

IKF HOME FINANCE LIMITED ("THE COMPANY")

22ND ANNUAL REPORT FOR THE FINANCIAL YEAR-2023-24

BOARD OF DIRECTORS /KMPs

Sr. No.	Name of the Director/KMP	DIN	Current Designation
1	Mrs. Vupputuri Vasantha Lakshmi	03610979	Managing Director
2	Mr. Vupputuri Gopala Kishan Prasad	01817992	Non-Executive Director
3	Mr. Radheyyshyam Garg	08650678	Non-Executive-Independent Director
4	Mr. Purnachandra Rao Vankineni	00391733	Non-Executive-Independent Director
5	Mrs. Vasumathi Devi Koganti	03161150	Non-Executive Director
6	Mr. Alekha Charan Rout	08005616	Non-Executive-Independent Director
7	Ms. Nethra Bhat	10119287	Nominee Director
8	Mr. Srinivasa Rao Chapalamadugu	NA	Chief Financial Officer
9	Mr. Abhishek Jain	NA	Company Secretary and Compliance Officer

SENIOR EXECUTIVES

Sr. No.	Name	Current Designation
1	Mr. Sriram Raghammudi	National Operations Manager
2	Mr. Raghuveer Kamble	Chief Risk Officer
3	Mr. Sudhir Kumar Seethepalli	National Credit Manager
4	Mr. Giridhar Vellore	National Collections Manager

BOARD COMMITTEES

AUDIT COMMITTEE:

1. Mr. Radhey Shyam Garg
2. Mr. Purna Chandra Rao Vankineni
3. Mrs. Vasumathi Devi Koganti
4. Mr. Alekha Charan Rout

MANAGEMENT COMMITTEE:

1. Mrs. Vupputuri Vasantha Lakshmi,
2. Mr. Vupputuri Gopala Kishan Prasad
3. Mr. Purna Chandra Rao Vankineni

NOMINATION & REMUNERATION COMMITTEE:

1. Mrs. Vupputuri Gopala Kishan Prasad
2. Mr. Purna Chandra Rao Vankineni
3. Mr. Radhey Shyam Garg

RISK MANAGEMENT COMMITTEE:

1. Mr. Vupputuri Gopala Kishan Prasad
2. Mrs. Vupputuri Vasantha Lakshmi
3. Mrs. Vasumathi Devi Koganti
4. Mr. Raghuveer Kamble

CUSTOMER SERVICE AND GRIEVANCE REDRESSAL COMMITTEE:

1. Mrs. Vupputuri Vasantha Lakshmi
2. Mr. Sriram Raghammudi
3. Mr. Sudhir Seethepalli

ASSET LIABILITY MANAGEMENT, ASSET CLASSIFICATION COMMITTEE:

1. Mr. Vupputuri Gopala Kishan Prasad
2. Mrs. Vupputuri Vasantha Lakshmi
3. Mrs. Vasumathi Devi Koganti

INFORMATION TECHNOLOGY STRATEGY COMMITTEE ("ITSC"):

1. Mr. Alekha Charan Rout
2. Mr. Radhey Shyam Garg
3. Mrs. Vupputuri Vasantha Lakshmi
4. Mr. Ravi Jayanthi
5. Mr. Raghuveer Kamble

SENIOR MANAGEMENT AND INFORMATION TECHNOLOGY STEERING COMMITTEE

1. Mrs. Vupputuri Vasantha Lakshmi
2. Mr. Sriram Raghammudi
3. Mr. Ravi Jayanthi
4. Mr. Raghuveer Kamble
5. Mr. Pagadala Srinivas Rao

STATUTORY AUDITORS:

K.S. Rao & Co., Chartered Accountants
Address: 54-19-4B, Ground Floor, 2nd Lane
Jayaprakash Nagar Vijayawada, Andhra
Pradesh-520008

INTERNAL AUDITORS:

M/s Brahmaiah & Co Chartered Accountants
Address: No 33-25-33/3, Govinda Rajulu Naidu Street,
Surya Rao Pet, Vijayawada – 520010, Andhra Pradesh

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
Contact No: 04040144582
Email [Id: ids@bigshareonline.com](mailto:ids@bigshareonline.com)

TRUSTEE FOR DEBENTURES:

Vardhman Trusteeship Private Limited
The Capital, A Wing 412A, Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051
Contact No: +91 (022) 4264 8335

BANKERS/FINANCIAL INSTITUTION:

Federal bank
IDFC
Capital SFB
Karur Vysya Bank
Yes Bank TL 1
HDFC
IDBI Bank
CSB Bank
South Indian Bank
Ujjivan Small Finance Bank
Utkarsh Small Finance Bank
Jana Small Finance Bank
Dhanalaxmi Bank
Bank of Baroda
State Bank of India
Bank of Maharashtra
Indian Overseas Bank
Indian Bank
Poonawalla Fincorp Ltd
LIC Housing Finance
Sundaram Finance
Tata Capital
Hinduja Leyland Finance
MAS Financials
Bajaj Finance
MAS Rural
National Housing Bank
NCD-Northern ARC

SECRETARIAL AUDITORS:

M/s. B.S.S. Associates
Practising Company Secretaries
Address: Flat No 5A, Parameshwara Apartments,
Beside SBI, Anand Nagar, Khairtabad, Hyderabad –
500004 Telangana

TRUSTEE FOR SECURITIZATION/DIRECT ASSIGNMENT:

IDBI Trusteeship Services Limited Asian Building,
Address: Ground Floor, 17, R. Kamani Marg,
Ballard Estate, Mumbai – 400 001
Contact Nos: 022 40807000, +91 7208822299,
+91 8591585821
Email Id: itsl@idbitrustee.com

Catalyst Trusteeship Limited (Erstwhile GDA
Trusteeship Limited)
Address: Windsor, 6th floor, Office No.604,
C.S.T. Road, Kalina, Santacruz (East) Mumbai
400098
Contact No: +91 (022) 4922 0555
dt.mumbai@ctltrustee.com

Beacon Trusteeship Limited
4C&D Sidhivinayak Chambers, Gandhi
Nagar, Opp MIG Cricket Club, Bandra (EAST),
Mumbai – 400051
Contact No: +91 9555449955
Email Id: contact@beacontrustee.co.in

Vardhman Trusteeship Private Limited
The Capital, A Wing 412A, Bandra Kurla
Complex, Bandra (East), Mumbai – 400 051
Contact No: +91 (022) 4264 8335

CORPORATE OFFICE:

Plot no's – 30/A, Survey no - 83/111th Floor, My
Home Twitza Diamond Hills, Lumbini Avenue,
APIIC Hyderabad, Knowledge City, Raidurg,
Hyderabad – 500 081, Telangana, India
Phone: 040 – 69268899

[Email Id: Info@ikfhomefinance.com](mailto:Info@ikfhomefinance.com)

Corporate Identity Number:
U65922AP2002PLC039417

REGISTERED OFFICE:

Address: # 40-1-44, 1st Floor, Corporate Centre,
M.G. Road, Vijayawada- 520 010 Andhra Pradesh,
India
Phone: 08662474644
Website: www.ikfhomefinance.com

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NOTICE OF 22ND ANNUAL GENERAL MEETING (“AGM”)

NOTICE is hereby given that the Twenty-Second (22nd) AGM of the Members of IKF Home Finance Limited (“the Company”) will be held on September 27, 2024, at 12:30 p.m. Indian Standard Time (IST), through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”) facility to transact the following businesses:

ORDINARY BUSINESS:

ITEM NO.: 01: CONSIDERATION AND ADOPTION OF THE AUDITED STANDALONE FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024, AND THE REPORTS OF THE BOARD OF DIRECTORS AND AUDITOR THEREON.

To consider, and if thought fit, to pass the following Resolution as an Ordinary Resolution:

“**RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2024, and the reports of the Board of Directors and Auditor’s thereon as circulated to the members with the notice of the Annual General Meeting, be and are hereby received, considered and adopted.”

ITEM NO.: 02: APPOINT MRS. VASUMATHI DEVI KOGANTI (DIN: 03161150), AS A DIRECTOR LIABLE TO RETIRE BY ROTATION AND IS ELIGIBLE FOR RE-APPOINTMENT ON THE SAME TERMS AND CONDITIONS.

To consider, and if thought fit, to pass the following Resolution as an Ordinary Resolution:

“**RESOLVED THAT** Mrs. Vasumathi Devi Koganti (DIN: 03161150) Non-Executive Director who retires by rotation at the 22nd Annual General Meeting in accordance with the Section 152 of the Companies Act, 2013 read with the Articles of Association of the Company and being eligible has offered herself for re-appointment, be and is hereby re-appointed as a Non-Executive Director of the Company, liable to retire by rotation.

SPECIAL BUSINESS:

ITEM NO.: 03: TO APPROVE ALTERATION OF THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY.

To consider, and if thought fit, to pass the following Resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 4, 13 and other applicable provisions of the Companies Act, 2013, read with the Companies (Incorporation) Rules, 2014 and other applicable rules and regulations made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), (collectively referred to as, the “Companies Act”), and pursuant to the approval and recommendation of the Board of Directors (“Board”) of the Company, the consent of the Shareholders of the Company, be and is hereby accorded to amend the Objects Clause of the Memorandum of Association of the Company (“MOA”) by inserting the following clause as sub-clause 6 of Clause III(A) in the main object clause of the MOA:



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“6. To act as corporate agents, representatives, sub-insurance agents, franchisees, consultants, advisors, collaborators, and group insurance holders for life, general and health insurance and engage in the activity of promotion, distribution, sales, advertising, marketing of insurance products and also facilitate the customer in the claim settlements.”

RESOLVED FURTHER THAT the Board of Directors of the Company, the Chief Financial Officer of the Company, and the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper, or desirable including filing of requisite forms, files, reports, returns and documents with such appropriate authorities and to settle any question, difficulty, doubt that may arise in respect of the alteration of the Memorandum of Association and further to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution.”

Registered Office:

40-1-144, 1st Floor, Corporate Centre, M.G. Road,
Vijayawada-520010, Andhra Pradesh, India.

CIN : U65922AP2002PLC039417

E-mail : cs@ikfhomefinance.in

Date : August 12, 2024

By the Order of the Board of Directors

IKF HOME FINANCE LIMITED

Sd/-

Abhishek Jain

Company Secretary & Compliance Officer

Membership No.: A62027

NOTES:

1. The Ministry of Corporate Affairs ('MCA'), Government of India ("MCA") vide its General Circular Nos. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, followed by General Circular No 20/2020 dated May 05, 2020, and subsequent circulars issued in this regard, the latest being 10/2022 dated December 28, 2022, allowed, inter-alia, the conduct of AGMs through Video Conferencing/ Other Audio-Visual Means ("VC/ OAVM") facility on or before September 30, 2024 (collectively referred to as "MCA Circulars"). The Securities and Exchange Board of India ("SEBI") has provided certain relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements Regulations, 2015 ("Listing Regulations"). In compliance with the provisions of the Companies Act, 2013 read with MCA Circulars and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the 22nd AGM of the Company will be held through VC/OAVM, which does not require physical presence of members at a common venue.

In accordance with the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI") read with Clarification / Guidance on the applicability of Secretarial Standards-1 and 2 dated April 15, 2020, issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM. The proceedings of the Twenty-Second AGM shall be deemed to be conducted at the Registered Office of the Company at 40-1-144, 1st Floor, Corporate Centre, M.G. Road, Vijayawada-520010, Andhra Pradesh, India which shall be the deemed venue of the AGM.

The Deemed Venue for the 22nd AGM shall be the **Registered Office of the Company i.e., 40-1-144, 1st Floor, Corporate Centre, M.G. Road, Vijayawada-520010, Andhra Pradesh, India.** Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.

2. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need 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. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and therefore the Proxy Form and Attendance Slip are not annexed to this Notice. 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 corporate body can attend the AGM through VC / OAVM and cast their votes through e-voting.
3. Pursuant to Section 101 of the Act, consent to convene the meeting at shorter notice has been obtained from the Members of the Company.
4. Information with respect to Mrs. Vasumathi Devi Koganti (DIN: 03161150) seeking re-appointment as Director(s) at this AGM, as required under the Secretarial Standards is annexed hereto and forms part of the AGM Notice.
5. Corporate members are required to send a scanned copy (PDF/JPG Format) of the Board Resolution/ Power of Attorney authorizing its representatives to attend and vote at the AGM through VC / OAVM on its behalf pursuant to Section 113 of the Act.

6. In the case of joint holders attending the Meeting, only such joint holders who are higher in the order of names will be entitled to vote.
7. A statement pursuant to Section 102 (1) of the Companies Act, 2013 ('the Act') setting out the material facts concerning each item of special business set out in the Notice is annexed hereto.
8. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
9. The following documents/registers will be available for online inspection by the Members of the Company up to the date of the AGM:
 - a. The Register of Directors and Key Managerial Personnel and their Shareholding and Register of Contracts or arrangement in which Directors are interested under the Companies Act, 2013.
 - b. All the documents referred to in the AGM Notice and the Explanatory Statement are annexed to the AGM Notice.

Members who wish to inspect any of the abovementioned documents may write to the Company at cs@ikfhomefinance.in.

10. The Members desiring any information relating to the accounts or have any questions, are requested to write to the Company at cs@ikfhomefinance.in before the date of the Annual General Meeting, so as to enable the Management to keep the information ready and provide it at the AGM. Provided that the information to be provided shall be within four corners of the law and shall be provided that is permissible under the law.
11. All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company from 10:00 AM (IST) to 5:00 PM (IST) on all working days, up to and including the date of the AGM of the Company and are also available at the weblink: www.ikfhomefinance.com.
12. The Company's Registrar & Transfer Agent for its share registry (both, physical as well as electronic) is **Bigshare Services Private Limited** Office No S6-2, 6th-floor Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai-400093, Maharashtra, India. (Unit: IKF Home Finance Limited).
13. The resolutions as set out in the AGM Notice shall be deemed to be passed on the date of the AGM subject to receipt of the requisite number of votes in favour of the resolution(s).



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INFORMATION OF DIRECTOR(S) SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING OF THE COMPANY

Pursuant to Secretarial Standards-2 notified under Section 118 (10) of the Companies Act, 2013

Name of the Director(s)	Mrs. Vasumathi Devi Koganti
Age	49
Date of first Appointment on the Board of the Company	20/07/2017
Qualifications,	BE (Electronics & Communications), MBA (Global Management, USA)
Brief Resume, Experience and Nature of her expertise in functional areas	Having nine (9) years of working experience in IT and Telecommunications in several US Companies. Associated with IKF Finance Limited and IKF Home Finance Limited as Director.
Terms and Conditions of appointment / re- appointment	Mrs. Vasumathi Devi Koganti is Liable to retire by rotation.
Remuneration sought to be paid	Nil
Remuneration last drawn (FY 2023-24)	Nil
Shareholding in the Company	6,97,313 Equity Shares
Relationship with other Directors / Managers / Key Managerial Personnel	Daughter of Mr. Gopala Kishan Prasad Vupputuri and Sister of Mrs. Vasantha Lakshmi Vupputuri.
No. of Board Meetings attended during the financial year 2023-24	8
Other Directorships	IKF Finance Limited (Managing Director)
Membership / Chairmanship of Committees of other Boards	IKF Finance Limited Risk Management Committee: Member Asset Liability Management Committee: Member IT & Digital Transformation Strategy Committee: Member Management Committee: Member

EXPLANATORY STATEMENT

As required under Section 102(1) of the Companies Act, 2013, this Explanatory Statement contains relevant and material information, as detailed herein, to enable the Members to consider the above Items in the Notice

ITEM NO. 3:

The Company is proposing to register itself as a Corporate Agent with the Insurance Regulatory Development Authority of India (“IRDAI”) to solicit life, general and health insurance business under the IRDAI (Registration of Corporate Agents) Regulations, 2015. The Corporate Agency will enable the Company to cross-sell a broader range of insurance products to its customers.

Members are hereby informed that in order to align with the requirements, set forth by the IRDAI, the Company proposes to amend the enabling object clause in the Memorandum of Association (MOA) to include a new clause related to its role as a Corporate Agent. The proposed amendment is detailed below:

Clause to be inserted

“6. To act as corporate agents, representatives, sub-insurance agents, franchisees, consultants, advisors, collaborators, and group insurance holders for life, general and health insurance and engage in the activity of promotion, distribution, sales, advertising, marketing of insurance products and also facilitate the customer in the claim settlements.”

The Board recommends passing the resolution set out in Item No. 3 in the Notice convening the meeting.

Pursuant to the provisions of Section 4 and Section 13 of the Companies Act, 2013, any alteration to the MOA requires approval of the shareholders of the Company by way of a special resolution.

In view of the above, consent of members of the Company is being sought for alteration of the MOA of the Company.

A copy of the proposed new MOA of the Company would be available for inspection by the Members at the Registered Office of the Company during normal business hours between 10:00 AM (IST) to 5:00 PM (IST) on working days up to the date of the AGM.

None of the Directors or any Key Managerial Personnel(s) of the Company or their respective relatives, are concerned or interested financially or otherwise, either directly or indirectly in passing the said resolution, save and except to the extent of their respective interest as members of the Company, in the resolution set out in Item No. 3 of the Notice.

Registered Office:

40-1-144, 1st Floor, Corporate Centre, M.G. Road,
Vijayawada-520010, Andhra Pradesh, India.

CIN : U65922AP2002PLC039417

E-mail : cs@ikfhomefinance.in

Date : August 12, 2024

By the Order of the Board of Directors

IKF HOME FINANCE LIMITED

Sd/-

Abhishek Jain

Company Secretary & Compliance Officer

Membership No.: A62027

Particulars	2023-24	2022-23
Operational Highlights	Ind AS	
Approvals	586.59	443.98
Disbursements	468.82	361.43
Loans outstanding	1049.95	696.10
Loans under Management (including assets sold)	899.74	593.78
Financial Highlights		
Paid-up capital	69,24,82,045	62,14,31,830
Reserves and surplus	143,89,87,779	81,06,37,853
Net-worth	213,14,69,824	143,20,69,683
Total borrowings (Including Fixed Deposits)	715,45,77,006	523,87,60,045
Fixed Deposits	5,25,76,578	5,25,61,744
Profit before tax	32,48,66,905	14,37,77,117
Profit after tax (before exceptional item)	23,68,24,850	10,71,60,901
Profit after tax (after exceptional items)	23,68,24,850	10,71,60,901
Total Comprehensive Income for the period comprising Profit and other comprehensive income for the period	23,52,28,618	11,29,72,206
Dividend (%)	-	-
Dividend (including tax) - Amount in Crore	-	-
Return on average net worth (%)	13.3%	9.4%
Earnings per share	3.69	2.18
Capital Adequacy Ratio (%)	32.00%	37.51%
Cost-to-income ratio (%)	58.4%	70.7%
Gross non-performing loans (%)	0.76%	0.94%
Net non-performing loans (%)	0.56%	0.59%

DIRECTORS' REPORT

Dear Shareholders,

Your directors (hereinafter referred to as the Board) have the pleasure in presenting the 22nd (Twenty-Second) Annual Report of IKF Home Finance Limited (“the Company”) together with the Audited Financial Statements for the Financial Year ended March 31, 2024. In compliance with the applicable provisions of the Companies Act, 2013, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) (“Act”) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Regulations”), Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 (“Master Directions”), the circulars, directions, notifications issued by the Reserve Bank of India (“RBI”) and National Housing Bank (“NHB”) collectively referred as (“RBI HFC Directions”), This report covers the Financial Results and other developments in respect of the Company during the Financial Year ended March 31, 2024, and up to the date of the Board Meeting in which this report is approved.

1. FINANCIALS:

A. FINANCIAL AND OPERATION HIGHLIGHTS:

The Standalone Financial Performance of the Company for the year ended March 31, 2024, as compared with that of the previous Financial Year 2023-24 is summarized below:

(Figures¹– Rs. In Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Income from Operations	144.37	90.57
Other income	3.36	2.04
Total Revenue	147.73	92.61
Less: Total Expenses	115.24	78.24
Profit Before Tax	32.49	14.38
Profit After Tax before Exceptional Item	23.68	10.72
Exceptional Item	0	0
Profit After Tax after Exceptional Item	23.68	10.72
Other comprehensive income	0.08	0.58
Total Profit & Other comprehensive income	23.76	11.30
Add: Balance brought forward from the previous year	22.23	19.53
Amount available for appropriation	45.99	30.83
Transfer to Special Reserve under Section 36(1)(viii) of the Income-tax Act, 1961	0	0

Transfer to Special Reserve relating to earlier years	9.92	7.24
Transfer to Additional Reserve under Section 29C of National Housing Bank Act, 1987	5.92	2.68
Other Comprehensive Income	-0.16	0.58
Securities Premium	82.31	42.58
Transfer to General Reserve	0	0
Surplus carried to the Balance Sheet	45.99	28.15

¹Previous periods figures have been regrouped/rearranged wherever necessary.

