 'A+'	Standard
7	Woori Bank	Bank	Term Loan	30.00	30.00	15.00	Book Debts	3/27/2026	CARE 'A+'	Standard
8	Woori Bank	Bank	Term Loan	50.00	50.00	47.22	Book Debts	7/5/2027	CARE 'A+'	Standard
9	Utkarsh Small Finance Bank	Bank	Term Loan	35.00	35.00	32.08	Book Debts	6/25/2027	CARE 'A+'	Standard
19	Indian Bank	Bank	Term Loan	25.00	25.00	22.45	Book Debts	1/30/2029	CARE 'A+'	Standard
20	Union Bank of India	Bank	Term Loan	25.00	25.00	0.00	Book Debts	9/30/2024	CARE 'A+'	Standard
21	Union Bank of India	Bank	Term Loan	50.00	50.00	0.00	Book Debts	9/30/2024	CARE 'A+'	Standard
22	State Bank of India	Bank	Term Loan	115.00	115.00	8.23	Book Debts	3/31/2025	CARE 'A+'	Standard
23	Bank of India	Bank	Term Loan	50.00	50.00	14.04	Book Debts	4/30/2026	CARE 'A+'	Standard
24	Central Bank of India	Bank	Term Loan	30.00	30.00	9.00	Book Debts	3/31/2026	CARE 'A+'	Standard
25	IDBI Bank Limited	Bank	Term Loan	20.00	20.00	2.50	Book Debts	3/31/2026	CARE 'A+'	Standard
26	Bank of Maharashtra	Bank	Term Loan	25.00	25.00	5.85	Book Debts	4/30/2025	CARE 'A+'	Standard
27	Central Bank of India	Bank	Term Loan	50.00	50.00	27.49	Book Debts	6/30/2027	CARE 'A+'	Standard

Sr. No.	Name	Bank/ FIs	Nature of facility	Amount Sanctioned (Rs. Crs)	Availed (Rs. Crs)	Principal Outstanding (Rs. Crs)	Security Type	Repayment Date / Schedule (MM/DD/YYYY)	Credit Rating	Asset classification
28	Bank of Baroda	Bank	Term Loan	50.00	50.00	18.75	Book Debts	3/25/2026	CARE 'A+'	Standard
29	Indian Overseas Bank	Bank	Term Loan	50.00	50.00	32.50	Book Debts	3/31/2028	CARE 'A+'	Standard
30	UCO Bank	Bank	Term Loan	50.00	50.00	33.07	Book Debts	8/31/2027	CARE 'A+'	Standard
31	Bank of Maharashtra	Bank	Term Loan	50.00	50.00	26.10	Book Debts	9/1/2026	CARE 'A+'	Standard
32	Dhanalaxmi Bank	Bank	Term Loan	15.00	15.00	0.00	Book Debts	9/14/2024	CARE 'A+'	Standard
33	Dhanalaxmi Bank	Bank	Term Loan	25.00	25.00	2.48	Book Debts	12/31/2024	CARE 'A+'	Standard
34	IDFC First Bank	Bank	Term Loan	75.00	75.00	22.73	Book Debts	7/4/2025	CARE 'A+'	Standard
35	DBS Bank	Bank	Term Loan	30.00	30.00	13.64	Book Debts	12/31/2025	CARE 'A+'	Standard
36	Dhanalaxmi Bank	Bank	Term Loan	12.50	12.50	7.49	Book Debts	3/31/2026	CARE 'A+'	Standard
37	Federal Bank Limited	Bank	Term Loan	40.00	40.00	27.43	Book Debts	6/28/2027	CARE 'A+'	Standard
38	Axis Bank	Bank	Term Loan	40.00	40.00	28.92	Book Debts	8/31/2027	CARE 'A+'	Standard
39	IDFC First Bank	Bank	Term Loan	60.00	40.00	26.67	Book Debts	9/27/2026	CARE 'A+'	Standard
40	IDFC First Bank	Bank	Term Loan	60.00	20.00	15.00	Book Debts	9/27/2026	CARE 'A+'	Standard
41	Central Bank of India	Bank	Term Loan	75.00	75.00	59.99	Book Debts	9/30/2028	CARE 'A+'	Standard
42	Bank of Baroda	Bank	Term Loan	75.00	75.00	56.25	Book Debts	9/25/2027	CARE 'A+'	Standard
43	Bank of Maharashtra	Bank	Term Loan	50.00	50.00	43.08	Book Debts	12/5/2026	CARE 'A+'	Standard
44	DBS Bank	Bank	Term Loan	50.00	50.00	42.42	Book Debts	1/31/2027	CARE 'A+'	Standard
45	Indian Overseas Bank	Bank	Term Loan	100.00	100.00	100.00	Book Debts	6/30/2029	CARE 'A+'	Standard
46	Dhanalaxmi Bank	Bank	Term Loan	20.00	20.00	20.00	Book Debts	11/30/2026	CARE 'A+'	Standard
47	SIDBI	Bank	Term Loan	50.00	50.00	43.96	Book Debts	2/10/2027	CARE 'A+'	Standard
48	SIDBI	Bank	Term Loan	29.00	29.00	25.52	Book Debts	2/10/2027	CARE 'A+'	Standard
49	SIDBI	Bank	Term Loan	43.00	43.00	38.98	Book Debts	2/10/2027	CARE 'A+'	Standard
50	Federal Bank Limited	Bank	Term Loan	50.00	50.00	46.80	Book Debts	6/15/2028	CARE 'A+'	Standard

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Sr. No.	Name	Bank/ FIs	Nature of facility	Amount Sanctioned (Rs. Crs)	Availed (Rs. Crs)	Principal Outstanding (Rs. Crs)	Security Type	Repayment Date / Schedule (MM/DD/YYYY)	Credit Rating	Asset classification
51	Federal Bank Limited	Bank	Term Loan	50.00	50.00	46.83	Book Debts	6/30/2028	CARE 'A+'	Standard
52	Ujjivan Small Finance Bank	Bank	Term Loan	20.00	20.00	1.11	Book Debts	11/30/2024	CARE 'A+'	Standard
53	Jana Small Finance Bank	Bank	Term Loan	65.00	65.00	36.83	Book Debts	2/3/2026	CARE 'A+'	Standard
54	CSB Bank Limited	Bank	Term Loan	30.00	30.00	7.46	Book Debts	6/30/2025	CARE 'A+'	Standard
55	Kotak Mahindra Bank	Bank	Term Loan	25.00	25.00	12.49	Book Debts	9/2/2026	CARE 'A+'	Standard
56	SIDBI	Bank	Term Loan	28.00	28.00	25.38	Book Debts	2/10/2027	CARE 'A+'	Standard
57	Indian Bank	Bank	Term Loan	75.00	75.00	44.98	Book Debts	9/28/2027	CARE 'A+'	Standard
58	Federal Bank Limited	Bank	Term Loan	15.00	15.00	1.84	Book Debts	12/29/2025	CARE 'A+'	Standard
59	Federal Bank Limited	Bank	Term Loan	15.00	15.00	4.56	Book Debts	12/29/2025	CARE 'A+'	Standard
60	Yes Bank	Bank	Term Loan	30.00	30.00	2.50	Book Debts	12/30/2024	CARE 'A+'	Standard
61	Federal Bank Limited	Bank	Term Loan	25.00	25.00	10.90	Book Debts	6/23/2026	CARE 'A+'	Standard
62	Axis Bank	Bank	Term Loan	40.00	40.00	38.30	Book Debts	7/31/2028	CARE 'A+'	Standard
63	City Union Bank	Bank	Term Loan	25.00	25.00	25.20	Book Debts	11/30/2027	CARE 'A+'	Standard
64	Capital Small Finance Bank	Bank	Term Loan	18.00	18.00	17.42	Book Debts	9/30/2027	CARE 'A+'	Standard
65	IDFC First Bank	Bank	Term Loan	125.00	125.00	124.86	Book Debts	9/23/2028	CARE 'A+'	Standard
66	Indian Bank	Bank	Term Loan	30.00	30.00	30.00	Book Debts	9/30/2027	CARE 'A+'	Standard
69	Ujjivan Small Finance Bank	Bank	Term Loan	30.00	30.00	24.17	Book Debts	2/28/2027	CARE 'A+'	Standard
70	Au Small Finance Bank	Bank	Term Loan	50.00	50.00	2.78	Book Debts	11/3/2024	CARE 'A+'	Standard
71	Au Small Finance Bank	Bank	Term Loan	25.00	25.00	4.86	Book Debts	4/3/2025	CARE 'A+'	Standard
72	Bandhan Bank	Bank	Term Loan	70.00	70.00	19.09	Book Debts	7/1/2025	CARE 'A+'	Standard
73	Karur Vyasya Bank	Bank	Term Loan	25.00	25.00	15.62	Book Debts	3/27/2027	CARE 'A+'	Standard
74	Au Small Finance Bank	Bank	Term Loan	30.00	30.00	13.33	Book Debts	1/18/2026	CARE 'A+'	Standard
75	Ujjivan Small Finance Bank	Bank	Term Loan	25.00	25.00	11.81	Book Debts	2/28/2026	CARE 'A+'	Standard