No material changes and commitments affecting the financial position of your Company have occurred between the end of the year under review and the date of this Board's Report.

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards ("Ind AS") notified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

B. FINANCIALS REVIEW:

The Gross income of the Company during the year ended March 31, 2024, amounted to Rs. 147.73 crore, as against Rs. 92.61 crore in the previous year. Profit before tax was Rs. 32.49 crore, as against Rs. 14.38 crore, in the previous year. profit after tax for the year was Rs. 23.68 Crore as compared to Rs. 10.72 Crore in the previous year. The Company's net worth stood at Rs. 213.15 crore as on March 31, 2024 as compared to Rs. 143.21 crore in the previous Year. As on date of March 31, 2024, the regulatory capital adequacy ratio (CRAR) was 32.00%, well above the regulatory requirement.

C. BUSINESS REVIEW:

Sr. No.	Loan Approved	Loan Disbursement
Home Loan	317.13	240.76
Loan Against Property	269.46	228.06
Total	586.59	468.82

D. BORROWINGS:

As on March 31, 2024, the Company's outstanding term loans/CC from banks stood at Rs. 665.36 Crore as compared to Rs. 445.86 Crore in the previous year. Apart from bank borrowing, the company has raised the funds through the issue of Non-convertible debentures (NCD). The outstanding NCDs as on March 31, 2024, were Rs. 50.09 Crore as against Rs. 78.02 Crore as on March 31, 2023.

E. NHB REFINANCE:

The National Housing Bank ('NHB'), Refinance department has sanctioned a Refinance facility for the Company. During the year under review, your company has been sanctioned with refinancing from NHB with an Outstanding of Rs. 47.48 Crore on March 31, 2024, including earlier sanctions.

F. NATURE OF BUSINESS:

There is no change in the nature of the Business of your Company during the year under review.

G. DIVIDEND:

Your Directors have not recommended payment of dividends for the financial year ended March 31, 2024, since it is proposed to retain the same in the business.

H. UNPAID DIVIDEND & IEPF:

The Company is not required to transfer any amount to the Investor Education & Protection Fund (IEPF) and does not have an unclaimed dividend which remains to be transferred to the Unpaid Dividend Account.

I. RESERVES:

The Company has transferred an amount of Rs. 5.92 Crore to the statutory reserve as per the requirement of Section 29C of the National Housing Bank Act, 1987 and section 36(1)(viii) of the Income Tax Act, 1961.

J. CAPITAL ADEQUACY RATIO (CAR):

NHB Housing Finance Companies directions require your Company to maintain a minimum capital adequacy of 15% on a standalone basis. Your Company's capital adequacy ratio (CRAR) stood at 32.00% as on March 31, 2024, as compared to 37.51% in the previous Year.

K. COMPLIANCE WITH PRINCIPAL BUSINESS CRITERIA:

Your Company is adhering to Principal Business Criteria for HFCs as specified under Master Directions-Non-Banking Financial Company-Housing Finance Company (Reserve Bank) Directions, 2021 and as updated from time to time.

L. LISTING:

The Non-Convertible debentures issued by the Company are listed on the Bombay Stock Exchange and your Company has paid the annual listing fees to the Stock Exchange for FY 2024-25.

2. SHARE CAPITAL:

Authorized Share Capital: During the Financial Year under review, the Authorized Share Capital of the Company was increased from existing Rs. 65,00,00,000/- (Rupees Sixty-Five Crores only) divided into 6,50,00,000 (Six Crores Fifty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten only) each to Rs. 115,00,00,000 (Rupees One Hundred and Fifteen Crore Rupees only) divided into 11,50,00,000 (Eleven Crore Fifty Lakh) Equity Shares of Rs. 10/- (Rupees Ten only) each.

Further, the members of the Company in its Extra-Ordinary General Meeting held on March 23, 2024, had authorized the Board of Directors vide passing Special Resolution to issue equity shares with the Company having a face value of Rs. 10/- (Rupees Ten only) at a premium of Rs. 82/- (Rupees Eighty-Two only) i.e., at an Issue Price of Rs.92/- (Rupees Ninety-Two only) (“Issue Price”) each. The Board of Directors was authorized to create, offer, Issue and offer 96,88,043 Partly Paid Equity Shares on a Preferential basis Equity Shares.

3. HOLDING/SUBSIDIARY COMPANY:

During the year under review, IKF Finance Limited continues to be the Holding Company of the Company.

Your Company does not have any subsidiary, joint venture or associate company. Accordingly, disclosures under Rule 8(1) and Rule 8(5)(iv) of Companies (Accounts) Rules, 2014 relating to subsidiaries, joint ventures and associate companies are not applicable to the Company.

4. RESOURCES AND LIQUIDITY:

During the year under review, your Company has raised funds from inter-alia, following sources (i) ₹ 287.5 crores as bank borrowings (outstanding as on March 31, 2024: ₹ 498.68 crores); (ii) ₹ 42.5 crores through borrowings from NBFCs (outstanding as on March 31, 2024: 142.9); and (iii) ₹ 55.8 crores by sale/assignment/securitization of loan assets of the Company

Subsequent to the year under review, your Company has diversified its sources of funds by issuing Listed Non-convertible Debentures of Rs. 60 crores resulting in debt securities of the Company being listed on the wholesale debt market segment of BSE Limited.

5. CREDIT RATINGS

Your Company's financial discipline and prudence are reflected in the strong credit ratings ascribed by rating agencies. Credit Ratings assigned to the Company as on March 31, 2024.

The Company is rated **CARE A- Stable** for the Bank Borrowings and NCD'S.*

6. DISCLOSURES WITH RESPECT TO NON-CONVERTIBLE DEBENTURES AS PER THE MASTER DIRECTION- NONBANKING FINANCIAL COMPANY - HOUSING FINANCE COMPANY (RESERVE BANK) DIRECTIONS, 2021:

- I. The total number of non-convertible debentures which have not been claimed by the Investors or not paid by the housing finance Company after the date on which the nonconvertible debentures became due for redemption: **Nil**
- II. The total amount in respect of such debentures remaining unclaimed or unpaid beyond the date referred to in clause (1) as aforesaid: **Nil**

7. DEBENTURE TRUSTEE:

Debenture Trust Agreement(s) were executed in favour of the following Trusteeship for NCDs issued on a private placement basis.

Details	Vardhman Trusteeship Private Limited
Address	The Capital, A Wing, 412A, Bandra Kurla Complex, Bandra (East), Mumbai-400051

Debenture Trust Agreement(s) were executed in favour of the following Trusteeship for Direct Assignment ("DA").

Details	Catalyst Trusteeship Limited	IDBI Trusteeship Services Limited
Address	GDA House, Plot No. 85 Bhusari Colony (Right), Paud Road, Kothrud Pune MH -411038 IN, Maharashtra, India.	Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai- 400 001

8. DEBT EQUITY RATIO:

Your Company's Debt Equity ratio as on March 31, 2024, stood at 3.66:1.

9. NET OWNED FUNDS:

The Net Owned Funds of your Company as on March 31, 2024, stood at ₹ 211.41 crore.

10. APPLICABLE REGULATORY GUIDELINES:

Your Company is regulated by including but not limited to the Ministry of Corporate Affairs, Reserve Bank of India, National Housing Bank, Stock Exchanges and Securities and Exchange Board of India to the extent of Listed NCD's of the Company.

Your Company has adhered to all the applicable circulars, notifications, and guidelines issued from time to time by the statutory regulators and your company is also in compliance with the applicable provisions of the Companies Act, 2013 and rules made there under including Secretarial standards and other applicable statutory requirements.

All the relevant circulars, notifications, guidelines and Directions issued by the aforesaid statutory regulators were duly placed before the Board of Directors at regular intervals to update the Board members on compliance of the same.

11. MASTER DIRECTION-NON-BANKING FINANCIAL COMPANY-HOUSING FINANCE COMPANY (RESERVE BANK) DIRECTIONS, 2021:

Your Company is in Compliance with the Master Directions-Non-Banking Financial Company-Housing Finance Company (Reserve Bank) Directions, 2021 and as updated from time to time.

Compliance with Principal Business Criteria Your Company is adhering to Principal Business Criteria for HFCs as specified under Master Directions – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 and as updated from time to time.

12. SCALE-BASED REGULATION (SBR) A REVISED REGULATORY FRAMEWORK FOR NBFCs:

Your Company is in Compliance with the applicable circulars, directions, notifications and paras of Scale Based Regulation (SBR), a revised regulatory framework for NBFC as notified from time to time.

13. REGULATIONS ISSUED BY SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI):

Your Company is in Compliance with the applicable circular, notifications, and regulations issued by SEBI from time to time including but not limited to SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time as on the date of this report.

14. RISK MANAGEMENT & CREDIT MONITORING:

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 mechanisms to effectively mitigate the risk factors.

The Audit Committee, and the Asset Liability Management, Risk Management & Asset Classification 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 assets & liabilities 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.

During the Year IKFHF implemented the new IRAC norms specified by RBI, vide its circular on October 01, 2021.

During the year 2023-24, there were no instances of fraud that are required to be reported by the Statutory Auditors with respect to Sub-Section 3(ca) of Section 134 of the Companies Act, 2013.

15. MANAGEMENT DISCUSSION AND ANALYSIS:

In accordance with the applicable provisions of the Master Direction issued by the Reserve Bank of India for Housing Finance Companies, a detailed analysis of the Company's performance is discussed in the Management Discussion and Analysis Report annexed hereto and marked as **Annexure-A** and forms part of this Annual Report.

16. CORPORATE GOVERNANCE AND CORPORATE GOVERNANCE REPORT:

As per the Guidelines of the National Housing Bank/Reserve Bank of India and Other Statutory Regulations, your Company is adhered to comply with the Corporate Governance with best practices of Corporate Governance. The Company is adhered to Comply with the Guidelines as mandated by the Reserve Bank of India to all the Housing Finance Companies vide Master Direction-Non-Banking Financial Company-Housing Finance Company (Reserve Bank) Directions, 2021 No. DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 to follow the Corporate Governance. The Board regularly reviews the Management's reports on statutory and regulatory compliances.

A detailed report on Corporate Governance is annexed hereto and marked as **Annexure-B** and forms part of this Report.

17. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Pursuant to the provisions of Section 186 of the Companies Act, 2013, read with The Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time (including any

amendment thereto or re-enactment thereof for the time being in force), Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of Financial Statements provided in this Annual Report.

18. DEPOSITS:

Your Company has not accepted any public deposits during the year under review and shall not accept any deposits from the public without obtaining prior approval from the NHB / RBI. Further, your Company being a non-deposit accepting housing finance company, the disclosure requirements under Chapter V of the Act read with Rule 8(5)(v) and 8(5)(vi) of the Companies (Accounts) Rules, 2014, as amended and Para 44 of the Master Directions, are not applicable to your Company.

19. RELATED PARTY TRANSACTIONS:

A. THE PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All related party transactions that were entered into during the Financial Year were on an arm's length basis and were in the ordinary course of business as part of the Company's philosophy of adhering to the highest ethical standards, transparency, and accountability. These transactions are not likely to have any conflict with the Company's interest. The Board of Directors adopted the 'Related Party Transaction Policy' to ensure the obtaining of proper approvals and reporting of transactions with related parties. Related party transactions Policy of the Company is also uploaded on the Company's website at the following web link: <https://ikfhomefinance.com/>.

In terms of Section 177 of the Companies Act, 2013 read with the Related Party Transaction Policy of the Company, all Related Party Transactions up to March 31, 2024, were placed before the Audit Committee and the Board for Approval. Also, prior omnibus approval of the Audit Committee was obtained for Related Party Transactions for the Financial Year 2023-24. The transactions entered into pursuant to the omnibus approval so granted were audited and a statement giving details of all related party transactions was placed before the Audit Committee for its review on a quarterly basis.

As per the thresholds given in Rule 15 (3) of the Companies (Meetings of Board and its Powers) Rules, 2014 and pursuant to Section 134 (3) (h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, the disclosure pertaining to contracts/arrangements/transactions with related parties which are material in nature are furnished in Form AOC-2 is annexed hereto and marked as **Annexure-D** and forms part of this Report.

Apart from payment of sitting fees to Independent Directors, there is no pecuniary relationship or transactions of the Independent/Non-Executive Directors vis a vis the

Company. The details with respect to the related party transactions are mentioned in the notes to the audited financial statements for the financial year ended March 31, 2024

Disclosure of the related party transactions as required under IND AS-24 and Master Director (RBI/NHB) are reported in Notes to accounts of the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2024, annexed with this report.

B. DISCLOSURE OF LOANS AND ADVANCES IN NATURE OF LOANS TO SUBSIDIARIES AND ASSOCIATES OF THE COMPANY:

Your Company does not have an Associate Company as on March 31, 2024.

20. MATTERS RELATED TO INDEPENDENT DIRECTORS:

A. DECLARATIONS BY INDEPENDENT DIRECTORS:

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence ("Declaration of Independence") as prescribed both under the Companies Act, 2013, RBI / NHB and Listing Regulations. There has been no change in the circumstances, which has affected their status as independent directors.

In terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by The Indian Institute of Corporate Affairs, Manesar ("IICA").

B. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

In compliance with the requirements, the Company has adopted and put in place a Familiarization Programme for Independent Directors to familiarize Independent Directors inter-alia with the industry in which your Company, the Company's, culture, business model and its operations in order to give them an insight into the Company's business and its functioning are introduced through induction sessions. A formal letter of appointment is given to Independent Directors at the time of their appointment which lays down the fiduciary duties, roles and responsibilities of an Independent Director.

C. EVALUATION BY INDEPENDENT DIRECTOR:

The annual evaluation process of the Board, its committees and Individual Directors were conducted as per the provisions of the Companies Act, 2013 and the listing regulations.

During the year, Independent Directors of the Company also held separate meetings to review the performance of the Non-Independent Directors and the Board as a whole and assessed the quality, quantity and timeliness of the flow of information between the Company management and the Board which is necessary for the Board to effectively and reasonably perform their duties. Major aspects of board evaluation include who is to be evaluated, the process of evaluation including laying down of objectives and criteria to be adopted for evaluation of different persons, feedback to the persons being evaluated and an action plan based on the results.

D. OPINION OF THE BOARD OF DIRECTORS PERTAINING TO INDEPENDENT DIRECTORS OF THE COMPANY:

In the opinion of the Board of Directors of the Company, Mr. Radheyshyam Garg and Mr. Purna Chandra Rao Vankineni, Non-Executive Independent directors on the Board of the Company are Independent of the management and comply with the criteria of Independent Director as submitted by them under the Companies Act, 2013, RBI/NHB and under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, The Board is of the opinion that the Independent Directors of the Company hold the highest standards of integrity, possess and the requisite expertise and experience required to fulfil their duties as Independent Directors.

21. REMUNERATION POLICY, DISCLOSURE OF REMUNERATION & PARTICULARS OF EMPLOYEES:

- **Remuneration Policy:** In terms of Section 178 of the Act, the Board of Directors adopted a Remuneration Policy inter-alia setting out the criteria for determining the remuneration of Executive Directors, Non-Executive Directors, Senior Management and other employees of the Company.
The Remuneration Policy is also available on the website of the Company. At <https://ikfhomefinance.com/> the Board of Directors confirms that remuneration paid to the Directors was as per the Remuneration Policy of the Company.
- **Employee Remuneration:** The Company has an employee drawing remuneration above the limits mentioned in Section 197 (12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time, the details of the same is hosted on the website of the Company at: <https://ikfhomefinance.com/>. The statement containing details of employees as required in terms of Section 197 of the Act read with Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is available for inspection at the Registered & Corporate Office of the Company during working hours for a period of 21 days before the date of the ensuing Annual General Meeting. A copy of the statement may be obtained by shareholders by writing to the Company at the Registered Office of the Company.

22. MATTERS RELATING TO BOARD OF DIRECTORS:

A. MEETING OF THE BOARD OF DIRECTORS OF THE COMPANY DURING THE FINANCIAL YEAR 2023- 24:

The Board and Committees meet at regular intervals inter-alia to discuss, review and consider various matters including business performance, strategies, policies and regulatory updates and impact. During the Financial Year under review, the Board met 8 (Eight) times on May 29, 2023, June 27, 2023, August 09, 2023, August 31, 2023, September 04, 2023, November 09, 2023, February 09, 2024, and March 23, 2024, in accordance with the provisions of the Companies Act, 2013. The intervening gap between any two Meetings was not more than the period prescribed by the Companies Act, 2013. The Company has complied with the applicable Secretarial Standards in respect of all the above-Board Meetings. Details with respect to the meetings of the Board of Directors and Committees held during the year under review, including attendance by Directors / Members at such meetings have been provided in the Corporate Governance Report which is annexed to and forms an integral part of this Board's Report.

B. FORMAL ANNUAL EVALUATION OF THE PERFORMANCE OF THE BOARD, ITS COMMITTEES AND DIRECTORS:

The Board of Directors has adopted a formal mechanism for evaluating various aspects of the Board's functioning its performance and as well as that of its committee i.e., Audit, Nomination and Remuneration, Stakeholders Relationship and individual directors. The criteria for performance evaluation of the Board include aspects like composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance, experience, competencies etc. The exercise was carried out through a structured evaluation process covering various aspects of the Board functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, governance issues etc. A separate exercise was carried out to evaluate the performance of Individual Directors who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, and safeguarding of minority Shareholders interest The Board of Directors expressed their satisfaction with the evaluation process as carried out by Nomination & Remuneration Committee for the Financial Year under review.

23. APPOINTMENT, RE-APPOINTMENT AND RESIGNATION OF DIRECTORS DURING THE FINANCIAL YEAR 2023-24:

As on March 31, 2024, the Board of Directors of the Company comprised of 5 (Five) Directors, including One (1) Executive Director designated as Managing Director, Two (2) Non-Executive Directors, and Two (2) Non-Executive Independent Directors. The Board composition is in compliance with the requirements of the Companies Act, and the detailed composition of the

Board of Directors of the Company has been provided in the Corporate Governance Report which is annexed to and forms an integral part of this Board's Report.

Additionally, following the closure of the financial year, Mr. Alekha Charan Rout (DIN: 08005616) and Ms. Nethra Bhat (DIN: 10119287) were appointed as Non-Executive-Independent Director and Nominee Director of the Company respectively with effect from May 27, 2024.

➤ **Change in Designation:**

During the Financial Year under review, there was no change in the designation of any of the Directors of the Company.

➤ **Retirement by Rotation:**

Mrs. Vasumathi Devi Koganti (DIN: 03161150) is retiring by rotation in this 22nd Annual General Meeting and is offering herself a re-appointment. The necessary resolution for the appointment has been included in the Notice of the 22nd Annual General Meeting which forms part of this Annual Report.

24. APPOINTMENT, REAPPOINTMENT AND RESIGNATION OF KEY MANAGERIAL PERSONS DURING THE FINANCIAL YEAR 2023-24:

During the financial year under review, Mr. Vishal Kumar Joshi resigned from his position as Company Secretary and Chief Compliance Officer with effect from November 9, 2023. Subsequently, Mr. Abhishek Jain was appointed as Company Secretary and Chief Compliance Officer with effect from November 09, 2023.

Additionally, following the closure of the financial year, Mr. J. Aravind resigned from his role as Chief Financial Officer of the company with effect from April 19, 2024, Subsequently, Mr. CH. Sreenivasa Rao was appointed as Chief Financial Officer with effect from May 27, 2024.

25. AUDITORS & REPORTS:

A. STATUTORY AUDITORS OF THE COMPANY:

Pursuant to the circular issued by the RBI on the Appointment of Statutory Auditors of Non-Banking Finance Companies ("NBFCs") [Including Housing Finance Companies ("HFCs")] and Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the Members of the Company at the Annual General Meeting ("AGM") held on September 30, 2022 approved the appointment of M/s. K.S. Rao & Co; Chartered Accountants, (ICAI Reg No. 003109S), for a term of Three Years (i.e., From the 20th Annual General Meeting to the 23rd Annual General Meeting) and they shall continue to be the Statutory Auditors of the Company. The Audit Report issued by M/s. K.S. Rao & Co;

Chartered Accountants, (ICAI Reg No. 003109S), for Financial Year 2023-24 is unmodified, i.e. it does not contain any qualification, reservation adverse remark or disclaimer.

During the year under review, the Statutory Auditors have not reported any instances of fraud in the Company committed by officers or employees of the Company to the Audit Committee under Section 143(12) of the Companies Act, 2013.

B. SECRETARIAL AUDITORS OF THE COMPANY:

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 with relevant notes thereon is enclosed as **Annexure-C** to this Report. The company has provided all assistance and facilities to the Secretarial Auditor for conducting their audit. The report is self-explanatory and there were no qualifications in the Auditor's Report.