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Sr. No.	Name	Bank/ FIs	Nature of facility	Amount Sanctioned (Rs. Crs)	Availed (Rs. Crs)	Principal Outstanding (Rs. Crs)	Security Type	Repayment Date / Schedule (MM/DD/YYYY)	Credit Rating	Asset classification
76	Bandhan Bank	Bank	Term Loan	85.00	85.00	54.09	Book Debts	7/1/2026	CARE 'A+'	Standard
77	Karur Vyasya Bank	Bank	Term Loan	25.00	25.00	23.75	Book Debts	2/12/2029	CARE 'A+'	Standard
78	Au Small Finance Bank	Bank	Term Loan	50.00	50.00	50.00	Book Debts	9/18/2027	CARE 'A+'	Standard
79	Bandhan Bank	Bank	Term Loan	80.00	80.00	80.00	Book Debts	10/1/2027	CARE 'A+'	Standard
81	HDFC Bank Limited	Bank	Term Loan	25.00	25.00	4.43	Book Debts	4/7/2025	CARE 'A+'	Standard
82	HDFC Bank Limited	Bank	Term Loan	15.00	15.00	3.37	Book Debts	6/7/2025	CARE 'A+'	Standard
83	HDFC Bank Limited	Bank	Term Loan	15.00	15.00	5.83	Book Debts	1/7/2026	CARE 'A+'	Standard
84	Utkarsh Small Finance Bank	Bank	Term Loan	18.00	18.00	3.50	Book Debts	4/25/2025	CARE 'A+'	Standard
85	Utkarsh Small Finance Bank	Bank	Term Loan	22.00	22.00	10.39	Book Debts	2/25/2026	CARE 'A+'	Standard
86	HDFC Bank Limited	Bank	Term Loan	25.00	25.00	17.08	Book Debts	4/7/2027	CARE 'A+'	Standard
87	Yes Bank	Bank	Term Loan	30.00	30.00	22.50	Book Debts	9/27/2027	CARE 'A+'	Standard
88	HDFC Bank Limited	Bank	Term Loan	25.00	25.00	19.13	Book Debts	4/7/2027	CARE 'A+'	Standard
89	HDFC Bank Limited	Bank	Term Loan	75.00	50.00	40.62	Book Debts	12/5/2026	CARE 'A+'	Standard
90	HDFC Bank Limited	Bank	Term Loan	25.00	25.00	21.35	Book Debts	12/5/2026	CARE 'A+'	Standard
91	HDFC Bank Limited	Bank	Term Loan	30.00	30.00	29.29	Book Debts	2/28/2028	CARE 'A+'	Standard
92	HDFC Bank Limited	Bank	Term Loan	20.00	20.00	18.75	Book Debts	5/31/2028	CARE 'A+'	Standard
93	Yes Bank	Bank	Term Loan	30.00	30.00	25.63	Book Debts	2/29/2028	CARE 'A+'	Standard
94	Yes Bank	Bank	Term Loan	30.00	30.00	26.25	Book Debts	2/29/2028	CARE 'A+'	Standard
95	Karnataka Bank Ltd	Bank	Term Loan	25.00	25.00	12.49	Book Debts	7/30/2026	CARE 'A+'	Standard
96	Karnataka Bank Ltd	Bank	Term Loan	25.00	25.00	18.75	Book Debts	9/29/2027	CARE 'A+'	Standard
97	South Indian Bank	Bank	Term Loan	25.00	25.00	25.00	Book Debts	7/20/2029	CARE 'A+'	Standard
102	Poonawalla Finance	NBFC	Term Loan	25.00	25.00	23.81	Book Debts	7/5/2027	CARE 'A+'	Standard
103	Nabkisan Finance Limited	NBFC	Term Loan	35.00	35.00	5.82	Book Debts	2/1/2025	CARE 'A+'	Standard