C. COST AUDITORS OF THE COMPANY:

During the Financial Year under review, in terms of Section 148 of the Companies Act, 2013 the Company is not required to appoint Cost Auditor of the Company.

D. 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 appointed M/s. Brahmaiah & Co, Chartered Accountant as internal auditor of the Company for the year ended March 31, 2024, who shall report to the Audit Committee / Board. Based on the report of the 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.

26. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:

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.

27. EXTRACT OF ANNUAL RETURN:

Pursuant to the provisions of Section 134(3)(a) and Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014, the draft Annual Return for the financial year ended March 31, 2024, in prescribed form No. MGT-7 is available on the website of the Company and can be accessed at: <https://ikfhomefinance.com/reports/>.

28. RISK MANAGEMENT FRAMEWORK:

Your Company has in place a Board constituted Risk Management Committee. The details of the Committee and its terms of reference are set out in the Corporate Governance Report forming part of this Report. Your Company has Board approved Risk Management Policy wherein risks faced by the Company are identified and assessed.

Effective risk management and mitigation are critical to sustain and grow any business. At IKF Home Finance Limited, we recognise the importance of identifying risks and implementing mitigation plans to reduce their impact. The Company proactively manages various business risks through mitigation strategies tailored to each risk. It constantly reviews and updates risk management policies to ensure our business is well-positioned to navigate potential risks successfully.

29. VIGIL MECHANISM & WHISTLE BLOWER POLICY:

The Board of Directors has approved the vigil mechanism/whistle-blower policy of the Company which provides a framework to promote responsible and secure whistle-blowing. It protects employees wishing to raise a concern about serious irregularities within the Company. It provides for a vigil mechanism to channelise the reporting of such instances/ complaints/ grievances to ensure proper governance. The Audit Committee oversees the vigil mechanism.

No person was denied access to the Audit Committee to express concerns or report grievances under the Whistle Blower Policy and/or vigil mechanism.

During the year under review, no complaint was received under the whistle-blower mechanism of the Company.

The Whistle Blower Policy is available on the website of the Company at: <https://ikfhomefinance.com/policies/>.

30. REPORTING OF FRAUDS:

Pursuant to the NHB Circular on Guidelines on Reporting and Monitoring of Frauds in Housing Finance Companies, there were no incidents of fraud during the year under review.

31. MODEL CODE OF CONDUCT FOR DIRECT SELLING AGENTS:

In terms of NHB / RBI Directions, the Board of Directors has adopted a Model Code of Conduct for Direct Selling Agents (“Code”) for adoption and implementation by DSAs while operating as agents to market the financial products of the Company. The Code provides guidance with respect to their conduct while dealing with customers/prospective customers on behalf of the Company.

32. DETAILS OF PENDING PROCEEDINGS UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE FINANCIAL YEAR ALONG WITH THEIR STATUS AS THE END OF THE FINANCIAL YEAR:

During the Financial Year under review, your Company in the capacity of a financial creditor, has not filed petitions before the National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016 for recovery of outstanding loans against its customers, being corporate debtors.

33. THE DETAILS OF THE DIFFERENCE BETWEEN THE AMOUNT OF VALUATION DONE AT THE TIME OF ONE-TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING A LOAN FROM THE BANK OR FINANCIAL INSTITUTIONS ALONG WITH THE REASON THEREOF:

During the Financial Year under review, there has been no instance of a one-time settlement against the loans with any Bank(s) or Financial Institution(s), and hence this clause is not applicable.

34. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF THE REPORT:

The said clause is not applicable since there is no material changes that can affect the Financial Position of the Company between the end of the Financial Year and the date of the Report.

35. LEGAL AND REGULATORY:

Compliance with laws and regulations is an essential part of your Company's business operations. We are subject to laws and regulations in diverse areas such as trademarks, copyright, patents, competition, employee health and safety, the environment, corporate governance, listing and disclosure, employment and taxes. Frequent changes in legal and regulatory regimes and the introduction of newer regulations with multiple authorities regulating the same areas lead to complexity in compliance. We closely monitor and review our practices to ensure that we remain compliant with relevant laws and legal obligations.

36. SYSTEM AND INFORMATION:

Your Company's operations are increasingly dependent on IT systems and the management of information. Increasing digital interactions with customers, suppliers and consumers place even greater emphasis on the need for secure and reliable IT systems and infrastructure, and careful management of the information that is in our possession. The cyber-attack threat of unauthorised access and misuse of sensitive information or disruption to operations continues to increase. To reduce the impact of external cyber-attacks impacting our business, we have firewalls and threat monitoring systems in place, complete with immediate response capabilities to mitigate identified threats. Our employees are trained to understand these requirements.

37. NHB / RBI DIRECTIONS:

Your Company complies with the direction(s), circular(s), notification(s) and guideline(s) issued by the NHB / RBI as applicable to your Company.

38. SECRETARIAL STANDARDS OF ICSI:

In terms of provisions of Section 118 of the Companies Act, 2013, Your Company complies with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI").

39. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

Consistent with its core values, your Company is committed to create an environment in which all individuals are treated with respect and dignity and promoting a gender-sensitive and safe work environment. Accordingly, the Board of Directors adopted a Care & Dignity Policy and also constituted an Internal Complaints Committee, in compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

The Company had constituted a committee called as Internal Complain Committee for the prevention and prohibition of Sexual Harassment of women at the workplace which consists of members as specified in the Act, Hence, the Company has complied with provisions relating to the constitution of the Internal Complain Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, no complaints related to sexual harassment were received by the Internal Complaints Committee and the Regional Internal Complaints Committees.

40. CORPORATE SOCIAL RESPONSIBILITY:

The Corporate Social Responsibility (“CSR”), under section 135(1) of the Act is applicable to the Company during the financial year under review. Your Company has in place, a Corporate Social Responsibility Policy, as per the provisions of the Companies (Corporate Social Responsibility Policy) Rules, 2014 (“CSR Rules”), which lays down the guidelines and mechanism for undertaking socially useful projects for the welfare and sustainable development of the community at large. The total amount of CSR contribution and payment details are given in annexure hereto and marked as **Annexure-E** and forms part of this Annual Report.

41. FAIR PRACTICE CODE, KYC NORMS, AND ANTI-MONEY LAUNDERING:

The Company continued to ensure that the Fair Practice Code, KYC Norms and Anti Money Laundering (AML) as per the guidelines issued by the NHB/RBI from time to time are invariably adhered to and duly complied with by the Company. The Company has put in place Board approved robust Know Your Customer (KYC) and Anti Money Laundering (AML).

42. DIRECTOR’S RESPONSIBILITY STATEMENT:

In terms of Section 134 (5) of the Companies Act, 2013 in relation to the Audited Financial Statements of the Company for the Financial Year ended March 31, 2024, your directors hereby confirm that:

- A. in the preparation of the annual accounts for the year ended March 31, 2024, the applicable accounting standards read with requirements set out under Schedule III to the Companies Act 2013, have been followed and there are no material departures from the same;
- B. the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024, and of the profit of the Company for the year ended on that date;
- C. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- D. the Directors have prepared the annual accounts on a “Going Concern” basis;
- E. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- F. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

43. INTERNAL GUIDELINES ON CORPORATE GOVERNANCE:

The Company has duly formulated Internal Guidelines on Corporate Governance in accordance with HFCs – Corporate Governance (NHB) Directions, 2016 and RBI Directions for Housing Finance Company, 2021, which inter-alia, defines the legal, contractual and social responsibilities of the Company towards its various stakeholders and lays down the Corporate Governance practices of the Company.

The said policy is available on the website of the Company at: <https://ikfhomefinance.com/policies/>.

44. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Company has no Foreign Exchange Earnings and Outgo. Further, there are no significant expenses on Conservation of Energy and Technology Absorption during the Financial Year and hence reporting under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014 is not applicable.

45. SIGNIFICANT OR MATERIAL ORDERS PASSED AGAINST THE COMPANY:

There were no significant or material orders passed by the Regulators or Courts or Tribunals impacting the Going Concern Status and your Company's operations in future.

46. OTHER DISCLOSURES:

A. DISCLOSURE UNDER SECTION 67 (3) OF THE COMPANIES ACT, 2013:

There were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 is furnished.

B. BUY-BACK OF THE COMPANY'S OWN SHARES:

During the financial year under review, the Company did not make any buyback of any of its shares, hence the provisions of section 68 of the Act, are not applicable.

C. DISCLOSURE UNDER SECTION 43(A)(II) OF THE COMPANIES ACT, 2013:

The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is required to be furnished.

D. DECLARATION OF FIT & PROPER CRITERIA:

Your Company is adhering to the Fit and Proper Criteria and your Board of Directors has approved the Fit and Proper Policy which assesses the Fit and Proper Criteria for the directors at the time of appointment and on a continuing basis, as per the criteria prescribed by RBI/NHB.

All the Directors of the Company have given the declaration to the effect that they are Fit & Proper, to be appointed as Directors, as per the criteria prescribed by RBI / NHB.

E. INDUSTRIAL RELATIONS:

Industrial relations continued to be cordial throughout the year under review.

F. WEBSITE DISCLOSURES:

Your Company has made its disclosures on its website <https://ikfhomefinance.com/>. All the regulatory disclosures, compliances, public notices and policies have been regularly updated. Our customers can also reach us regarding the toll-free helpline number, and contact details of the Principal Officer, submit complaints or grievances, if any, etc.

G. STATUTORY AND REGULATORY COMPLIANCE:

The Company has complied with the applicable statutory provisions, including those of the Companies Act, 2013, the Income-tax Act, 1961 and other laws related to Goods and Services Tax (GST). Further, the Company has complied with the NHB's Housing Finance Companies Directions, 2010, Master Directions - Non-Banking Financial Company-Housing Finance Company (Reserve Bank) Directions, 2021 SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Accounting Standards issued by the Ministry of Corporate Affairs (MCA), Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI), Anti-Money Laundering guidelines, applicable labour laws, forex laws and as updated from time to time.

All the relevant Circulars, Notifications, Guidelines and Directions issued by the aforesaid statutory regulators were duly placed before the Board of Directors at regular intervals to update the Board members on compliance of the same. Your Company has adhered to all the applicable Circulars, Notifications, and Guidelines issued from time to time.

47. CAUTIONARY STATEMENT:

Statements in the Board's Report and the Management Discussion & Analysis describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include input costs, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

48. ACKNOWLEDGEMENTS:

Your directors take this opportunity to express their gratitude to all stakeholders of the Company including the Government of India, The Reserve Bank of India, the Ministry of Corporate Affairs, the National Housing Finance Bank, the Securities and Exchange Board of India, and other Regulatory Authorities, the BSE Limited, the Depositories, Bankers, Financial Institutions, Members, Employees and Customers of the Company for their continued support and trust.

Place: Hyderabad

Date: August 12, 2024

By the Order of the Board of Directors

For and on behalf of IKF HOME FINANCE LIMITED

Sd/-

Mrs. Vasantha Lakshmi Vupputuri

DIN: 03610979

Managing Director

Sd/-

Mrs. Vasumathi Devi Koganti

DIN: 03161150

Director

ANNEXURE-A TO DIRECTORS' REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT ("MDAR")

MACROECONOMIC OUTLOOK:

1. INDIAN ECONOMY OVERVIEW

In 2023, India's economy demonstrated exceptional growth, outpacing many developed nations. While numerous developed economies faced slowdowns, energy shortages, high inflation, and ageing populations, India stood out as one of the world's fastest-growing economies. This success highlights the effectiveness of its macroeconomic policies and the economy's inherent resilience, which has shielded it from global disruptions. Over the past five years, India has consistently contributed more than 12% to global growth, maintaining its status among the fastest-growing major economies.

Despite widespread pessimism, the global economy has shown notable resilience, with steady growth and inflation rates easing as rapidly as they had risen. However, global economic momentum is waning, with growth slowing in several previously robust economies and indicators suggesting a further deceleration ahead. This trend can be attributed to a range of factors, including demographic advantages, strong domestic demand, economic reforms, advancements in manufacturing and infrastructure, technological progress, and a push for digitalization.

INDUSTRY OUTLOOK

2. HOUSING FINANCE INDUSTRY OVERVIEW:

An increase in earning potential, a rising demand for improved living standards, and the expanding base of aspirational consumers have significantly contributed to the growth of the housing sector. As economic conditions continue to improve, the premium housing segment is expected to experience higher demand in the coming years. Reforms in stamp duty, the introduction of affordable rental housing complexes, and various government initiatives are anticipated to further boost this asset class and provide much-needed relief to those currently without access.

The real estate sector is poised for sustained long-term growth, driven by rising GDP per capita, increased disposable incomes, and accelerated urbanization. However, the rising cost of borrowing will impact home buyers directly, leading to higher EMIs and reduced affordability. Housing Finance Companies (HFCs) play a pivotal role in India's financial ecosystem by supplying essential funding to the housing sector. This is evident from the increase in individual housing loans and the disbursement of funds by Primary Lending Institutions (PLIs), which signals a robust recovery in housing credit. HFCs have successfully adapted to market changes, meeting the evolving housing finance needs of a growing population. Their ongoing support has fostered a

more stable and accessible housing market, underscoring their critical importance within the broader financial landscape.

According to the National Statistics Office (NSO)'s provisional estimates, the Indian economy is expected to grow by 8.2% in FY 2024, surpassing the 7% growth in FY 2023. The main driving factors include a continued increase in investment, a boost in private consumption, improved business sentiments and the robust financial positions of banks and corporations. The construction sector witnessed RBI refrained from taking any action in the market. (Source: IMF, Indian Economic Survey, NSO).

The RBI maintained its stance of withdrawal of accommodation, particularly given the prevailing inflationary pressures. The RBI has reiterated its commitment to maintaining headline inflation at 4%, with an estimated inflation rate of 4.5% for FY 2023-24. The RBI is keeping a close watch on food inflation. (Source: IMF, Indian Economic Survey, NSO).

GOVERNMENT INITIATIVES:

The Government is actively supporting the promotion of affordable housing through a range of initiatives and schemes. These include the Pradhan Mantri Awas Yojana (PMAY), the Pradhan Mantri Awas Yojana (Urban) Credit Linked Subsidy Scheme (CLSS), CLSS for Economically Weaker Sections (EWS) and Low-Income Groups (LIG), CLSS for Middle-Income Groups (MIG), and the Rural Housing Interest Subsidy Scheme (RHISS), etc.

➤ Urban Housing.

Under the PM Awas Yojana Urban 2.0, the housing needs of 1 crore urban poor and middle-class families will be addressed with an investment of ₹ 10 lakh crore. This will include the central assistance of ₹ 2.2 lakh crore in the next 5 years. A provision of interest subsidy to facilitate loans at affordable rates is also envisaged. (Source: Union Budget of India 2024-2025).

➤ Pradhan Mantri Awas Yojana (PMAY).

PMAY, under the broader mission "Housing for All by 2022," aims to address the housing needs of both urban and rural populations in India through two distinct programs: PMAY (Urban) and PMAY (Gramin).

➤ Pradhan Mantri Awas Yojana (Urban) - Credit Linked Subsidy Scheme (CLSS).

The Credit Linked Subsidy Scheme (CLSS) is a core component of PMAY (U) designed to make housing more affordable by offering interest subsidies on home loans. It targets Economically Weaker Sections (EWS), Low-Income Groups (LIG), and Middle-Income Groups (MIG). PLIs like Scheduled Commercial Banks (SCBs), HFCs, Regional Rural Banks (RRBs), Co-operative Banks, Small Finance Banks (SFBs), and Non-Banking Financial Company-Micro Finance Institutions (NBFC-MFIs) have implemented the scheme. The National Housing Bank (NHB) serves as the

Central Nodal Agency (CNA), overseeing the scheme's implementation for the Government of India's Ministry of Housing and Urban Affairs (MoHUA).

KEY GROWTH DRIVERS:

Housing growth in India is inherently driven by favourable demographics, low mortgage penetration, rising urbanisation and nuclearisation, rising income levels and an increasing share of independent housing demand. A strong appetite for home ownership among end-buyers is evident signalling good traction for housing demand in 2024 and beyond. Continued stability in interest rate and escalation in property prices bode well for housing segment demand. Strong government push with schemes like Housing for All, Smart Cities Mission, Pradhan Mantri Awas Yojana – Gramin (PMAY-G), Rural Housing Interest Subsidy Scheme (RHSS), Pradhan Mantri Awas Yojana-Urban (PMAY-U), Credit Linked Subsidy Scheme (CLSS), etc. are expected to drive the demand for the housing sector.

OUTLOOK

The Indian real estate sector for FY 2023-24 offers a nuanced yet optimistic outlook, bolstered by supportive government policies and a strong emphasis on sustainability. While the sector benefits from these positive developments, it also faces challenges such as policy implementation hurdles and affordability issues. To navigate this evolving landscape effectively, real estate developers must adopt a strategic approach, leveraging industry insights and expert analysis. Emphasizing sustainable practices will be crucial for long-term success, contributing positively to both the broader economy and community well-being.

3. COMPANY OUTLOOK:

- IKF Home Finance Limited will continue to grow in the segment it has chosen which is largely underserved.
- The company has shown resilience and has come back strongly from the challenges posed by to financial crisis and pandemic, which is the testimony of its business model.
- 100 % of the company portfolio is retail with an average ticket size of around Rs. 12.97 Lakhs and LTV Around 50 % of this will continue to be a driving factor as part of its Business Model.
- The Company is focusing on addressing the growing demand of smaller towns hence the majority of the Branch expansions are targeted in Tier 2 & Tier 3 Cities.
- The company will continue to focus on asset quality through a robust and technology-driven collection and recovery process.

- Digital-First has always been a priority for IKF Home Finance Limited and going forward it will be moving most of its processes into paperless workflows.

4. COMPANY OVERVIEW

LENDING OPERATIONS:

During the review year, the lending operations of the company grew significantly as can be seen from the table below:

Details	FY24	FY23	Change
Sanctions	586.59	443.98	32.12%
Disbursements	468.82	361.43	29.71%

LOAN PORTFOLIO:

We offer our customers primarily two kinds of products, viz. Housing Loans (Home Improvement Loan being classified as Home Loan) and Loans against Properties.

Product-wise disbursements during the year have been as follows:

Detail	Particular	FY24	FY23	Change
Disbursements	Housing Loans	240.76	211.08	14.06%
	Loans against properties	228.06	150.35	51.69%
	Total	468.82	361.43	29.71%

AVERAGE SIZE OF LOANS DISBURSED:

With a view of de-risking the loan portfolio, we cater to small borrowers. Our average loan size has been provided as under:

Particular	UoM	FY24	FY23	Change
Amount of loans disbursed	Rs. in crores	468.82	361.43	29.71%
No. of loans disbursed	No.	3500	3262	7%
The average amount of loan disbursed	Rs. in Lakhs	13.85	12.97	7%
The highest amount of loan disbursed	Rs. in crores	0.80	0.60	33%
The lowest amount of loan disbursed	Rs. in crores	0.01	0.02	(-50%)



Home Finance

LOAN BOOK:

During the review year, the Loan book increased significantly by 52.61% from Rs. 581.66 crores as on March 31, 2023, to Rs. 887.67 crores as on 31 March 2024.

GROSS AND NET LOANS:

(Rs. In crores)

Particular	FY24	FY23	Change
The gross amount of loans	897.27	588.83	52.38%
Cumulative ECL	(9.61)	(7.17)	33.94%
The net amount of loans	887.67	581.66	52.61%

BORROWINGS:

The company funds its housing loans out of monies borrowed from banks and other sources. Details of the company's borrowings are as follows:

Particular	FY24	FY23	Change
Debt securities	50.09	78.03	(35.8%)
Borrowings	665.37	445.85	49.2%
Total borrowings	715.46	523.88	36.6%

The significant increase in borrowings represents the term loans availed from banks for onward disbursement of housing loans.

ASSET LIABILITY MANAGEMENT:

Being a Housing Finance company, we maintain the liquidity to achieve business growth and also to honour our committed repayments. Through a robust Asset Liability Management (ALM) framework, we constantly monitor the maturity pattern of our assets and liabilities. ALM as at the end of FY24 is tabled below:

(Rs. In crores)

Details	FY24		FY23	
	Assets	Liabilities	Assets	Liabilities
On-demand			61.52	17.47
Less than 3 months	13.00	54.91	68.38	79.88
3 to 12 months	27.85	144.12	15.7	109.51
1 to 5 years	173.76	472.34	120.36	296.02
Over 5 Years	737.40	280.64	478.99	198.02
Total	952.01	952.01	683.43	683.43

KEY ELEMENTS OF THE STATEMENT OF PROFIT AND LOSS ACCOUNT:

The Revenue from operations amounted to Rs.144.37 crores for FY24 as against Rs. 90.57 crores for FY23 which represents a growth of 59.40%

Employee benefits expense for the year stood at Rs.33.06 crores registering a growth of 21.16% over Rs. 27.29 crores in the earlier year. The substantial increase is due to an increase in staff strength from 483 to 559.

Impairment on financial instruments has increased from Rs. 0.88 crore to Rs. 2.43 crore due to an increase in own book and provision on NPA.

Other expenses increased from Rs. 9.74 crores to Rs. 13.93 crores. This increase of 43.04% is on account of rent, travelling, rates and taxes, legal and professional charges and corporate social responsibility expenses.

PERFORMANCE SCORECARD:

Particulars	2022	2023	2024
Disbursements Rs. Cr	198.04	361.43	468.82
AUM Rs. Cr	425.19	696.10	1049.95
Gross NPA	0.95%	0.94%	0.76%
Net NPA	0.55%	0.59%	0.56%
CRAR	48.10%	37.51%	32.00%
PAT Rs.Cr	10	10.72	23.68
Networth Rs.Cr	85.58	143.21	213.15
ROA*	2.79%	2.35%	3.26%
ROE*	13.90%	9.40%	13.3%

5. INTERNAL CONTROL SYSTEMS:

The Company has adequate internal controls and processes in place with respect to its financial statements, which provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements. These controls and processes are driven through various policies and procedures. The processes and controls are reviewed periodically. The Company's internal control system is commensurate with its size and the nature of its operations.

6. DISCLOSURE OF ACCOUNTING TREATMENT:

There is no change in the accounting treatment in the Financial Year 2023-2024 as compared to the Financial Year 2022-2023.



Home Finance

7. RISK AND CONCERNS:

There are several unique challenges, risks, and concerns, The Company adopts suitable business strategies to counter these challenges and the company faces other normal business challenges of market competition in its business and needs to continuously seek attractive growth opportunities.

An independent risk management function formalises the risk measurement & management process at the Company. The risk management philosophy is embedded into all activities of the entity, including comprehensive internal control and assurance processes to manage key risks. The risk management function mainly deals with credit and operational risk. The Risk Management function plays a critical role in the development and update of the credit policy which forms the basis of underwriting the loans. As part of risk assessment, the company has initiated the process of assessing the crime history of all borrowers new employees.

8. KEY CHALLENGES:

While housing finance has evolved manifold in India, challenges such as affordability, housing quality, and access to finance for marginalised sections of the population remain. High inflation amid a challenging macroeconomic environment can act as a double-edged sword, increasing input costs and raising interest rates. This would increase the cost burden on end-consumers who may also struggle to avail of affordable loans. High global inflation could negatively influence foreign investment in the capital-intensive real estate sector.

9. HUMAN RESOURCES:

As of March 31, 2024, we had 563 employees. The Company recruits after conducting reference checks and our new employees undergo training. As part of our human resource initiatives, we have implemented several programs to engage with our employees. We conduct training programs periodically for our employees on lending operations, underwriting and due diligence, KYC and anti-money laundering norms, risk management, information technology, and grievance redressal.

Our Company also places a strong emphasis on offering career-enhancement opportunities to its employees. With a focus on promotions, role enhancement, and job enrichment, IKF Home Finance Limited, ensures that individuals can continually grow and advance in their careers within the organization. This commitment to professional development shall act as a magnet for ambitious and talented individuals who are seeking an environment that nurtures their growth, this is to address attrition and bring stability to the Company.

10. RISKS AND CONCERNS:

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 mechanisms to effectively mitigate the risk factors.

As risk is an 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, Legal Risk, Compliance Risk etc. The Audit Committee, Asset Liability Management, & Asset Classification Committee and Risk 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 assets & liabilities 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. Internal Control Systems and their Adequacy.

The Company has put in place a robust internal control system commensurate with the size, business model and complexity of its operations. The internal controls framework is backed by a well-defined organizational structure, proper documentation and a requisite authority matrix and it has been put into place to promote good governance, proper risk management and compliance with the applicable laws/ regulations, policies & procedures. The Company has proper management information system, escalation and review systems for various important aspects of the Company's business.

The Company has a proper system of checks and balances. It has an Internal Audit framework with a defined scope of audit. The Internal Auditors are required to assess the existing internal control framework at the entity as well as process levels with the objective of achieving operational excellence. The Internal Auditors are required to report all major audit observations and follow-up actions thereon to the Audit Committee on a periodical basis.

11. HUMAN RESOURCES & EMPLOYEE RELATIONSHIP:

Your Company treats its "human resources" as one of the key resources of the Company to ensure business sustainability and growth. Your company continuously invests in the attraction, retention, and development of talent.

Your Company also places a strong emphasis on offering career-enhancement opportunities to its employees. With a focus on promotions, role enhancement, and job enrichment, IKF Home Finance Limited, ensures that individuals can continually grow and advance in their careers within the organization. This commitment to professional development shall act as a magnet for ambitious and talented individuals who are seeking an environment that nurtures their growth.

The Company had a total of 563 full-time employees on its rolls, as on March 31, 2024.

12. REGULATORY CHANGE:

The NBFC sector is an important stakeholder of the Indian financial sector. Strengthened regulation and enhanced oversight are in place to further strengthen the resilience of this key sector. The RBI has implemented a series of measures which have played an important role in strengthening the NBFCs / HFCs.

Given the size and impact of the Housing Finance and Non-Banking Finance Companies in India, the RBI has been standardising and harmonising various regulations and directions across entities such as Banks, NBFCs, HFCs, etc. The RBI continued its focus towards financial stability within India while the worldwide situation turns increasingly vulnerable to financial crisis and recession. Considering the growing size, complexity and interconnectedness of NBFCs, a revised scale-based regulatory (SBR) framework has been implemented to harmonise the regulations of NBFCs / HFCs with those of banks, wherever appropriate.

The RBI released a gamut of regulations during the FY 2023-24 through which it seeks to implement tighter regulatory controls and governance mechanisms. The RBI took steps to consolidate and harmonise its laws and stipulations for the different categories of Regulated Entities (RE's) with the 'Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023' which now governs all NBFCs including Housing Finance Companies. It also published various new and amendatory regulations encompassing various aspects towards customer fairness and transparency including Fair Lending Practice Penal Charges in Loan Accounts (applicable from next financial year) and Reset of Floating Interest Rate on Equated Monthly Instalments (EMI) based Personal Loans.

The National Housing Bank (NHB) also published circulars / advisories to HFCs on purpose of loan, early warning signal framework and monitoring of frauds.

As per the RBI's regulation for HFCs to maintain Principal Business Criteria (PBC) of 60% as on March 31, 2024, the Company has achieved the regulatory requirement.

Place: Hyderabad
Date: August 12, 2024

By the Order of the Board of Directors
For and on behalf of IKF HOME FINANCE LIMITED

Sd/-
Mrs. Vasantha Lakshmi Vupputuri
DIN: 03610979
Managing Director

Sd/-
Mrs. Vasumathi Devi Koganti
DIN: 03161150
Director

ANNEXURE-B TO DIRECTORS' REPORT

CORPORATE GOVERNANCE REPORT

The Board of Directors present the Company's Report on Corporate Governance for the year ended March 31, 2024:

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company's philosophy on Corporate Governance is thus concerned with the ethics, values and morals of the Company and its directors, who are expected to act in the best interests of the Company and remain accountable to shareholders and other beneficiaries for their actions. The strong foundation of the Company is supported by the pillars of Customer faith, Stakeholders Confidence, Bankers Trust, Investor Steadfastness and Employee Loyalty. The Company has been growing over the past years on the principles of dedicated customer service, fair business practices, and efficient and trusted financial policies. It continues to maintain high standards of integrity through excellence in service to all its stakeholders.

The Board of Directors is responsible for and committed to sound principles of Corporate Governance in the Company. The Board of Directors plays a crucial role in overseeing how the management serves the short and long-term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed, and independent Board. We keep our governance practices under continuous review and benchmark ourselves to best practices.

2. BOARD OF DIRECTORS:

The Board of Directors are fully aware of their roles and responsibilities in the discharge of the key functions. The Board Members strive to meet the expectation of operational transparency without compromising the need to maintain confidentiality of information.

The Board of Directors of the Company has an **optimum combination** of Executive and Non-Executive Directors with not less than Fifty percent of the Board of Directors comprising of Non-Executive Directors including one Non-Executive Women Director. The Board composition is in conformity with the applicable provisions of the Companies Act, 2013 ("the Act") and the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 ("Master Directions"), the circulars, directions, notifications issued by the Reserve Bank of India ("RBI") and National Housing Bank ("NHB") collectively referred as ("RBI HFC Directions") as amended from time to time RBI/NHB Regulations.

As on March 31, 2024, the Board consists of Five (5) Directors comprising One (1) Executive Director designated as Managing Director, Two (2) Non-Executive Director, Two (2) Non-

Executive Independent Directors. Also, the Independent Directors on the Board are highly experienced and competent persons from their respective fields. The Independent Directors take an active part at the Board Meetings and Committee Meetings which add value in the decision-making process of the Board of Directors.

3. COMPOSITION AND CATEGORY OF BOARD OF DIRECTORS:

The Composition of the Board and Directorship held in other Companies and Committees as on March 31, 2024, are prescribed below:

Sr. No.	Name of the Director(s)	Category of Directorship	No. of Directorship Including Company
1	Mrs. Vasantha Lakshmi Vupputuri	Executive (Managing Director)	2
2	Mr. Radhey Shyam Garg	Non-Executive (Independent Director)	4
3	Mr. Purna Chandra Rao Vankineni	Non-Executive (Independent Director)	1
4	Mr. Gopala Kishan Prasad Vupputuri	Non-Executive	4
5	Mrs. Vasumathi Devi Koganti	Non-Executive	2

Category	No. of Directors	% of total Board
Managing Director (Executive)	01	20
Non-Executive and Independent Director	02	40
Non-Executive and Non-Independent Director	02	40
Total	05	100

NOTES:

- All the Directors are appointed or re-appointed with the approval of the shareholders.
- None of the Directors has received any loans or advances from the Company during the Financial Year under review.
- None of the Directors on the Board hold directorships in more than ten public companies.
- None of them is a member of more than Ten Committees or Chairman of more than five committees across all the public companies in which he is a director.
- All Directors have intimated periodically about their Directorship and Membership in various Board and Committee positions of other Companies, which are within permissible limits of the Companies Act, 2013, RBI /NHB and Corporate Governance Code.

4. BOARD MEETING AND ATTENDANCE OF DIRECTORS:

The Board of Directors meets at regular intervals to discuss and decide on Company/Business policy and strategy apart from other Board businesses. The Board / Committee Meetings are pre-scheduled, and a tentative annual calendar of the Board and Committee Meetings is circulated to the Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the Meetings. However, in case of a special and urgent business need, the Board Directors' approval is taken by passing resolutions through circulation, as permitted by law, which are noted and confirmed in the subsequent Board Meeting All Directors are expected to attend each Board Meeting and each Committee Meeting of which they are members, unless there are exceptional reasons preventing them from participating. Only members of the Committees are entitled to attend Committee Meetings, but others may attend at the Committee Chair's discretion.

During the Financial Year 2023-24, 8 (EIGHT) Meetings of the Board of Directors were held on May 29, 2023, June 27, 2023, August 09, 2023, August 31, 2023, September 04, 2023, November 09, 2023, February 09, 2024, and March 23, 2024. The necessary quorum was present for all the meetings.

THE ATTENDANCE OF DIRECTORS AT THE BOARD MEETINGS AND LAST ANNUAL GENERAL MEETING IS SET OUT BELOW:

Dates on which the Meetings were held	Attendance of Directors				
	Mr. Radhey Shyam Garg	Mr. Gopala Kishan Prasad Vupputuri	Mr. Purna Chandra Rao Vankineni	Mrs. Vasantha Lakshmi Vupputuri	Mrs. Vasumathi Devi Koganti
Board Meeting					
May 29, 2023	P	P	P	P	P
June 27, 2023	P	P	P	P	P
August 09, 2023	P	P	P	P	P
August 31, 2023	P	P	P	P	P
September 04, 2023	P	P	P	P	P
November 09, 2023	P	P	P	P	P
February 09, 2024	P	P	P	P	P

March 23, 2024	P	P	P	P	P
Annual General Meeting					
July 11, 2023	P	P	P	P	P

NA: Not Applicable

P: Present

A: Absent

5. BOARD PROCEDURE:

- The Board meets at least once a quarter to review the results and other items on the agenda, once a year for approval of annual budgets and strategy and also on the occasion of the annual shareholders' meeting. When necessary, additional meetings are held.
- The Board Meetings are convened by giving a detailed Notice and Agenda setting out the business to be transacted at the Meeting(s), supported by detailed Notes and Presentation(s) if any.
- The Notice and Agenda papers are circulated to the Board by the Company Secretary if appointed or the person authorized by the Board of Directors of the Company along with the explanatory notes and these are distributed in advance to the directors. Every Board member is free to suggest the inclusion of items on the agenda.
- All divisions/departments in the Company are encouraged to plan their functions well in advance, particularly with regard to matters requiring discussion/ approval/ decision in the board/ committee meetings. All such matters are communicated to the Company Secretary if appointed or the person authorized by the Board of Directors of the Company in advance so that the same can be included in the agenda for the board meetings. The agenda papers are prepared by the concerned officials of the respective department and are approved by the Chairman.
- Agenda papers are circulated to the Board by the Company Secretary if appointed or the person authorized by the Board of Directors. Additional items on the agenda are permitted with the permission of the Chairman and with the consent of majority of Directors present at the meeting.
- The Board also passes resolutions by circulation on a need basis. The Company has been providing the directors with an option to participate in Board Meetings through electronic mode.
- Minutes of the proceedings of the Board Meeting are prepared within the stipulated time as per applicable law and thereafter the same is circulated to all Directors for their comments.

The minutes of all the Committees of the Board of Directors of the Company and the minutes of the meetings of the Board of Directors of the Company are placed before the Board.

- The quarterly, half-yearly and annual results of the Company are first placed before the Audit Committee of the Company and thereafter the same are placed before the Board of Directors.

6. BRIEF PROFILE OF DIRECTORS OF THE COMPANY:

A. MRS. VASANTHA LAKSHMI VUPPUTURI:

Mrs. Vasantha Lakshmi Vupputuri (DIN: 03610979) holds a Bachelor's degree in Pharmacy.

She joined the company as a Director in July 2017. prior to her tenure, she accumulated extensive experience working with various companies.

Currently, Mrs. Vasantha Lakshmi Vupputuri serves as the Managing Director of the company. As of March 31, 2024, she holds 656361 Equity shares in the company.

Table showing names of Unlisted Companies in which Mrs. Vasantha Lakshmi Vupputuri is director as on March 31, 2024:

Name of the Unlisted Company	Category of Directorship
IKF Finance Limited	Director

B. MR. RADHEY SHYAM GARG:

Mr. Radhey Shyam Garg (DIN: 08650678) aged 67 years, S/o Mr. Om Parkash Garg.

Mr. Garg is an Ex-Executive Director of the National Housing Bank, He Practiced in the Delhi High Court till July 1983. Law Officer of IDBI till Feb 1989. Then, he joined the National Housing Bank as Manager in Feb 1989, held several key positions therein, rose to become its Executive Director in November 2011 and superannuated in April 2017.

Presently he is a practicing Advocate at Delhi High Court and corporate consultant in mortgage finance. He is also the founder and Chairman of the Advisory Board of Pioneer Housing Finance Academy.

At present Mr. Garg is a Non-Executive Independent Director of the Company and he was not holding any Shares as on March 31, 2024.

Table showing names of Unlisted Companies in which Mr. Radhey Shyam Garg is a director as on March 31, 2024:

Name of the Unlisted Company	Category of Directorship
Altum Credo Home Finance Private Limited	Director
Save Housing Finance Limited	Director
Save Microfinance Private Limited	Director

C. MR. PURNA CHANDRA RAO VANKINENI:

Mr. Purna Chandra Rao Vankineni (DIN: 00391733).

Mr. Purna Chandra Rao Vankineni has More than 4 decades of experience in Vehicle Finance and Management, He served as President of the Andhra Pradesh Asset Finance Association, Vijayawada. He Was a Governing Council Member and Treasurer of the Federation of Indian Hire Purchase Association. He was a Past Correspondent of Sir C.R. Reddy Educational Institutions, Eluru. He was also Managing Director of Vankineni Hire Purchase & Leasing Private Limited and Vankineni Finance and Investments Private Limited.

At present Mr. Purna Chandra Rao Vankineni is a Non-Executive Independent Director of the Company and he was not holding any Shares as on March 31, 2024

Table showing names of Unlisted Companies in which Mr. Purna Chandra Rao Vankineni is the director as on March 31, 2024:

Name of the Unlisted Company	Category of Directorship
-	-

D. MR. GOPALA KISHAN PRASAD VUPPUTURI:

Mr. Gopala Kishan Prasad Vupputuri (DIN: 01817992).

Mr. VGK Prasad founded IKF in 1991 and is a veteran in the vehicle finance industry. He has served as the President of the Krishna District Auto Financiers Association and the Federation of Indian Hire Purchase Associations (FIHPA).

At present Mr. Gopala Kishan Prasad Vupputuri is a Non-Executive Director of the Company and he holds 47,37,881 Equity shares in the company as on March 31, 2024

Table showing names of Unlisted Companies in which Mr. Gopala Kishan Prasad Vupputuri is a Director as on March 31, 2024:

Name of the Unlisted Company	Category of Directorship
IKF Finance Limited	Director
GCG Technologies (India) Private Limited	Director
IKF Infratech Private Limited	Director

E. MRS. VASUMATHI DEVI KOGANTI:

Mrs. Vasumathi Devi Koganti (DIN: 03161150) holds a Bachelor of Engineering in Electronics and Communication, and an MBA in Global Management from the USA.

At present Mrs. Vasumathi Devi Koganti is a Non-Executive Director of the Company and he holds 6,97,313 Equity shares in the company as on March 31, 2024

Table showing names of Unlisted Companies in which Mrs. Vasumathi Devi Koganti is a Director as on March 31, 2024:

Name of the Unlisted Company	Category of Directorship
IKF Finance Limited	Managing Director

7. DISCLOSURE OF RELATIONSHIP BETWEEN DIRECTORS INTER-SE:

Sr. No.	Name of the Director	Inter - Se Relationship
1	Mr. Radhey Shyam Garg	No Relation
2	Mr. Gopala Kishan Prasad Vupputuri	Father of Mrs. Vasumathi Devi Koganti and Mrs. Vasantha Lakshmi Vupputuri
3	Mr. Purna Chandra Rao Vankineni	No Relation
4	Mrs. Vasantha Lakshmi Vupputuri	Daughter of Mr. Gopala Kishan Prasad Vupputuri and Sister of Mrs. Vasumathi Devi Koganti.
5	Mrs. Vasumathi Devi Koganti	Daughter of Mr. Gopala Kishan Prasad Vupputuri and Sister of Mrs. Vasantha Lakshmi Vupputuri.

8. COMMITTEES OF THE BOARD:

A. Audit Committee.

B. Customer Service and Grievance Redressal Committee.

C. Asset Liability Management, Asset Classification Committee.

D. Risk management committee:

E. Nomination and Remuneration Committee.

AUDIT COMMITTEE.

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 overseeing the 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 Four Non-Executive Directors. The Committee comprises of Mr. Radhey Shyam Garg as Chairman of the Committee and Mr. Purna Chandra Rao Vankineni and Mrs. Vasumathi Devi Koganti and Mr. Alekha Charan Rout as Members.

The Company has an Independent Audit Committee comprising 3 Non-Executive Directors as Members of the Committee as on March 31, 2024. All being learned and experts are having adequate knowledge in the field of finance.

As required under section 177 of the Companies Act, 2013 and Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 (“RBI Master Directions”), your Company has duly constituted the Audit Committee of the Board. the composition of the Audit Committee which comprises of the following members as on March 31, 2024:

Name of the Member	Status & Category	Director Category
Mr. Radheyshyam Garg	Chairman	Non-Executive Independent Director
Mrs. Vasumathi Devi Koganti	Member	Non-Executive Director
Mr. Purnachandra Rao Vankineni	Member	Non-Executive Independent Director
Mr. Alekha Charan Rout*	Member	Non-Executive Independent Director

* Mr. Alekha Charan Rout (DIN: 08005616) was appointed as Non-Executive-Independent Director of the Company with effect from May 27, 2024.

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 previous Annual General Meeting (“AGM”) of the Company was held on July 11, 2023, and was attended by Mr. Radhey Shyam Garg, Chairman of the audit committee.

CHANGE IN COMPOSITION:

There was no change in the composition during the period under review.