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Sr. No.	Name	Bank/ FIs	Nature of facility	Amount Sanctioned (Rs. Crs)	Availed (Rs. Crs)	Principal Outstanding (Rs. Crs)	Security Type	Repayment Date / Schedule (MM/DD/YYYY)	Credit Rating	Asset classification
104	MUDRA	NBFC	Term Loan	25.00	25.00	2.00	Book Debts	3/1/2025	CARE 'A+'	Standard
105	MUDRA	NBFC	Term Loan	50.00	50.00	22.70	Book Debts	10/10/2025	CARE 'A+'	Standard
106	MAS Finance	NBFC	Term Loan	20.00	20.00	10.00	Book Debts	3/25/2026	CARE 'A+'	Standard
107	Nabkisan Finance Limited	NBFC	Term Loan	25.00	25.00	18.18	Book Debts	8/1/2026	CARE 'A+'	Standard
108	Poonawalla Finance	NBFC	Term Loan	50.00	50.00	38.83	Book Debts	12/5/2026	CARE 'A+'	Standard
109	MUDRA	NBFC	Term Loan	25.00	25.00	18.19	Book Debts	12/5/2026	CARE 'A+'	Standard
110	Nabsamruddhi Finance	NBFC	Term Loan	52.50	52.50	49.58	Book Debts	2/29/2028	CARE 'A+'	Standard
111	MUDRA	NBFC	Term Loan	75.00	75.00	75.00	Book Debts	12/11/2026	CARE 'A+'	Standard
112	Kotak Mahindra Investment LTD	NBFC	Term Loan	50.00	50.00	50.00	Book Debts	9/30/2027	CARE 'A+'	Standard
113	STCI Finance	NBFC	Term Loan	25.00	25.00	15.63	Book Debts	3/28/2027	CARE 'A+'	Standard
114	Bajaj Finance Ltd	NBFC	Term Loan	35.00	35.00	13.61	Book Debts	10/27/2025	CARE 'A+'	Standard
115	Manappuram Finance Limited II	NBFC	Term Loan	40.00	40.00	35.45	Book Debts	6/30/2026	CARE 'A+'	Standard
116	Mahindra & Mahindra Finance	NBFC	Term Loan	40.00	40.00	15.90	Book Debts	10/27/2025	CARE 'A+'	Standard
117	Aditya Birla Finance Limited	NBFC	Term Loan	25.00	25.00	12.15	Book Debts	1/30/2026	CARE 'A+'	Standard
118	Bajaj Finance Ltd	NBFC	Term Loan	25.00	25.00	18.06	Book Debts	10/31/2026	CARE 'A+'	Standard
119	Aditya Birla Finance Limited	NBFC	Term Loan	25.00	25.00	19.43	Book Debts	12/5/2026	CARE 'A+'	Standard
120	Sundaram Finance Limited	NBFC	Term Loan	25.00	25.00	4.71	Book Debts	3/22/2025	CARE 'A+'	Standard
121	Sundaram Finance Limited	NBFC	Term Loan	25.00	25.00	13.45	Book Debts	3/22/2025	CARE 'A+'	Standard
122	Tata Capital Finance Limited	NBFC	Term Loan	22.00	22.00	17.42	Book Debts	11/5/2027	CARE 'A+'	Standard
123	Bajaj Finance Ltd	NBFC	Term Loan	35.00	35.00	35.00	Book Debts	8/29/2027	CARE 'A+'	Standard
124	Sundaram Finance Limited	NBFC	Term Loan	50.00	50.00	47.45	Book Debts	7/17/2027	CARE 'A+'	Standard