ATTENDANCE RECORD OF THE MEMBERS:

The committee met 4 (Four) times during the Financial Year 2023-24. The attendance records of each member of the Audit Committee at the Meeting are as follows:

Dates on which the Meetings were held	Attendance of Members		
	Mr. Radheyshyam Garg	Mr. Purnachandra Rao Vankineni	Mrs. Vasumathi Devi Koganti
May 29, 2023	P	P	P
August 09, 2023	P	P	P
November 09, 2023	P	P	P
February 09, 2024	P	P	P

Statutory Auditor and Internal Auditors and Secretarial Auditors have been invitees to the Audit Committee Meetings besides the Chairman, Managing Director and Chief Financial Officer as an Invitee.

The Company Secretary also attended meetings of the Audit Committee.

The gap between two consecutive meetings did not exceed 120 Days. The necessary quorum was present for all the meetings.

CUSTOMER SERVICE AND GRIEVANCE REDRESSAL COMMITTEE:

The Customer Service and Grievance Redressal Committee comprises of Mrs. Vupputuri Vasantha Lakshmi as Chairman and Mr. Sudhir Seethepalli and Mr. Sriram Raghammudi and Mr. Abhishek Jain as Members. The Customer Service and Grievance Redressal Committee was formed to monitor Customer Service-related issues and to address the Grievances. During the year there was 8 complaints were received and the same was closed by the Company.

SUMMARY INFORMATION ON COMPLAINTS RECEIVED BY THE COMPANY FROM CUSTOMERS:

Sr. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Summary information on complaints received by the company from customers and from the Offices of Ombudsman			
1	No. of complaints pending at the beginning of the year	-	-
2	No. of complaints received during the year	9	4
3	No. of complaints disposed of during the year	9	4
	3.1 Of which, the number of complaints rejected by the HFC	-	-
4	No. of complaints pending at the end of the year	-	-
Maintainable complaints received by the HFC from the Office of Ombudsman (applicable in the case included under The Reserve Bank – Integrated Ombudsman Scheme, 2021)			
5	Number of maintainable complaints received by the HFC from the Office of Ombudsman	-	-
	5.1 Of (e), the number of complaints resolved in favour of the HFC by Office of Ombudsman	-	-
	5.2 Of (e), number of complaints resolved through conciliation/ mediation/ advisories issued by the Office of Ombudsman	-	-
	5.3 Of (e), number of complaints resolved after passing of Awards by the Office of Ombudsman against the HFC	-	-
6	Number of Awards unimplemented with the stipulated time (other than those appealed)	-	-

ASSET LIABILITY MANAGEMENT, ASSET CLASSIFICATION COMMITTEE:

In accordance with the Directions issued by the Reserve Bank of India Directions known as the “Housing Finance Companies – Corporate Governance Reserve Bank of India”, the Risk Management Committee was constituted in 21.07.2017. The Asset Liability Management, Asset Classification Committee comprises of Mr. Vupputuri Gopala Kishan Prasad as Chairman. Mrs.

Vupputuri Vasantha Lakshmi and Mrs. Vasumathi Devi Koganti and Mr. S. Aryendra Kumar and Mr. CH Sreenivasa Rao as Members. The 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 the committee met 4 times on May 29, 2023, August 09, 2023, November 09, 2023 and February 09, 2024.

RISK MANAGEMENT COMMITTEE:

The Risk Management Committee comprises of Mr. Vupputuri Gopala Kishan as Chairman. Mrs. Vupputuri Vasantha Lakshmi and Mrs. Vasumathi Devi Koganti and Mr. S. Aryendra Kumar and Mr. Raghuvveer Kamble as Members. During the years 2023-2024, During the year the committee met 4 times on May 29, 2023, August 09, 2023, November 09, 2023 and February 09, 2024.

NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee was constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 comprises of Mr. Radheyshyam Garg Chairman, Mr. Purnachandra Rao Vankineni and Mr. Vupputuri Gopala Kishan Prasad as Members. During the year the committee met 4 times on May 29, 2023, August 09, 2023, November 09, 2023 and February 09, 2024.

9. REMUNERATION DETAILS:

Following are the details of remuneration paid to Directors of the Company during the Financial Year 2023-24:

Sr. No.	Particulars of Remuneration	Mrs. Vupputuri Vasantha Lakshmi (Managing Director)
1.	Gross salary	93,75,542
2.	Stock Option	-
3.	Sweat Equity	-
	Total (A)	93,75,542

Sr. No.	Particulars of Remuneration	Mr. Abhishek Jain Company Secretary*	Mr. Vishal Kumar Joshi Company Secretary**	Mr. J. Aravind Chief Financial Officer***
1.	Gross salary	6,79,177	8,87,758	41,13,768
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	- as % of profit	-	-	-
	- others,	-	-	-

	specify			
5.	Others, please specify	-		-
	Total (A)	6,79,177	8,87,758	41,13,768

**Mr. Abhishek Jain was appointed as Company Secretary and Chief Compliance Officer of the Company with effect from November 09, 2023.*

**** Mr. Vishal Kumar Joshi resigned from his position as Company Secretary and Chief Compliance Officer of the Company with effective from November 9, 2023.*

**** Mr. J. Aravind resigned from his position as Chief Financial Officer of the company with effective from April 19, 2024.*

The Nomination and Remuneration Policy and Compensation Policy for Directors, Key Managerial Personnel (KMP) and Senior Management (SM) of the Company is directed towards rewarding performance based on the review of achievements on a periodic basis and is in consonance with the existing industry practice which is hosted on the website of the Company at: <https://ikfhomefinance.com/policies/>

10. DISCLOSURE AS PER SCHEDULE-V OF THE COMPANIES ACT, 2013:

Salary: The Company remunerates its directors by way of payment of salary only. Other benefits including bonuses, stock options, and pensions may be given subject to the approval of the Board and members of the Company as the case may be.

Performance-linked incentives: The Company does not have a policy for payment of performance-linked incentives. The Board or shareholder as it deems fit may resolve to provide the same to the Directors.

Service Contracts: In accordance with the applicable provisions of the Companies Act, 2013 our shareholders approve the salary and benefits of Executive Directors.

Severance Fees: The Nomination and Remuneration Committee is entrusted with the role of reviewing the compensation of Directors in line with the policy.

Stock Option: No stock option has been issued by the Company to any Director of the Company during the Financial Year 2023-24.

11. TRAINING OF NON-EXECUTIVE DIRECTORS OF THE BOARD OF DIRECTORS:

All Non-Executive Directors are appointed to the Board of the Company and are introduced to the culture through induction sessions. The Executive Directors and senior management provide an overview of the operations and familiarize the Non-executive Directors on matters of the morals and principles of the Company. They are introduced to the organization structures and various procedures.

12. THE NUMBER OF SHARES & CONVERTIBLE INSTRUMENTS HELD BY DIRECTORS AS ON MARCH 31, 2024 IS AS UNDER:

Name of Director	Director Category	Number Shares held in the Company
Mr. Radhey Shyam Garg	Non-Executive (Independent Director)	Nil
Mr. Gopala Kishan Prasad Vupputuri	Non - Executive Non - Independent Director	47,37,881
Mr. Purna Chandra Rao Vankineni	Non-Executive (Independent Director)	Nil
Mrs. Vasantha Lakshmi Vupputuri	Executive (Managing Director)	656361
Mrs. Vasumathi Devi Koganti	Non - Executive Non - Independent Director	6,97,313

13. REASONS FOR THE RESIGNATION OF AN INDEPENDENT DIRECTOR DURING THE FINANCIAL YEAR 2023-24:

During the Financial Year under review, there is no change in composition of the Board of Directors of the company.

14. MEANS OF COMMUNICATION TO THE STAKEHOLDERS:

The primary source of information to the shareholders, customers, analysts and other stakeholders of your Company and to the public at large is through the website of your Company <https://ikfhomefinance.com/>. The Annual Report, quarterly results, copies of press releases, and schedule of analysts/investor meets if any, among others, are regularly sent to Stock Exchanges and uploaded on the Company's website.

The quarterly, half-yearly and annual results were published in daily Newspapers which included Business Line and Prajasakti, the Regional Language Newspapers. The same were sent/filed to Stock Exchanges in a reasonable time period.

15. GENERAL BODY MEETINGS:

A. DETAILS OF LAST 3 ANNUAL GENERAL MEETING:

Financial Year	Date of AGM	Venue of AGM	Time of AGM	No. of Special Resolution Passed
21 st Annual General Meeting	July 11, 2023	Registered Office of the Company. 40-1-144, Corporate Centre, M.G.	02:00 P.M (IST)	1

20 th Annual General Meeting	September 30, 2022	Road Vijayawada-520010, Andhra Pradesh	11:00 (IST)	A.M	4
19 th Annual General Meeting	November 11, 2021		11:00 (IST)	A.M	2

Details of Special Resolution passed in the previous Annual General Meeting:

21st Annual General Meeting	
Sr. No.	Brief of the Resolution
1	Approval to continue the appointment of Mr. Vupputuri Gopala Kishan Prasad who is above 75 years

20th Annual General Meeting	
Sr. No.	Brief of the Resolution
1	To Enhance the Borrowing Powers of The Company from Rs. 750 Crores to Rs. 1200 Crores.
2	To Enhance the power of the board of directors of the company to lease and Mortgage the Property (ies) of the Company
3	Authorization to Issue of Non-Convertible Debentures (NCD)/Tier II Debt(S)/Commercial Papers/Bonds on Private Placement Basis Upto Rs. 500 Crore.
4	Approval to Continue the Appointment of Mr. VGK Prasad Who is Above 75 years

19th Annual General Meeting	
Sr. No.	Brief of the Resolution
1	To Increase the Remuneration of Mrs. Vasantha Lakshmi Vupputuri upto 20%
2	Approval to Continue the Appointment of Mr. VGK Prasad Who is Above 70 years

B. EXTRAORDINARY GENERAL MEETINGS:

In addition to the Annual General Meeting, the Company holds an Extra Ordinary General Meeting of the members of the Company as and when the situation arises. During the year under review, the Company conducted the following Extra Ordinary General Meeting.

Extra Ordinary General Meeting dated November 27, 2023	
Sr. No.	Brief of the Resolution
1	Approve the Alteration of the Article of Association of the Company
2	Approve the Alteration of the Article of Association of the Company.
3	Approve Increase in Authorised Share Capital By Alteration of Capital Clause of Memorandum of Association.

Extra Ordinary General Meeting dated March 23, 2024	
Sr. No.	Brief of the Resolution
1	Approve the Alteration of the Article of Association of the Company
2	Issue and Offer Of 96,88,043 Partly Paid Equity Shares on a Preferential Issue Basis

16. GENERAL SHAREHOLDER INFORMATION:

A. DETAILS OF AGM HELD IN FINANCIAL 2023-24:

Date: July 11, 2023

Time: 02:00 PM (IST)

Venue: Registered Office of the Company #40-1-44, 01st Floor, Corporate Centre, M.G. Road, Vijayawada- 520 010 Krishna District, Andhra Pradesh, India.

B. FINANCIAL YEAR:

April 1, 2023 to March 31, 2024.

C. NAME OF THE STOCK EXCHANGE WHERE THE COMPANY'S SHARES ARE LISTED AND CONFIRMATION OF PAYMENT OF LISTING FEES TO STOCK EXCHANGE(S):

BSE Limited

Address: Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001, Maharashtra, India

Phones: 91-022-22721233 / 91-22-66545695

The Company has duly paid the listing fees to the Bombay Stock Exchange for the Financial Year 2023-24.

D. CORRESPONDENCE FOR DEMATERIALIZATION, TRANSFER OF SHARES, NON-RECEIPT OF DIVIDEND ON SHARES AND ANY OTHER QUERY RELATING TO THE SHARES OF THE COMPANY:

All share transfer and correspondence thereon are handled by the Company's Registrars and Share Transfer Agents viz., M/s. Bigshare Services Private Limited situated at 306, Right Wing,

3rd Floor Amrutha Ville, Opp. Yashoda Hospital Somajiguda Rajbhavan Road, Hyderabad-500082, Telangana, India.

E. FINANCIAL CALENDAR (2023-24):

June 30, 2023	August 09, 2023
September 30, 2023	November 09, 2023
December 31, 2023	February 09, 2024

March 31, 2024	May 27, 2024
----------------	--------------

F. (TENTATIVE) RESULTS FOR FINANCIAL YEAR 2024-25:

June 30, 2024	August 12, 2024
September 30, 2024	November 11, 2024
December 31, 2024	February 12, 2025
March 31, 2025	May 28, 2025
Annual General Meeting	September 30, 2025

G. SUSPENSION OF SECURITIES OF THE COMPANY FROM THE STOCK EXCHANGE:

During the year 2023-24, the Company's securities have not been suspended from trading on BSE Limited.

H. OUTSTANDING GLOBAL DEPOSITORY RECEIPTS OR AMERICAN DEPOSITORY RECEIPTS OR WARRANTS OR ANY CONVERTIBLE INSTRUMENTS:

Not Applicable

I. STRUCTURES AND PENALTIES:

There were no penalties, or strictures imposed on the Company by Stock Exchanges or SEBI, MCA, RBI, NHB or any statutory authorities on any matter relating to the capital markets during the last three years.

J. MODIFIED OPINION(S) IN AUDIT REPORT:

There are no qualifications in the Auditor's Report on the financial statements of the Company.

K. REPORTING OF INTERNAL AUDITOR:

The Internal Auditor directly reports to the Audit Committee and the report of the internal auditor is also placed before the Board of Directors of the Company.

L. PROHIBITION OF INSIDER TRADING CODE / PREVENTION OF INSIDER TRADING:

Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended by SEBI (Prohibition of Insider Trading) Regulations, 2015, which is effective from May 15, 2015, the Company has adopted a code of conduct for the prohibition of insider trading. The Code is applicable to all Directors and such designated employees who are expected to have access to unpublished price-sensitive information relating to the Company. As per the Code, the trading window is closed during the time of declaration of

results and material events, etc. Disclosure of shareholding is taken from all the Directors and Designated Employees and other connected persons of the Company.

In line with the recent amendments in SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has updated its Code for the prevention of Insider Trading including the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and the same is effective from April 01, 2019, also is updated as per changes in regulations from time to time.

M. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

Your Company has zero tolerance for sexual harassment at its workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made there under for prevention and redressal of complaints of sexual harassment at workplace. During the year under review:

Sr. No.	Particular	Status
1	Number of complaints filed during the financial year	Nil
2	Number of complaints disposed of during the financial year	Nil
3	Number of complaints pending as on the end of the financial year	Nil

N. INVESTOR SERVICES:

The Company has appointed M/S. Bigshare Services Private Limited whose address is given below, as its Registrar and Transfer Agents. The Registrar handles all matters relating to the shares of the Company including transfer, transmission of shares, dematerialization of share certificates, subdivision /consolidation of share certificates and investor grievances.

Details of M/s. Bigshare Services Private Limited as follows:

Officer Address	306, Right Wing, 3 rd Floor Amrutha Ville, Opp. Yashoda Hospital Somajiguda Rajbhavan Road, Hyderabad- 500082, Telangana, India.
Email ID	bsshyd@bigshareonline.com
Telephone	040-2337 0295

O. FOR ANY QUERY ON THE ANNUAL REPORT CONTACT AT CORPORATE OFFICER:

Name	Abhishek Jain
Designation	Company Secretary and Compliance Officer



Home Finance

Officer Address	Plot no's - 30/A, Survey No. 83/1 11 th Floor, My Home Twitza Diamond Hills, Hyderabad-500081, Telangana, India.
Email ID	Info@ikfhomefinance.com
Telephone	040 - 69268899

Place: Hyderabad

Date: August 12, 2024

By the Order of the Board of Directors

For and on behalf of IKF HOME FINANCE LIMITED

Sd/-

Mrs. Vasantha Lakshmi Vupputuri

DIN: 03610979

Managing Director

Sd/-

Mrs. Vasumathi Devi Koganti

DIN: 03161150

Director

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 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
M/s. IKF Home Finance Limited,
Address: 40-1-144, 1st Floor, Corporate Centre,
M.G. Road, Vijayawada-520010, Andhra Pradesh, India.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **IKF Home Finance Limited** (hereinafter called “the Company”). The Secretarial Audit was conducted in a manner that provided us with 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:
 - 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. There were no changes in the composition of the Board of Directors that took place during the period under review.

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, there were no other specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, etc. having a major bearing on the Company's affairs.

*for B S S & Associates
Company Secretaries*

*B. Sathish
Partner*

ACS No.: 27885

C P No.: 10089

UDIN: A027885F000947342

Place: Hyderabad

Date: 10.08.2024

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.

To,
The Members,
M/s. IKF Home Finance Limited,
Address: 40-1-144, 1st Floor, Corporate Centre,
M.G. Road, Vijayawada-520010, Andhra Pradesh, India.

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*

*B. Sathish
Partner*

ACS No.: 27885

C P No.: 10089

UDIN: A027885F000947342

*Place: Hyderabad
Date: 10.08.2024*

ANNEXURE-D TO DIRECTORS' REPORT

Form AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form AOC-2 for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under the third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis.

The Company has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during the financial year 2023-24.

2. Details of material contracts or arrangements or transactions at arm's length basis:

The Company has not entered into any contract arrangement or transaction with its related parties which is material contracts or arrangement or transactions during the financial year 2023-24.

The Board of Directors adopted the 'Related Party Transaction Policy' to ensure the obtaining of proper approvals and reporting of transactions with related parties. Related party transactions Policy of the Company is also uploaded on the Company's website at the following web link: <https://ikfhomefinance.com/>

Place: Hyderabad
Date: August 12, 2024

By the Order of the Board of Directors
For and on behalf of IKF HOME FINANCE LIMITED

Sd/-
Mrs. Vasantha Lakshmi Vupputuri
DIN: 03610979
Managing Director

Sd/-
Mrs. Vasumathi Devi Koganti
DIN: 03161150
Director

POLICY ON RELATED PARTY TRANSACTIONS

PREAMBLE:

This Policy is formulated in terms of the Directions issued by the National Housing Bank vide Notification No. NHB.HFC.CG-DIR.1/ MD&CEO/2016 dated 9th February 2017 known as the “Housing Finance Companies – Corporate Governance (National Housing Bank) Directions, 2016,” taking into account the provisions of the Companies Act, 2013 as may be amended from time to time.

INTRODUCTION:

Related party transactions can present a potential or actual conflict of interest which may be against the best interest of IKF Home Finance Limited and its shareholders. IKF Home Finance Limited does not promote any transaction which may be at variance with the established principles of Corporate Governance, or which do not meet the highest standard of ethics or integrity.

In terms of the provisions of Section 188 of the Companies Act, 2013, the Company is required to follow the procedure as prescribed for conducting the Related Party Transactions. Also, the National Housing Bank (NHB) has prescribed that Housing Finance Companies (HFCs) should evolve a Related Party Transaction Policy (Policy) and share the same in the public domain.

OBJECTIVE:

This Policy is intended to ensure due and timely identification, approval, disclosure and reporting of transactions between IKF Home Finance Limited and any of its Related Parties in compliance with the applicable laws and regulations as may be amended from time to time.

The provisions of this Policy are designed to govern the approval process and disclosure requirements to ensure transparency in the conduct of Related Party Transactions in the best interest of IKF Home Finance Limited and its shareholders and to comply with the statutory provisions in this regard.

APPLICABILITY:

IKF Home Finance Limited shall enter into any contract or arrangement with a related party only post consent of the Board of Directors given by a resolution at a meeting of the Board with respect to:

- a) Sale, purchase or supply of any goods or materials;
- b) Selling or otherwise disposing of, or buying, property of any kind;
- c) Leasing of property of any kind;

- d) Availing or rendering of any services;
- e) Appointment of any agent for purchase or sale of goods, materials, services or property;
- f) Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company; and

- g) Underwriting the subscription of any securities or derivatives thereof, of the company
However, a transaction entered into by IKF Home Finance Limited in its ordinary course of business

other than transactions which are not on an arm's length basis shall not be covered under the ambit of the Policy.

DEFINITIONS:

- a. **"Act"** means Companies Act, 2013 and rules made thereunder, as amended from time to time.
- b. **"Company"** means IKF Home Finance Limited.
- c. **"Directors"** means Directors appointed by the Board including executive, non-executive and independent directors.
- d. **"Independent Director"** means a director referred to in Section 149 (6) of the Companies Act, 2013.
- e. **"Ordinary course of business"** means the usual transactions, customs and practices undertaken by the Company to conduct its business operations and activities and includes all such activities which the company can undertake as per Memorandum & Articles of Association. The Board and Audit Committee may lay down the principles for determining the ordinary course of business in accordance with the statutory requirements and other industry practices and guidelines.
- f. **"Audit Committee or Committee"** means the Committee of the Board constituted from time to time under the provisions of Section 177 of the Companies Act, 2013.
- g. **"Arm's length"** means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest as defined under the Companies Act, 2013.
- h. **"Board"** means the Board of Directors as defined under the Companies Act, 2013.
- i. **"Key Managerial Personnel"** means Key Managerial Personnel as defined under the Companies Act, 2013.
- j. **"Material Related Party Transaction"** means a Related Party Transaction which individually or taken together with previous transactions during the financial year, exceeds ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company or such limits as may be prescribed either in the Companies Act, 2013 and/ or Regulation/Rules/Guidelines or other Directions.
- k. **"Related Party"** means related party as defined under the Companies Act, 2013 read with the SEBI (Listing Obligations and Disclosure Requirements) 2015 as may be amended from time to time.
- l. **"Related Party Transaction"** means any transaction between the Company and any Related Party for the transfer of resources, services or obligations, regardless of whether a price is charged and includes-

- I. Sale, purchase or supply of any goods or materials;
 - II. Selling or otherwise disposing of, or buying property of any kind;
 - III. Leasing of property of any kind;
 - IV. Availing or rendering of any services;
 - V. Appointment of any agent for the purchase or sale of goods, materials, services or property;
 - VI. Such related party's appointment to any office or place of profit in the Company, its subsidiary Company or associate Company;
 - VII. Underwriting the subscription of any securities or derivatives thereof, of the Company;
 - VIII. Financing (including loans and equity contributions in cash or kind);
 - IX. Providing or obtaining guarantees and collaterals; and
 - X. Deputation of employees.
- m. **“Relative”** means a relative as defined under the Companies Act, 2013 and includes anyone who is related in any of the following manner:
- i. Members of a Hindu Undivided Family
 - ii. Husband or Wife;
 - iii. Father (including Step-Father);
 - iv. Mother (including Step-Mother);
 - v. Son (including Step-Son);
 - vi. Son's Wife;
 - vii. Daughter;
 - viii. Daughter's Husband;
 - ix. Brother (including Step-Brother); or
 - x. Sister (including Step-Sister).
- n. **“Transaction”** with a related party shall be construed to include a single transaction or a group of transactions.
- o. **“KMP” or “KMPs”** means the following key managerial personnel:
- a. Chief Executive Officer and / or Managing Director or Manager of the Company;
 - b. Chief Financial Officer of the Company;
 - c. Company Secretary of the Company; d. Whole Time Director of the Company; and
 - e. Such other officer of the Company as may be decided by the Nomination and Remuneration Committee.
- p. **“Material Related Party Transaction”** means a transaction with a Related Party if the transaction/transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds 10% (ten percent) of the annual consolidated turnover of the Company as per the last audited financial statements of the Company”
- q. **“Material Modification”** of the transaction means where there in the change of 20 percent of the total value involved or 20 percent of the total volume involved.
- r. **“NHB/RBI Guidelines”** means and includes NHB Act, 1987, Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 and Notifications, Circulars and other such communications thereto
- s. **“Senior Management Personnel / Senior Management”** means personnel of the company

who are members of its core management team excluding the Board of Directors comprising all members of management one level below the executive directors, including the functional and departmental heads.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, NHB Act, 1987, Master Direction-Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 and Notifications and Circulars and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any other applicable law or regulation.

DEALING WITH RELATED PARTY TRANSACTIONS:

- Each Director and Key Managerial Personnel is responsible for providing advance notice to the Board or Audit Committee of any potential Related Party Transaction involving himself/herself or their relatives, including any additional information about the transaction that the Board or Audit Committee may request. The Board shall record the disclosure of Interest; and the Audit Committee will determine whether the transaction does, in fact, constitute a Related Party Transaction requiring compliance with this policy.
- The Notice of any potential Related Party transaction shall be intimated to the Board/ Committee, well in advance so that the Board/ Committee have adequate time to review the transaction.
- All related party transaction shall require prior approval of the Audit Committee / Board, however, in cases where transaction has been done inadvertently or due to requirement of urgency the Audit Committee / Board may ratify the decision. However, this ratification should be done within 3 months of the contract having taken place otherwise the transaction shall be voidable at the option of Board / Committee.
- While considering any transaction, the Committee / Board shall take into account all relevant facts and circumstances including the terms of the transaction, the business purpose of the transaction, the benefits to the Company and to the Related Party, and any other relevant matters. No member of the Committee / Board shall be present during the period the transaction related to the transaction.
- The Audit Committee shall review on a periodical basis, the details of Related Party Transaction entered into by IKF Home Finance Limited pursuant to each of the approvals given. Approval given by the Audit Committee shall be valid for till revoked.
- No members of the Company shall vote in a special resolution where a related party contract or arrangement is being considered if such a member is a Related Party in the Contract or Arrangement which is being considered.

- Related Party Transactions which are either not in the 'Ordinary Course of Business' or are not at 'arm's length price' and exceed the threshold under Section 188 of the Companies Act, 2013 shall also require prior approval of the shareholders through a special resolution.

RELATED PARTY TRANSACTIONS NOT APPROVED UNDER THIS POLICY:

In the event the Company becomes aware of a transaction with a related party that has not been approved in accordance with this Policy prior to its consummation, the matter shall be reviewed by the Audit Committee. The Audit Committee shall consider all the relevant facts and circumstances regarding the related party transaction and shall evaluate all options available to the Company, including ratification, revision or termination of the related party transaction. The Audit Committee shall also examine the facts and circumstances pertaining to the failure of reporting such related party transactions to the Audit Committee under this Policy and the failure of the internal control systems and shall take any such action it deems appropriate.

In any case, where the Audit Committee determines not to ratify a related party transaction that has been commenced without approval, the Audit Committee, as appropriate, may direct

additional actions including, but not limited to, discontinuation of the transaction or seeking the approval of the shareholders, payment of compensation by the defaulting person (as may be decided by the Audit Committee) to the related party or the Company as the case may be, etc. In connection with any review/approval of a related party transaction, the Audit Committee has the authority to modify or waive any procedural requirements of this Policy.

POLICY REVIEW AND AMENDMENT:

- The provisions of this policy shall be subject to the provisions of the Companies Act, 2013 (the Act 2013) & NHB guidelines and rules and regulations made thereunder.
- The policy shall be reviewed by the Board from time to time as may be necessary and may be amended or modified either whole or in part as and when necessary.
- In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

INTERPRETATION:

Unless the context otherwise requires, words and expressions used in this policy and not defined

herein but defined in the Companies Act, 2013 or NHB Act, 1987, NHB Directions, Notifications, Circulars or guidelines as may be amended from time to time shall have the meaning respectively assigned to them therein.

DISCLOSURE:

The Company shall disclose the particulars of contracts or arrangements entered with the Related Parties in such form and manner as may be required under the provisions of the Act and rules made thereunder.

The details of this policy and the evaluation criteria as applicable shall be disclosed in the Annual Report as part of the Board's Report therein and shall also be displayed on the website of the Company.

Place: Hyderabad

Date: August 12, 2024

By the Order of the Board of Directors

For and on behalf of IKF HOME FINANCE LIMITED

Sd/-

Mrs. Vasantha Lakshmi Vupputuri

DIN: 03610979

Managing Director

Sd/-

Mrs. Vasumathi Devi Koganti

DIN: 03161150

Director

ANNEXURE-E TO DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended.]

1. BRIEF OUTLINE OF THE CSR POLICY OF THE COMPANY:

A brief outline of the Company's CSR Policy, including an 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, and 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 the Board of Directors on the recommendation of the CSR Committee subject to the provisions of Section 135 of the Companies Act, 2013 and rules made there under.

More details of the CSR Policy can be accessed at www.ikfhomefinance.com

2. COMPOSITION OF CSR COMMITTEE:

Formation of Corporate Social Responsibility Committee is not applicable pursuant to sub-Section (9) of Section 135 of the Companies Act 2013 as the amount of CSR spent under sub-section 5 of section 135 does not exceed Rs. 50 Lakhs, hence the function of CSR Committee is discharged by the Board of Directors of the Company.

3. PROVIDE THE WEB LINK WHERE THE COMPOSITION OF THE CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF COMPANY:

The web link to the CSR policy is available at www.ikfhomefinance.com

4. PROVIDE THE EXECUTIVE SUMMARY ALONG WITH A LINK OF THE IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8 IF APPLICABLE:

Not applicable for the year under review.

- 5.
- Average Net Profit of the Company as per sub-section (5) of Section 135: **Rs. 13,21,09,125.25.**
 - Two per cent of the average net profit of the Company as per sub-section (5) of Section 135: **Rs. 26,42,182.51**
 - Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: Not applicable
 - The amount required to be set off for the financial year, if any: Not applicable
 - Total CSR obligation for the financial year [(b)+(c)-(d)]: Rs. 26,42,182 /-
- 6.
- Amount spent on CSR Projects (other than ongoing projects): Rs. 26,43,000/-
 - Amount spent on Ongoing CSR Projects: Nil
 - Amount spent in Administrative Overheads: Nil
 - Amount spent on Impact Assessment, if applicable: Nil
 - Total amount spent for the Financial Year: Rs.26,43,000/-
 - CSR Amount spent or unspent for the Financial Year:

Total amount spent for the financial year 2023-24	Amount unspent (Rs)				
	Total amount transferred to unspent CSR account as per Section 135(6) of the Act		The amount transferred to any fund specified under Schedule VII as per the second proviso to Section 135 (5) of the Act		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Rs. 26,43,000	Nil	NA	NA	Nil	NA

f) Excess amount for set off, if any

Sr. No.	Particulars	Amount
I	Two percent of the average net profit of the Company as per section 135(5)	Rs. 13,21,09,125/-
Ii	Total amount spent for the financial year	Rs. 26,43,000/-
Iii	Excess/(Shortfall) amount spent for the financial year (i-ii)	Rs. 818/-
Iv	Surplus arising out of the CSR Projects or programs or activities of the previous financial years, if any	-
V	The amount available for set off in succeeding financial years (iii+iv)	Rs. 818/-

7. DETAILS OF UNSPENT CSR AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS: Nil

8. WHETHER ANY CAPITAL ASSETS HAVE BEEN CREATED OR ACQUIRED THROUGH CORPORATE SOCIAL RESPONSIBILITY AMOUNT SPENT IN THE FINANCIAL YEAR: No



Home Finance

9. SPECIFY THE REASON(S), IF THE COMPANY HAS FAILED TO SPEND TWO PER CENT OF THE AVERAGE NET PROFITS AS PER SECTION 135(5): Not Applicable.

Place: Hyderabad
Date: August 12, 2024

By the Order of the Board of Directors
For and on behalf of IKF HOME FINANCE LIMITED

Sd/-
Mrs. Vasantha Lakshmi Vupputuri
DIN: 03610979
Managing Director

Sd/-
Mrs. Vasumathi Devi Koganti
DIN: 03161150
Director

ANNEXURE TO DIRECTORS' REPORT

CRITERIA FOR 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.

A. CRITERIA FOR EVALUATION OF THE BOARD AND NON-INDEPENDENT DIRECTORS AT A SEPARATE MEETING OF INDEPENDENT DIRECTORS.

I. Composition of the Board and availability of multi-disciplinary skills Whether the Board comprises Directors with the requisite mix of qualifications and experience as would enable the Company to achieve its corporate objectives, and formulate and implement appropriate business policies, plans and strategies.

II. Commitment to good Corporate Governance Practices.

- a. Whether the Company practices high ethical and moral standards.
- b. Whether the Company is fair and transparent in dealings with its stakeholders, and in particular whether it deals with its associates at arm's length.

III. Adherence to Regulatory Compliance

Whether the Company complies with the various applicable statutes and regulations, as well as requirements of municipal and other authorities concerned.

- a. Track record of financial performance

IV. Whether the Company's operational and financial performance has been satisfactory and has enhanced shareholder value. Whether the Company has duly observed statutory requirements and applicable accounting standards in its financial disclosures.

- a. Grievance Redressal mechanism

Whether a proper system is in place to attend to and resolve complaints/grievances from stakeholders, including depositors, customers, employees and others, quickly and fairly.

- a. Existence of an integrated Risk Management System.
- b. Whether the Company has an integrated risk management system to carefully assess and effectively manage its business risks. Use of Modern technology.
- c. Whether the Company has an Integrated IT strategy and whether technology hardware and software are periodically upgraded as necessary.

d. Commitment to Corporate Social Responsibility (CSR).

V. Whether the Company is committed to social causes and whether it identifies, finances and monitors its CSR commitments.

B. CRITERIA FOR EVALUATION OF CHAIRMAN AT SEPARATE MEETING OF INDEPENDENT DIRECTORS:

- a. Integrity
- b. Leadership qualities
- c. Ability to provide a long-range vision for the Company and suggest innovative ideas
- d. Importance attached to corporate governance practices
- e. Willingness to allow other members of the Board to express their views and ability to resolve any disagreement among them
- f. Understanding of the macroeconomic and relevant industry trends
- g. Projection of the Company's external image and public and media relations.

C. CRITERIA FOR EVALUATION OF INDEPENDENT DIRECTORS:

- a. Integrity.
- b. Relevant qualifications and experience.
- c. Understanding of the Company's business.
- d. Attendance at Board and Committee meetings/annual general meetings.
- e. Value addition to Board discussions.

D. CRITERIA FOR EVALUATION OF THE AUDIT COMMITTEE:

- a. Relevant qualifications and experience of members
- b. Review of financial performance and disclosure
- c. Review of external, internal, statutory, tax, and system audits and inspections, and discussion with the auditors and inspectors of their audit plans and findings, and monitoring of follow-up actions on the audit and inspections
- d. Review of statutory and regulatory compliance, and discussion of findings and observations of regulatory inspections and monitoring follow-up action thereon
- e. Monitoring of systems and processes for the prevention and detection of frauds, and of steps taken to deal with frauds that have surfaced.

Place: Hyderabad
Date: August 12, 2024

By the Order of the Board of Directors
For and on behalf of IKF HOME FINANCE LIMITED

Sd/-
Mrs. Vasantha Lakshmi Vupputuri
DIN: 03610979
Managing Director

Sd/-
Mrs. Vasumathi Devi Koganti
DIN: 03161150
Director



K.S. RAO & Co

CHARTERED ACCOUNTANTS

Independent Auditor's Report

To
The Members of
M/s. IKF HOME FINANCE LIMITED

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of *M/s. IKF HOME FINANCE LIMITED* (“the Company”) which comprises the Balance Sheet as at 31st March, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (‘the financial statements’).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 state of affairs of the Company as at 31st March, 2024, and its profit, other comprehensive income, changes in equity and its Cash flows for the year ended on that date.

Basis for Opinion

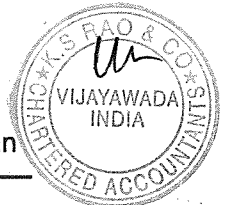
We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SA's) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the “Auditor's Responsibilities for the Audit of the Financial Statements” 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 financial statements under the provisions of the Companies Act, 2013 and the Rules there under, 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 opinion on the financial statements.

Key Audit Matters

Key Audit matters are those matters that in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the

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HYDERABAD, VIJAYAWADA, CHENNAI AND BANGALORE



context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

Information other than the Financial Statements and Auditors' Report Thereon ("Other Information")

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our audit report thereon. The Other Information is expected to be made available to us after the date of this audit report.

Our opinion on the 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 financial statements, our responsibility is to read the other information identified when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

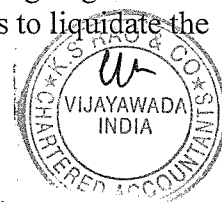
If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

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 action as applicable under the relevant laws and regulations.

Responsibility of Management for the Ind AS Financial Statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Companies Act, 2013 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 implementation and maintenance of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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

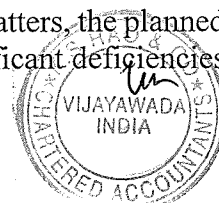
Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 financial statements.

As part of an audit in accordance with SA's, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 Companies Act, 2013, 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 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 financial statements 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.

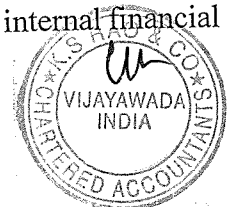


We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period 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

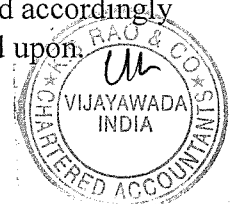
1. As required by the Companies (Auditor's Report) order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of the Section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.
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 purposes 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, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014;
 - e. On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 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 financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls with reference to financial statements;



- g. In our opinion and according to the information and explanation given to us, the managerial remuneration for the year ended, 31st March, 2024 has been paid by the company to its directors in accordance with the provisions of sec 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:
- i. The Company did 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 its knowledge and belief, that 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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 its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the 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 the audit procedures that have 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 misstatement.
 - v. In our opinion and according to information and explanation given to us, the company has not declared or paid any dividend during the year and accordingly the compliance of section 123 of the Act has not been commented upon.



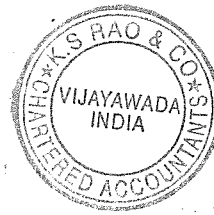
- vi. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1st April 2023.

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 software 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 our audit, we have not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1st April 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 31st March 2024.

For **K.S. Rao & Co.,**
Chartered Accountants
Firm Registration Number: 003109S



K. Vamsi Krishna

K. Vamsi Krishna
Partner

Membership Number. 238809

UPIN: 24238809BRGZTE4074

Place: Vijayawada
Date: 27th May, 2024.

“ANNEXURE A”

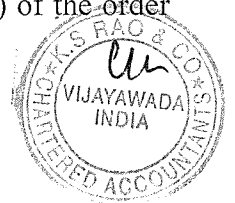
to the Independent Auditors’ Report on the financial statements of IKF Home Finance Limited for the year ended on 31.03.2024

(Referred to in Paragraph. 1 under the heading “Report on Other Legal and Regulatory Requirements” section of our report to the Members of the **IKF HOME FINANCE LIMITED** of even date)

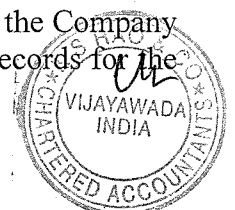
We report that:

- i. In respect of the Company’s Property, Plant & Equipment and Intangible Assets:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of Right-to-Use assets.

The Company has maintained proper records showing full particulars of intangible assets.
 - b) The Company has a regular program of physical verification of its Property, Plant and Equipment, by which all Property, Plant and Equipment are verified in a phased manner over a period of two years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to such program, a portion of fixed asset has been physically verified by the management during the year and no material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no immovable properties, and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
 - d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right of Use assets) and its intangible assets. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.
 - e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company as at March 31, 2024 for holding benami property under the Prohibition of Benami Transactions Act, 1988 and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i)(e) of the Order are not applicable to the Company.
- ii.
 - a) The company does not have any inventory since its principal business is to give loans. Hence physical verification of inventory and reporting under clauses 3(ii)(a) of the order are not applicable.



- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crores, in aggregate, from Banks/ financial institutions on the basis of security of current assets. In our opinion, quarterly returns or statements filed with such Banks/ financial institutions are generally in agreement with the books of account.
- iii. (a) Since the Company's principal business is to give loans, the provisions of clause 3(iii)(a) of the Order are not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not provided any guarantees or given any security or advances in the nature of loan during the year. Further, the investments made and the terms and conditions of the grant of loans during the year, are not prima facie prejudicial to the interest of the Company.
- (c) & (d) The company, being a Housing Finance Company ('HFC'), registered under provisions of National Housing Bank Act, 1987 and rules made there under, in pursuance of its compliance with provisions of the said Act/ Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors repayments of principal and payment of interest by its borrowers as stipulated. In cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in the course of its periodic regulatory reporting. Refer note 6(c) to the Financial Statements for summarized details of such loans/ advances which are not repaid by borrowers as per stipulations as also details of reasonable steps taken by the Company for recovery thereof.
- (e) Since the Company's principal business is to give loans, the provisions of clause 3(iii)(e) of the Order are not applicable to the Company.
- (f) Based on our audit procedures and the information and explanations made available to us, the Company has not granted any loans or advances in the nature of loans to Promoters/ Related Parties (as defined in section 2(76) of the Act) which are either repayable on demand or without specifying any terms or period of repayment.
- iv. In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loans, made investments, or provided guarantees to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of section 185 of the Act. The company has complied with the provisions of Section 186 of the Companies Act 2013, in respect of investments made by the company.
- v. The company has neither accepted any deposits/ amounts which are deemed to be deposits from the public nor are there any deposits outstanding as at the date of the Balance Sheet from the public, and no order has been passed on the company by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal for non-compliance with the provisions of Sections 73 to 76 of the Companies Act, 2013. Accordingly, paragraph 3(v) of the Order is not applicable to the Company
- vi. The provisions of sub-section (1) of section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for the



business activities carried out by the Company. Accordingly, the provisions stated in paragraph 3(vi) of the Order are not applicable to the Company.

vii.