7. Details of outstanding non-convertible securities as on the preceding quarter (as on 30th September 2024):

Sl. NO	Name of the Lender	Facility	Sanctioned (INR in Cr)	Availed as on Sep-24 (INR in Cr)	Outstanding as at 30 September 2024 (INR in Cr)	Book Debts	Date of Maturity
1	Vardhaman Trustee (Neo)	NCD-Secured	100.00	100.00	50.00		8/11/2025
2	Vardhaman Trustee (Northern Arc)	NCD-Secured	50.00	50.00	41.67		3/27/2027
3	Equirus Securities	NCD-Secured	60.00	60.00	60.00	Book Debts	7/30/2027
4	Dezerv	NCD-Secured	70.00	70.00	70.00	Book Debts	6/25/2026
5	Northern Arc Capital	NCD-Sub Debt	25.00	25.00	25.00	-	7/20/2026
6	Northern Arc Capital	NCD-Unsecured	70.00	70.00	17.50	-	3/27/2025
36	Piramal Capital	NCD-Sub Debt	140.00	140.00	140.00	-	4/28/2028

8.

9. List of top 10 holders of non-convertible securities in terms of value as on the preceding quarter (as on 30th September 2024) (in cumulative basis):

Sr. No.	Name of holder	Category of holder	Face value of holding	Amount	Principal Amount Outstanding	% of total non-convertible security outstanding
1	PIRAMAL STRUCTURED CREDIT OPPORTUNITIES FUND	TRUSTS - DOMESTIC COMPANIES	10000000	1400000000	1400000000	49.33920705
2	Kotak Mahindra Investments Limited	CORPORATE BODIES - DOMESTIC COMPANIES	100000	500000000	37,50,00,000	13.21585903
3	NORTHERN ARC CAPITAL LIMITED	CORPORATE BODIES - DOMESTIC COMPANIES	100000	242900000	242900000	8.560352423
4	NEO WEALTH MANAGEMENT PRIVATE	CLEARING MEMBER - DOMESTIC	100000	289500000	21,71,25,000	7.651982379

	LIMITED	COMPANIES				
5	KOGTA FINANCIAL INDIA LTD	CORPORATE BODIES - DOMESTIC COMPANIES	100000	150000000	112500000	3.964757709
6	NAVAL GROUP INSURANCE FUND	TRUSTS - DOMESTIC COMPANIES	100000	130000000	8,12,50,000	2.863436123
7	NORTHERN ARC CAPITAL LIMITED	CORPORATE BODIES - DOMESTIC COMPANIES	100000	109700000	6,85,62,500	2.416299559
8	UNIFI AIF	ALTERNATE INVESTMENT FUND - DOMESTIC COMPANIES	100000	104700000	6,54,37,500	2.306167401
9	PROFECTUS CAPITAL PRIVATE LIMITED	CORPORATE BODIES - DOMESTIC COMPANIES	100000	66000000	4,12,50,000	1.453744493
10	PRAKASH COTTON MILLS PRIVATE LIMITED	CORPORATE BODIES - DOMESTIC COMPANIES	100000	27900000	1,74,37,500	0.614537445