- a) According to the information and explanations given to us and on the basis of our examination of the records of the company, in our opinion, the Company is regular in depositing with the appropriate authorities, the undisputed statutory dues including Provident Fund, Employees' State Insurance, Labour Welfare Fund, Income Tax, Goods and Service Tax and other statutory dues applicable to the company, though there has been a slight delay in a few cases.

According to the information and explanations given to us, no material undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Sales tax, Service Tax, Customs duty, Excise Duty, Value added Tax, Cess and other statutory dues applicable to it were outstanding as at 31st March, 2024 for a period of more than six months from the date they became payable,

- b) According to the information and explanations given to us, there were no amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax and other statutory dues applicable to it as at 31st March, 2024, that have been disputed by the company, and hence, were not remitted to the concerned authorities at the date of the Balance Sheet under report.

viii.

According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in tax assessments under Income Tax Act, 1961. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.

ix.

- a) According to the records of the company examined by us, and the information and explanations given to us, there were no defaults in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year under report.
- b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared as willful defaulter by any bank or financial institution or government or any government authority.
- c) In our opinion and according to the information and explanation provided to us, the company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained, other than temporary parking of funds for few days pending utilizations towards purpose for which the same are obtained.
- d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes.



- e) The Company does not have any subsidiaries, joint ventures & associate. Hence, the requirements of clause (ix)(e) of paragraph 3 of the Order is not applicable.
- f) The Company does not have any subsidiaries, joint ventures & associate. Hence, the requirements of clause (ix)(f) of paragraph 3 of the Order is not applicable.

x.

a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions stated in paragraph 3(x)(a) of the Order are not applicable.

b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has made preferential allotment or private placement of partly paid-up shares during the year. The requirements of Sec 42 and Sec 62 of the Companies Act, 2013 have been complied with and the funds raised has been used for the purpose for which the funds were raised.

xi.

a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, no material fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

b) During the year and up to the date of this report, no report under section 143 (12) of the Companies Act, 2013, has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) As represented to us by the management, there are no whistle-blower complaints received by the Company during the year. Accordingly, the provisions stated in paragraph 3(xi)(c) of the Order is not applicable to company.

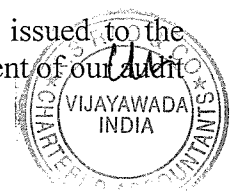
xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) (a) to (c) of the Order are not applicable to the Company during the year under report.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and Section 188 of the Act where applicable and details of such transactions have been disclosed in notes to the Ind AS 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.



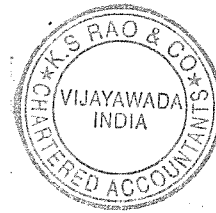
- xv. According to the information and explanations given to us, in our opinion during the year the Company has not entered into non-cash transactions with directors or persons connected with its directors and hence, provisions of section 192 of the Act are not applicable to company. Accordingly, the provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.
- xvi.
- a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- b) The Company is a Housing Finance Company registered with the National Housing Bank which has obtained the Certificate of Registration (CoR) under Section 29A of the National Housing Bank Act, 1987 and is not required to obtain a Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- c) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid CoR from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- d) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Corporation.
- e) The Company does not have any CIC as part of its group. Hence the provisions stated in paragraph clause 3 (xvi) (d) of the order are not applicable to the company.
- xvii. Based on the overall review of financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Hence, the provisions stated in paragraph clause 3(xvii) of the Order are not applicable to the Company.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly paragraph 3(xviii) of the Order is not applicable
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's 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 ongoing projects, and hence no unspent amount required to be transferred to special account in compliance with the provision of sub-section 6 of section 135 of the Companies Act, 2013.

For **K.S. Rao & Co.,**
Chartered Accountants
Firm Registration Number: 003109S



K. Vamsi Krishna

K. Vamsi Krishna
Partner

Membership Number. 238809

UDIN: 24238809BKGZTE4074

Place: Vijayawada
Date: 27th May, 2024.

“ANNEXURE B” to the Independent Auditors’ Report on the financial statements of IKF Home Finance Limited for the year ended on 31.03.2024

(Referred to in paragraph 2 (f) under the heading “Report on Other Legal and Regulatory Requirements” section of our report to the Members of the **IKF HOME FINANCE LIMITED** 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 financial statements of *M/s. IKF HOME FINANCE LIMITED* (“the Company”) as of 31st March, 2024 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

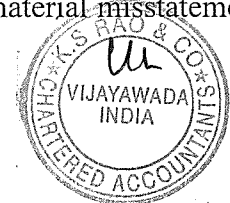
Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements 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 (‘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 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.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to 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, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both 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 with reference to 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 system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 judgment, 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 Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to 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 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial control with reference to 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 with reference to financial statements with reference to these financial statements and such internal financial controls were operating effectively as at 31st March 2024, based on the internal controls with reference to financial statements 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 (ICAI).

For **K.S. Rao & Co.,**
Chartered Accountants

Firm Registration Number: 003109S



K. Vamsi Krishna

K. Vamsi Krishna
Partner

Membership Number. 238809

UPIN 24238809BKGR2TK4074

Place: Vijayawada
Date: 27th May, 2024.

IKF Home Finance Limited
Balance Sheet as at March 31, 2024

(Amount in INR lakhs unless otherwise stated)

Particulars	Note No	As at March 31, 2024	As at March 31, 2023
ASSETS			
(1) Financial assets			
Cash and cash equivalents	3	313.07	4777.83
Bank balance other than cash and cash equivalents	4	525.77	525.62
Trade Receivables	5	-	-
Loans	6	88766.78	58165.53
Investments	7	1.00	1200.00
Derivative financial instruments	13	62.79	-
Other financial assets	8	4063.92	2805.24
Subtotal - Financial assets		93733.32	67474.22
(2) Non-financial assets			
Current tax assets (Net)	9	-	27.57
Property, plant and equipment	10	112.94	112.77
Right of use asset	10	99.69	42.97
Other intangible assets	11	74.10	79.84
Other non-financial assets	12	1181.17	606.30
Subtotal - Non Financial assets		1467.89	869.45
Total assets		95201.21	68343.67
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial liabilities			
Derivative financial instruments	13	-	5.40
Payables			
(I) Trade payables			
(I) total outstanding dues of micro enterprises		-	-
(II) total outstanding dues of creditors other than micro enterprises and small enterprises	14	157.85	113.02
Debt securities	15	5009.40	7802.13
Borrowings (other than debt securities)	16	66536.37	44585.47
Other financial liabilities	17	602.97	694.83
Subtotal - Financial liabilities		72306.59	53200.85
(2) Non-financial liabilities			
Current tax liabilities (Net)	9	114.33	-
Provisions	18	54.62	51.39
Deferred tax liabilities (Net)	19	420.88	275.55
Other non-financial liabilities	20	990.10	495.18
Subtotal - Non-Financial liabilities		1579.92	822.12
EQUITY			
Equity share capital	21	6924.82	6214.32
Other equity	22	14389.88	8106.38
Subtotal - Equity		21314.70	14320.70
Total liabilities and equity		95201.21	68343.67

IKF Home Finance Limited
Statement of Profit and Loss for the Year ended March 31, 2024

(Amount in INR lakhs unless otherwise stated)

Sr.	Particulars	Note No	Year ended March 31, 2024	Year ended March 31, 2023
Revenue From operations				
	Interest income	23	11462.25	7266.26
	Fees and commission income	24	1148.37	678.61
	Net gain on derecognition of financial instruments under amortised cost category	25	1826.03	1112.58
(I)	Total revenue from operations		14436.66	9057.44
(II)	Other income	26	336.17	203.95
(III)	Total income (I + II)		14772.83	9261.39
Expenses				
	Finance costs	27	6453.23	3954.92
	Net loss on fair value changes	28	-	-
	Impairment on financial instruments	29	243.45	88.36
	Employee benefits expenses	30	3306.17	2728.84
	Depreciation, amortization and impairment	10	127.99	77.44
	Others expenses	31	1393.32	974.06
(IV)	Total expenses		11524.16	7823.62
(V)	Profit / (loss) before exceptional items and tax (III - IV)		3248.67	1437.77
(VI)	Exceptional Items		-	-
(VII)	Profit before tax (III - IV)		3248.67	1437.77
(VIII)	Tax Expense:			
	(1) Current Tax	32	726.67	255.77
	(2) Deferred Tax	32	105.37	110.40
	(3) Adjustment of tax relating to earlier periods	32	3.06	-
	(4) Adjustment of deferred tax relating to earlier periods		45.32	
	Total Tax Expense (VIII)		880.42	366.16
(IX)	Profit for the period (VII-VIII)		2368.25	1071.61
(X)	Other comprehensive income			
	(A) Items that will not be reclassified to profit or loss (specify items and amounts)			
	(a) Items that will not be reclassified to profit or loss		10.82	57.92
	(b) Income tax relating to items that will not be reclassified to profit or loss		-2.72	.19
	Subtotal (A)		8.09	58.11
	(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) (A)		-15.96	58.11
(XIII)	Total comprehensive income for the period (IX +X)		2352.29	1129.72
(X)	Earnings per share (equity share, par value of Rs.10 each)			
	Basic (Rs.)		3.69	2.18
	Diluted (Rs.)		3.69	2.18

IKF Home Finance Limited**Cash Flow Statement as at March 31, 2024***(Amount in INR lakhs unless otherwise stated)*

Particulars	Year ended	Year ended
	March 31, 2024	March 31, 2023
Cash flow from operating activities:		
Net profit before tax as per the statement of profit and loss	3248.67	1437.77
Adjustments for		
Net (gain) / loss on derecognition of financial instruments under amortised cost category	-1826.03	-1112.58
Finance cost - Leases	8.66	2.37
Transfer from Special Reserves u/s 36(1)(viii) Income tax	-40.88	-
Impact on derecognition of leases	-	1.00
Profit on sale of assets	-.39	-
Depreciation and amortisation	127.99	77.44
Actuarial Gain/(Loss)-Defined Benefit Plan	10.82	57.92
Interest income on Security deposit- Leases	-.92	-
Impairment allowance on loans	243.45	88.36
Net gain/loss on financial assets	-100.33	-
Operating profit before working capital changes	1671.02	552.28
Changes in working capital		
Decrease / (increase) in Loans	-30844.70	-25369.16
Decrease / (increase) in other financial assets	563.89	-374.16
Decrease / (increase) in other non financial assets	-574.87	-477.56
Increase / (Decrease) in other payables	44.83	71.15
Increase / (Decrease) in other financial liabilities	-149.09	-205.25
Increase / (Decrease) in provisions	3.22	12.41
Increase / (Decrease) in other non financial liabilities	494.92	190.41
Total Changes in Working Capital	-30461.80	-26152.15
Income taxes paid (net)	-587.83	-265.43
Net cash (used in) operating activities (A)	-29378.61	-25865.30
Cash flow from investing activities		
Purchase of property, plant and equipment	-72.39	-150.62
Proceeds from sale of Property	.57	-
Purchase of investments	-	-
Sale of investments	1199.00	-1200.00
Net cash (used in) / generated from investing activities (B)	1127.18	-1350.62
Cash flow from financing activities		
Issue of equity shares (including securities premium)	4682.60	4633.71
Increase/(Decrease) in borrowings	19158.17	21089.92
Payment of lease liability	-54.11	-16.98
Net cash (used in) generated from financing activities (C)	23786.66	25706.64
Net (decrease) in cash and cash equivalents (A+B+C)	-4464.77	-1509.27
Cash and cash equivalents at the beginning of the year	4777.83	6287.10
Cash and cash equivalents at the end of the year	313.07	4777.83
Components of Cash and cash equivalents		
Cash on hand	24.64	10.00
Balances with bank		
In current accounts	288.42	4767.84
In deposit accounts with original maturity less than 3 months	-	-

Note: The above cash flow statement has been prepared under the "Indirect method" as set-out in IND AS -7 "Statement of cash flows"

IKF Home Finance Limited
Statement of Changes in Equity for the Year ended March 31, 2024

(Amount in INR lakhs unless otherwise stated)

A. Equity share capital

Particulars	As at March 31, 2024	As at Mar 31, 2023
Balance at the beginning of the reporting period	6214.32	4659.64
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	6214.32	4659.64
Changes in equity share capital during the current period	710.50	1554.68
Balance at the end of the current reporting period	6924.82	6214.32

B. Other equity

Particulars	Reserves and Surplus					Total
	Special Reserve	Securities premium	Special Reserve U/s 36(viia) Income tax Act, 1961	Cash flow hedge reserve	Retained earnings	
Balance at Mar 31, 2022	724.23	1179.66	40.88	-	1952.86	3897.63
Profit for the year	-	-	-	-	1071.61	1071.61
Other comprehensive income for the year	-	-	-	-	18.24	18.24
Hedge Reserve	-	-	-	-	39.87	39.87
Total comprehensive income for the year (net of tax)	-	-	-	-	-	-
Transfer / utilisations	-	-	-	-	-	-
Additions during the period	267.90	3079.03	-	-	-267.90	3079.03
Transferred to special reserve from retained earnings	-	-	-	-	-	-
Balance at Mar 31, 2023	992.13	4258.69	40.88	-	2814.68	8106.38
Profit for the period	-	-	-	-	2368.25	2368.25
Other comprehensive income for the year	-	-	-	-24.06	8.09	-15.96
Total comprehensive income for the period (net of tax)	-	-	-	-	-	-
Transfer / utilisations	-	-	-	-	-	-
Additions during the year	592.06	3972.10	-	-	-	4564.16
Reductions during the year	-	-	-40.88	-	-592.06	-632.95
Balance at March 31, 2024	1584.20	8230.78	-	-24.06	4598.96	14389.88

IKF Home Finance Limited

Notes forming part of Financial Statements for the year ended March 31, 2024

1. Corporate Information:

IKF Home Finance Limited (“the Company”) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956 on 05 August 2002, with its registered office situated at 40-1-144, 1ST FLOOR, CORPORATE CENTRE, M.G.ROAD, VIJAYAWADA AP 520010 IN. The Company has been registered as a Housing Finance Company with National Housing Bank [Registration No. 05.0170.18 (Previously 04.0133.16)] with effect from 19.04.2016. The Company is engaged in the business of providing housing loans and other loans to its customers.

2. Material Accounting Policies And Key Accounting Estimates And Judgements

a) Basis of Preparation of financial statements:

(i) The standalone financial statements have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 as per Section 133 of the Companies Act, 2013 and relevant amendment rules issued thereafter (“Ind AS”) on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below, the relevant provisions of the Companies Act, 2013 (the “Act”) and the guidelines issued by the NHB to the extent applicable.

(ii) The Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 “Statement of Cash Flows”.

(iii) The financial statements are prepared on a going concern basis, as the Management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources

b) Presentation of financial statements:

The Company presents its balance sheet in order of liquidity.

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 the normal course of business, event of default or insolvency or bankruptcy of the Company and/or its counterparties.

i. Basis of measurement and presentation

These financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities that are measured at fair value (refer to accounting policies) such as Net defined (asset)/ liability present value of defined benefit obligations, investments carried at fair value through profit or loss and share-based payments. The method used to measure fair value are discussed further in notes to the financial statements.

The balance sheet, the statement of change in equity and the statement of profit and loss are presented in the format prescribed under Division III of Schedule III of the Act, as amended from time to time. The statement of cash flows has been presented as per the requirements of Ind AS 7 statement of cash flows.

c) Use of estimates and Critical Estimates and judgements

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. The management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future period.

IKF Home Finance Limited

Notes forming part of Financial Statements for the year ended March 31, 2024

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in the relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates are:

- i) Determining inputs into the ECL measurement model - (Refer Note g)
- ii) Estimation of defined benefit obligation - (Refer Note r (II))

The areas involving critical judgements are:

IKF Home Finance Limited

Notes forming part of Financial Statements for the year ended March 31, 2024

- i) Classification of financial assets : Assessment of the business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely principal plus interest on the principal amount outstanding.
- ii) Derecognition of financial assets and securitization.
- iii) Categorisation of loan portfolios

d) Business Combinations

Business combinations are accounted for using the acquisition method. At the acquisition date, identifiable assets acquired and liabilities assumed are measured at fair value. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. The consideration transferred is measured at fair value at acquisition date and includes the fair value of any contingent consideration. However, deferred tax asset or liability and any liability or asset relating to employee benefit arrangements arising from a business combination are measured and recognized in accordance with the requirements of Ind AS 12, Income Taxes and Ind AS 19, Employee Benefits, respectively.

Where the consideration transferred exceeds the fair value of the net identifiable assets acquired and liabilities assumed, the excess is recorded as goodwill. Alternatively, in case of a bargain purchase wherein the consideration transferred is lower than the fair value of the net identifiable assets acquired and liabilities assumed, the difference is recorded as a gain in other comprehensive income and accumulated in equity as capital reserve. The costs of acquisition excluding those relating to issue of equity or debt securities are charged to the Statement of Profit and Loss in the period in which they are incurred.

In case of business combinations involving entities under common control, the above policy does not apply. Business combinations involving entities under common control are accounted for using the pooling of interests method. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonise accounting policies. Any excess or shortfall of the consideration paid over the share capital of transferor entity or business is recognised as capital reserve under equity.

e) Non Financial Assets:

Measurement

i) Property, Plant and Equipment

PPE (Property Plant and Equipment) is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax, if any, less accumulated depreciation. Cost includes professional fees related to the acquisition of PPE and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy, less GST to the extent credit of tax is availed off. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All repairs and maintenance are charged to the statement of profit or loss during the reporting period in which they are incurred.

For transition to Ind AS, the Company has elected to adopt as deemed cost, the opening written down value I-GAAP on the transition date of April 1, 2018.

PPE not ready for the intended use on the date of the Balance Sheet are disclosed as "capital work-in-progress".

IKF Home Finance Limited
Notes forming part of Financial Statements for the year ended March 31, 2024

ii) Intangible Asset

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Following initial recognition, intangible assets with finite useful life are carried at cost less accumulated amortization and accumulated impairment loss, if any.

For transition to Ind AS, the Company has elected to adopt as deemed cost, the opening written down value I-GAAP on the transition date of April 1, 2018.

iii) Investment Property

Investment Property are measured on initial recognition at cost. Transaction costs are included in the initial measurement. The cost of a purchased investment property comprises its purchase price and any directly attributable expenditure. Directly attributable expenditure includes, for example, professional fees for legal services, property transfer taxes and other transaction costs. Following initial recognition, after initial recognition, an entity shall measure all of its investment properties in accordance with Ind AS 16's requirements for cost model.

Depreciation/ Amortisation

Depreciation on each item of PPE is provided using the Straight-Line Method using the rates arrived at based on the useful lives of the assets as estimated by the management and is charged to the Statement of Profit and Loss. The estimate of the useful life of the assets has been based on Part C of Schedule II of the Companies Act 2013. Freehold land is not depreciated. Intangible Assets with finite lives are amortized on a Straight Line basis over the estimated useful economic life and is recognized in the Statement of Profit and Loss.

Individual assets costing up to Rs.5,000 has been depreciated in full in the year of purchase.

Derecognition

The carrying amount of an item of PPE, Investment Property and Intangible Asset is derecognized (eliminated from the balance sheet) on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

f) Impairment of Non Financial Assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortization and are tested for impairment annually and whenever there is an indication that the asset may be impaired. Assets that are subject to depreciation and amortization are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit (CGU) exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less cost to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal. Impairment losses, if any, are recognized in the Statement of Profit and Loss and included in depreciation and amortization expenses.

Impairment losses are reversed in the Statement of Profit and Loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognized.

IKF Home Finance Limited

Notes forming part of Financial Statements for the year ended March 31, 2024

g) Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Financial Assets

Business Model Assessment

IKF Home Finance Limited
Notes forming part of Financial Statements for the year ended March 31, 2024

The Company makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

Assessment of whether contractual cash flows are solely payments of principal and interest

For the purpose of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as profit margin.

In assessing whether the contractual cash flows are SPPI, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Company changes its business model for managing financial assets.

Initial recognition and measurement:

The company recognizes a financial asset in its Balance Sheet when it becomes party to the contractual provisions of the instrument.

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset.

However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement:

For subsequent measurement, the company classifies a financial asset in accordance with the below criteria:

- i. The company's business model for managing the financial asset and
- ii. The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the company classifies its financial assets into the following categories:

- i. Financial assets measured at amortized cost
- ii. Financial assets measured at fair value through other comprehensive income (FVTOCI)
- iii. Financial assets measured at fair value through profit or loss (FVTPL)

i. Financial assets measured at amortized cost

A financial asset is measured at the amortized cost if both the following conditions are met:

- a) The company's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and
- b) 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.