10. Details of Share Capital as on last quarter end, i.e., 30th September 2024:

Share Capital	Amount (in Rs.)
Authorised Share Capital	1,05,00,00,000
8,00,00,000 Equity shares of Rs.10 each	80,00,00,000
25,00,000 Preference shares of Rs.100 each	25,00,00,000
TOTAL	1,05,00,00,000
Issued, Subscribed and Fully Paid- up Share Capital	
7,01,56,445 Equity Shares of Rs. 10/-each	70,15,64,450
Issued, Subscribed and Paid-up Preference Share Capital	Nil
TOTAL	70,15,64,450

11. Any change in the capital structure as at the last quarter end, i.e., 31st March 2024 for the preceding three financial years and the current year: Not Applicable

Date of Change (AGM / EGM)	INR	Particulars

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12. Details of Equity Share Capital of the Company for the preceding three financial year and the current financial year:

Date of Allotment	No of Equity Shares	Face Value (in Rs.)	Issue Price (in Rs.)	Consideration	Nature of Allotment	Cumulative Paid Up Capital			Remarks
						No of Equity Shares	Equity Share Capital (in Rs.)	Equity Share Premium (in Rs.)	
10.11.2022	18,75,603	10.00	209	39,20,01,027	Issue of shares under private placement	5,45,34,670	54,53,46,700	1,43,08,81,746	Nil
17.02.2023	24,58,962	10.00	215	52,86,76,830	Issue of shares under private placemen	5,69,93,632	56,99,36,320	1,93,49,68,956	Nil
31.03.2023	75,81,418	10.00	215	1,63,00,04,870	Issue of shares under private placemen	6,45,75,050	64,57,50,500	3,48,91,59,645	Nil
21.08.2023	55,81,395	10.00	215	1,19,99,99,925	Issue of shares under private placemen	7,01,56,445	70,15,64,450	4,63,33,45,621	Nil

13. Details of outstanding unsecured loan facilities as on the preceding quarter (as on 30th September 2024): Nil

Name of lender Bank / FI Name	Type of Facility	Amount Sanctioned (INR in Crore)	Availed Amt	Principal Amount Outstanding	Repayment date /schedule
-	-	-	-	-	-

14. Details of outstanding commercial papers as on the preceding quarter (as on 30th September 2024): Not Applicable

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Series of NCS	ISIN	Tenor / Maturity Period in no. of Days	Coupon	Amount Outstanding (in Crores)	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security	details of Issuing and Paying Agent
-	-	-	-	-	-	-	-	-	-	-

15. List of top 10 holders of commercial papers in terms of value as on the preceding quarter (as on 30th September 2024) (in cumulative basis): Not Applicable

Sl. No	Name of holder	Category of holder	Face Value of holding	% of total non-convertible security outstanding
-	-	-	-	-

16. Details of change in auditor for preceding three financial years and current financial year:

Name of the Auditor	Address	Date of Appointment	Date of cessation, if applicable	Date of resignation, if applicable
SGCO & Co., L.L.P., Chartered Accountants	4A, Kaledonia 2nd Floor, Sahar Road, Near Andheri Station, Andheri (East), Mumbai - 400 069	**30.09.2021**	**30.09.2024**	**30.09.2024**
Mukund M. Chitale & Co	2nd Floor, Kapur House, Paranjape B Scheme, Road No:1, Vile Parle (E), Mumbaio	**30.09.2024**	**NA**	**NA**

17. Details of change in directors in the preceding three financial years and the current financial year:

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Name	Designation	DIN	Date of Appointment	Date of Reappointment	Date of Cessation, if applicable	Date of resignation, if applicable	Remarks
Sunkara Veerabhadra Rao	Independent Director	01180981	30.12.2005	-	-	10.02.2023	NIL
V.Indira Devi	Whole time Director	03161174	30.05.1991	-	-	14.07.2023	NIL
Nageswra Rao Yalamanchili	Independent Director	06651230	01.12.2021	-	-	11.08.2023	NIL
Sunil Rewachand Chandiramani	Independent Director	00524035	30.09.2022	-	-	-	NIL
GopalaKrishna Gurappa	Independent Director	06407040	30.09.2022	-	-	11.08.2023	NIL
Abhishek Agrawal	Nominee Director	06760344	30.05.2023	-	-	-	NIL
Ganesh Sethuraman	Independent Director	07152185	14.07.2023	-	-	-	NIL
Raman Uberoi	Independent Director	03407353	13.02.2024	-	-	-	NIL
Kannan	Independent Director	01354529	13.02.2024	-	-	-	NIL
Vasantha Lakshmi Vupputuri	Alternate Director	03610979	21.10.2015	--	-	05.11.2024	Nil

18. Details of directors' remuneration, and such particulars of the nature and extent of their interests in the Company (during the current year and preceding three financial years):

Remuneration payable or paid to a director by the Company, its subsidiary or associate company; shareholding of the director in the company, its subsidiaries and associate companies on a fully diluted basis.	**(INR - In Lakhs)** **Director** | **Fiscal FY 24-25 (Up to September 2024)** | **Fiscal FY 23-24** | **Fiscal FY 22-23** | **Fiscal FY 21-22** **V.G.K.Prasad, Chairman** | 0.72 | 1.19 | 0.84 | 0.76 **K Vasumathi Devi, Managing Director** | 0.36 | 0.65 | 0.60 | 0.54
Appointment of any relatives to an office or place of profit of the issuer, its subsidiary or associate company	NIL

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Full particulars of the nature and extent of interest, if any, of every director: A. in the promotion of the issuer company; or B. in any immoveable property acquired by the issuer company in the two years preceding the date of the issue document or any immoveable property proposed to be acquired by it; or C. where the interest of such a director consists in being a member of a firm or company, the nature and extent of his interest in the firm or company, with a statement of all sums paid or agreed to be paid to him or to the firm or company in cash or shares or otherwise by any person either to induce him to become, or to help him qualify as a director, or otherwise for services rendered by him or by the firm or company, in connection with the promotion or formation of the issuer company shall be disclosed	NIL
Contribution being made by the directors as part of the offer or separately in furtherance of such objects	NIL

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ANNEXURE XI: LAST AUDITED FINANCIAL STATEMENTS

Audited Financials for FY 2021-2022, FY 2022-2023 and FY 2023-2024 and unaudited limited review financials for the period ended 30th September 2024 are as below:

(A) Unaudited Limited Review Financials for the period ended September 30, 2024 – https://www.ikffinance.com/assets/pdf/FINANCIAL%20RESULTS_IKF_SEP%2030%202024.pdf

(B) Audited Financials for the financial year ended 2023-2024 –

https://www.ikffinance.com/assets/pdf/financials_reports/STANDALONE%20AND%20CONSOLIDATED%20FINANCIALS%20-2023-24.pdf

(C) Audited Financials for the financial year ended 2022-2023 –

https://www.ikffinance.com/assets/pdf/financials_reports/Standalone%20Financials%2031032023.pdf

(D) Audited Financials for the financial year ended 2021-2022 –

https://www.ikffinance.com/assets/pdf/financials_reports/IKF_Mar-22_Audited%20Financial%20Results.pdf

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Related Party Transactions
(As on March 31, 2024)

As set out in the Financial Statements