This category applies to cash and bank balances, trade receivables, loans, investments and other financial assets of the company. Such financial assets are subsequently measured at amortized cost using the effective interest method.

ii. Financial assets measured at FVTOCI

A financial asset is measured at FVTOCI if both of the following conditions are met:

- a) The company's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) 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.

For the above category, income by way of interest and dividend, provision for impairment are recognized in profit or loss and changes in fair value (other than on account of above income or expense) are recognized in other comprehensive income and accumulated in other equity.

On disposal of debt instruments at FVOCI, the cumulative gain or loss previously accumulated in other equity is reclassified to Statement of Profit and Loss.

IKF Home Finance Limited
Notes forming part of Financial Statements for the year ended March 31, 2024

iii. Financial assets measured at FVTPL

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above. This is a residual category applied to all other investments of the company excluding investments in associate. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss.

IKF Home Finance Limited
Notes forming part of Financial Statements for the year ended March 31, 2024

Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is derecognized (i.e. removed from the company's Balance Sheet) when any of the following occurs:

- i. The contractual rights to cash flows from the financial asset expires;
- ii. The company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;
- iii. The company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);
- iv. The company neither transfers nor retains, substantially all risk and rewards of ownership, and does not retain control over the financial asset.

In cases where company has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the company continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the company also recognizes an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

On Derecognition of a financial asset, (except as mentioned in ii above for financial assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

Impairment of financial assets:

The Company recognizes loss allowance for Expected Credit Loss ("ECL") on the following financials instruments that are not measured at FVTPL :

i) **Loans**

The Company measures loss allowances at an amount equal to lifetime ECL, except for financial instruments whose credit risk has not increased significantly since initial recognition, for which a 12-month ECL is computed. Life-time ECL is based on the result from all possible default events over the expected life of the financial instrument.

12-month ECL is based on the result from default events on a financial instrument that are possible within the 12 months after the reporting date.

The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The company categorises loan assets into stages based on the Days Past Due status:

Stage	Past Due	ECL
Stage 1	30 days past due	12 Month ECL
Stage 2	31-90 Days Past Due	Life time ECL
Stage 3	More than 90 Days Past Due	Life time ECL

Measurement of ECL

ECL are a probability-weighted estimate of credit losses. They are measured as follows :

IKF Home Finance Limited
Notes forming part of Financial Statements for the year ended March 31, 2024

The Company calculates ECLs based on a probability weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

PD: The Probability of Default (PD) 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 derecognised and is still in the portfolio.

The Loss Given Default (LGD) 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, including from the realisation of any collateral.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for ECL are presented in the statement of financial position for financial assets measured at amortised cost as a deduction from the gross carrying amount of the assets.

Write off

Loans are written off when there is no reasonable expectation of recovering in its entirety or a portion thereof. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level.

Financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Collateral:

The Company is in business of secured lending and all loans are adequately covered by either residential collateral or commercial collateral. The collaterals are assessed at the time of origination and are being re-assessed as and when required. The illustrative factors considered while evaluation of collateral are liquidity, enforceability, marketability, ease and efficiency in custody and settlement. The Company complies with local by-laws and relevant jurisdictions to ensure that the collaterals are free from all encumbrances. The assessment of collateral is undertaken by empanelled team of independent and qualified technical / legal agencies. The Company has specified the maximum loan-to-value ratio for various types of asset to be accepted as collateral. Such ratios commensurate with the relative risk of the assets as prescribed by RBI and provides an adequate buffer against potential losses. On case-to-case basis, the Company may ask for additional security, which may in the form of guarantee or financial assets or any other real estate assets. The Company may take actions as provided in the SARFAESI Act which enables it to enforce the underlying collateral of stage 3 assets without court intervention.

Collateral repossessed:

In its normal course of business whenever default occurs, the company may take repossession of properties and generally disposes such assets through auctio, to settle outstanding debt. Any surplus funds are returned to customers / obligors. As a result of this practice, assets under legal repossession processes are not recorded on the balance sheet.

ii) Financial Liabilities

Initial recognition and measurement:

The company recognizes a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. Having regards to the terms and structure of issuance, Financial Liabilities are categorized as follows (i) recognized at amortised costs (ii) recognized at fair value through profit and loss (FVTPL).

IKF Home Finance Limited
Notes forming part of Financial Statements for the year ended March 31, 2024

Subsequent measurement:

- (i) All financial liabilities of the company categorized as at amortized cost are subsequently measured using the effective interest method.
- (ii) All financial liabilities of the company categorized at fair value are subsequently measured at fair value through profit and loss statement.

IKF Home Finance Limited
Notes forming part of Financial Statements for the year ended March 31, 2024

Derecognition: A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

h) 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 Company 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.

Reclassification of financial assets and liabilities:

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified. The Company did not reclassify any of its financial assets or liabilities in FY 2023-24 and FY 2022-23.

i) Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

j) Fair Value

The company measures financial instruments at fair value in accordance with the accounting policies mentioned above. 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.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

IKF Home Finance Limited

Notes forming part of Financial Statements for the year ended March 31, 2024

Level 3 —inputs that are unobservable for the asset or liability

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

k) Functional Currency

IKF Home Finance Limited
Notes forming part of Financial Statements for the year ended March 31, 2024

i) Functional and presentation currencies:

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). i.e in Indian rupees (INR) and all values are rounded off to nearest Rupees except where otherwise indicated.

ii) Transactions and balances

a. During the year company has not entered into any Foreign currency transactions.

l) Securitisation transaction

During the year company has not entered into any securitisation transactions, so that Ind AS 109, in case of securitisation is not applicable.

m) Assignment transaction

In accordance with Ind AS 109, in case of assignment with complete transfer of risks and rewards without any retention of residual interest, gain arising on the assignment is recorded upfront in the Statement of Profit and Loss and the loan is derecognised from the Statement of Assets and Liabilities immediately on sale of the loan. However, in cases where the risks and rewards are not transferred completely, then the gain arising on the assignment is amortised over the remaining life of the loan. Loss, if any, is recognised upfront in the Statement of Profit and Loss for all types of Assignment Transactions.

n) Revenue Recognition

i) Income from financing activity:

Interest income is recognized using the Effective Interest Rate (EIR) method for all financial assets measured at amortised cost. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, to its gross carrying amount. The calculation of the effective interest rate includes transaction costs and transaction income that are directly attributable to the acquisition of a financial asset.

For financial assets that are not Purchases Originally Credit Impaired "POCI" but have subsequently become credit-impaired (or 'stage-3'), for which interest revenue is calculated by applying the effective interest rate to their amortised cost (i.e. net of the expected credit loss provision).

ii) Other revenue from operation:

Fee and commission income that are not integral part of the effective interest rate on the financial asset are recognized as the

performance obligation is are performed. There is no significant financing component the consideration.

iii) Other Income:

Dividend income is recognized when the right to receive income is established.

All other income is recognized on an accrual basis, when there is no uncertainty in the ultimate realization / collection.

o) Taxes on Income

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted on substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

IKF Home Finance Limited**Notes forming part of Financial Statements for the year ended March 31, 2024**

Deferred income tax provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

IKF Home Finance Limited
Notes forming part of Financial Statements for the year ended March 31, 2024

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the statement of profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

A deferred tax asset is recognised for unclaimed tax credits that are carried forward as deferred tax assets.

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the respective company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the company will pay normal income tax during the specified period.

Presentation of current and deferred tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income.

The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the company.

p) Provisions and Contingencies

The company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

q) Cash and Cash Equivalents

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments.

r) Employee Benefits

I. Defined contribution plans:

Defined contribution plans are post-employment benefit plans (such as Provident Fund) under which the company pays fixed contributions into benefit schemes and will have no legal or constructive obligation to pay further contributions. The company's contributions to defined contribution plans are recognised in the Statement of Profit and Loss in the financial year to which they relate.

IKF Home Finance Limited

Notes forming part of Financial Statements for the year ended March 31, 2024

II. Defined benefit plans:

Gratuity is post employment benefit and is in the nature of Defined Benefit Plan. The present value of the obligations under defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligations at the Balance Sheet date.

Re-measurement, comprising actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of asset ceiling (if applicable) is recognized in other

comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to profit or loss.

Defined benefit costs comprising current service cost, past service cost and gains or losses on settlements are recognised in the Statement of Profit and Loss as employee benefits expense. Interest cost implicit in defined benefit employee cost is recognised in the Statement of Profit and Loss under finance cost. Gains or losses on settlement of any defined benefit plan are recognised when the settlement occurs. Past service cost is recognised as expense at the earlier of the plan amendment or curtailment and when the company recognises related restructuring costs or termination benefits. In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of the expected future payments to be made in respect of services provided by employee upto the end of reporting period using the projected unit credit method and is recognized in a similar manner as in the case of defined benefit plans. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

Long term employee benefit costs comprising current service cost and gains or losses on curtailments and settlements, re-measurements including actuarial gains and losses are recognised in the Statement of Profit and Loss as employee benefit expenses. Interest cost implicit in long term employee benefit cost is recognised in the Statement of Profit and Loss under finance cost.

IKF Home Finance Limited

Notes forming part of Financial Statements for the year ended March 31, 2024

s) Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

t) Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for;
- b) Uncalled liability on shares and other investments partly paid;
- c) Funding related commitment to associate and joint venture companies; and
- d) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

u) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur at amortised cost using EIR. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

v) Securities premium

Securities premium is recognised for shares issued at premium. The issue expenses of securities which qualify as equity instruments are written off against securities.

IKF Home Finance Limited

Notes forming part of Financial Statements for the year ended March 31, 2024

6 Loans

Particulars	As at March 31, 2024	As at March 31, 2023
Loans (Amortised cost)		
Individual loans	89518.68	58682.72
Others (ICD)	200.00	200.00
Loans to staff	8.75	.40
Total Gross	89727.43	58883.12
Less: Impairment loss allowance	-960.64	-717.19
Total Net	88766.78	58165.93
Secured by tangible assets	89518.68	58682.72
Unsecured	208.75	200.00
Total Gross	89727.43	58882.72
Less: Impairment loss allowance	-960.64	-717.19
Total Net	88766.78	58165.53
Loans in India		
Public sectors	-	-
Others	89727.43	58882.72
Total Gross	89727.43	58882.72
Less: Impairment loss allowance	-960.64	-717.19
Total Net	88766.78	58165.53

6(a) Loan Details

Particulars	Principal	Interest O/s	EIR Adjustment	Total
As at March 31, 2024				
Individual loans	90072.87	1098.03	1652.23	89518.68
Others	208.75	-	-	208.75
Total	90281.62	1098.03	1652.23	89727.43
As at March 31, 2023				
Individual loans	59088.63	687.81	1093.72	58682.72
Others	200.00	-	-	200.00
Total	59288.63	687.81	1093.72	58882.72

6(b) Loans granted by the Company are secured by registered / equitable mortgage of property.

6(c) The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are:

- (a) repayable on demand; or
- (b) without specifying any terms or period of

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	87568.76	57322.39
Stage II	1290.35	819.62
Stage III	659.57	540.71
Total	89518.68	58682.72

Note- The Company has taken necessary steps to recover the amount for all the cases. All the recovery process are as per the terms mentioned in agreement and are in compliant with NHB.

IKF Home Finance Limited

Notes forming part of Financial Statements for the year ended March 31, 2024

*(Amount in INR lakhs unless otherwise stated)***7 Investments**

Particulars	As at March 31, 2024	As at March 31, 2023
Mutual funds	1.00	-
Market Linked Debentures	-	1200.00
Total	1.00	1200.00

Note : There are no investments made outside india

8 Other financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
Interest strip Asset on Assignment	3421.59	2441.03
Security Deposits	5.99	37.04
Other -secured, considered good	214.52	189.06
Other -unsecured, considered good	421.82	138.12
Investments	-	-
Total	4063.92	2805.24

9 Current Tax Assets

Particulars	As at March 31, 2024	As at March 31, 2023
Advance Tax	461.00	260.00
T.D.S. Receivable AY-2024-25	151.09	23.33
T.C.S. Receivable AY-2024-25	.25	-
Current Tax	726.67	255.77
Total	-114.33	27.57

10 Property, plant and equipment

Particulars	Leasehold Improvements	Vehicles	Computers & Laptops	Furniture and fixtures	Office equipment	Buildings (Right of Use Assets)	Total
Gross Carrying Value							
Balance at March 31, 2021	29.13	35.83	34.77	17.72	17.28	57.35	192.08
Additions	-	-	24.11	4.03	.16	.00	28.30
Disposals	-	-	-	-	-	-	-
Balance at March 31, 2022	29.13	35.83	58.88	21.75	17.43	57.35	220.38
Additions	-	-	41.49	16.33	5.66	57.96	121.44
Disposals	-	-	-	-	-	8.92	8.92
Balance at Mar 31, 2023	29.13	35.83	100.37	38.08	23.09	106.40	332.90
Additions	-	27.60	17.27	3.98	.14	106.92	155.90
Disposals	-	-	.67	-	-	-	.67
Balance at March 31, 2024	29.13	63.43	116.97	42.06	23.23	213.32	488.14
Accumulated depreciation							
Balance at March 31, 2021	10.61	6.04	24.36	8.05	6.77	36.42	92.24
Depreciation expense	2.95	4.26	11.01	3.87	2.22	12.02	36.33
Elimination on disposals of assets	-	-	-	-	-	-	-
Balance at March 31, 2022	13.56	10.30	35.37	11.91	8.99	48.43	128.57
Depreciation expense	2.94	4.26	18.78	4.55	3.07	14.99	48.59
Elimination on disposals of assets	-	-	-	-	-	-	-
Balance at Mar 31, 2023	16.50	14.56	54.15	16.46	12.07	63.43	177.16
Depreciation expense	2.91	5.43	26.71	9.38	4.22	50.20	98.84
Elimination on disposals of assets	-	-	.49	-	-	-	.49
Balance at March 31, 2024	19.41	19.99	80.37	25.84	16.28	113.63	275.52
Net carrying value							
Balance at Mar 31, 2023	12.63	21.28	46.22	21.62	11.03	42.97	155.74
Balance at March 31, 2024	9.72	43.44	36.60	16.23	6.95	99.69	212.62

JKF Home Finance Limited

Notes forming part of Financial Statements for the year ended March 31, 2024

(Amount in INR lakhs unless otherwise stated)

11 Other intangible assets

Particulars	Computer software
Gross Carrying Value	
Balance at Mar 31, 2021	96.38
Additions during the year	9.73
Disposal	-
Balance at Mar 31, 2022	106.12
Additions during the year	87.14
Disposal	-
Balance at Mar 31, 2023	193.25
Additions during the year	23.41
Disposal	-
Balance at March 31, 2024	216.66
Accumulated Amortisation	
Balance at Mar 31, 2021	59.63
Amortisation for the year	5.37
Disposal	-
Balance at Mar 31, 2022	84.57
Amortisation for the year	58.00
Disposal	-
Balance at Mar 31, 2023	113.42
Amortisation for the year	29.14
Disposal	-
Balance at March 31, 2024	142.56
Net carrying value	
Balance at Mar 31, 2023	79.84
Balance at March 31, 2024	74.10

12 Other non-financial assets

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Prepaid expenses	62.81	5.83
Advances to employees	-	-
Capital Advances	1000.00	500.00
Advance to Vendor	2.06	2.84
Security deposits (Rent)	116.30	97.22
GST input credit	-	-
Total	1181.17	605.90

13

	Currency Pair	As at 31st March 2024		As at 31st March 2023	
		Notional value in foreign currency	Fair Value Gain/ (Loss)	Notional Value in foreign currency	Fair Value Gain/ (Loss)
Cash flow hedges					
Currency swap	USD INR	6,046	62.79	7618.46	-5.40
Interest rate swap	USD INR				
Foreign currency forwards	USD INR				

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,

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 March 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

As at March 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

IKF Home Finance Limited
Notes forming part of Financial Statements for the year ended March 31, 2024

(Amount in INR lakhs unless otherwise stated)

15 Debt securities

Particulars	As at March 31, 2024	As at March 31, 2023
At Amortised Cost (With in India)		
6000, 10.85% Unsecured, Redeemable, Non-convertible Debentures of face value of Rs 1,00,000 each redeemable at par at the end of Thirty Six Months from the date of allotment i.e. Aug 31, 2023.	5009.40	-
250, 11% Secured, Redeemable, Non-convertible Debentures of face value of Rs 10,00,000 each redeemable at par at the end of Thirty Six Months from the date of allotment i.e. June 29, 2020.	-	2066.39
250, 11% Secured, Redeemable, Non-convertible Debentures of face value of Rs 10,00,000 each redeemable at par at the end of Thirty Six Months from the date of allotment i.e. June 29, 2020.	-	2705.62
100, 11% Secured, Redeemable, Non-convertible Debentures of face value of Rs 10,00,000 each redeemable at par at the end of Thirty Six Months from the date of allotment i.e. July 23, 2020.	-	1074.88
250, 10.11% Secured, Redeemable, Non-convertible Debentures of face value of Rs 10,00,000 each redeemable at par at the end of Thirty Six Months from the date of allotment i.e. July 31, 2020.	-	886.78
100, 10.50% Secured, Redeemable, Non-convertible Debentures of face value of Rs 10,00,000 each redeemable at par at the end of Thirty Six Months from the date of allotment i.e. July 31, 2020.	-	1068.45
Total	5009.40	7802.13

Nature of security

The above debentures are unsecured.

(Mar-23 -The above debentures are secured by an exclusive charge by way of hypothecation of specific loan receivables and personal guarantees of promoters.)

16 Borrowings (other than debt securities)

Particulars	As at March 31, 2024	As at March 31, 2023
At Amortised Cost (With in India)		
Secured		
Term Loans		
From National Housing Bank (NHB)	4748.20	2213.06
From Banks	45119.49	31548.29
From Financial institutions	14289.73	10421.82
Others		
Cash Credit	2378.96	402.30
Loans from related parties	-	-
Unsecured Loans	-	-
Total	66536.37	44585.47

Nature of security

Term Loans from NHB are secured by an exclusive charge by way of hypothecation of specific loan receivable created out of the loan proceeds and personal guarantees of promoters. With security cover ranging from 1.25 to 1..35

Term Loans and Cash Credit from NHB, banks, financial institutions and non-banking financial companies are secured by an exclusive charge by way of hypothecation of specific loan receivable created out of the loan proceeds and personal guarantees of promoters. With security cover ranging from 1.10 to 1.20

Maturity profile and rate of interest of borrowings from bank and other parties are set out below:

(Amount in INR lakhs unless otherwise stated)

Terms of repayment of Debt Securities and Borrowings as on Mar 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 Rupees)	No. of Installments	Amount (In Rupees)	No. of Installments	Amount (In Rupees)	
Debt Securities								
Bullet repayment schedule								
1-3 Years	10.01%-11.00%	-	-	-	-	-	-	-
	11.01%-12.00%	-	-	-	-	-	-	-
Yearly repayment schedule								
1-3 Years	10.01%-11.00%	4	2045.95	6	3000.00	-	-	5045.95
Borrowings (Other than Debt Securities)								
Monthly repayment schedule								
1-7 Years	5.00%-6.00%	-	-	-	-	-	-	-
	6.01%-7.00%	-	-	-	-	-	-	-
	8.01%-9.00%	48	510.37	74	527.71	-	-	1038.08
	9.01%-10.00%	177	5007.09	564	16928.69	33	977.29	22913.08
	10.01%-11.00%	215	3638.73	427	8470.18	46	1488.38	13597.29
	More than 11.00%	47	1168.02	12	382.36	-	-	1550.38
Quarterly repayment schedule								
1-7 Years	7.01%-8.00%	-	-	-	-	-	-	-
	8.01%-9.00%	40	983.65	110	2639.43	51	1125.12	4748.20
	9.01%-10.00%	12	862.61	48	3450.44	18	1216.40	5529.45
	10.01%-11.00%	34	2990.90	120	10520.50	13	835.88	14347.28
	More than 11.00%	6	290.62	-	-	-	-	290.62
								.00
Total Amortized Cost			17207.33		45919.31		5643.07	69060.33

Terms of repayment of Debt Securities and Borrowings as on Mar 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 Rupees)	No. of Installments	Amount (In Rupees)	No. of Installments	Amount (In Rupees)	
Debt Securities								
Bullet repayment schedule								
1-3 Years	10.01%-11.00%	3	4500.00	-	-	-	-	4500.00
	11.01%-12.00%	1	2000.00	-	-	-	-	2000.00
Yearly repayment schedule								
1-3 Years	10.01%-11.00%	1	833.33	-	-	-	-	833.33
Borrowings (Other than Debt Securities)								
Monthly repayment schedule								
1-7 Years	5.01%-6.00%	-	-	-	-	-	-	-
	8.01%-9.00%	36	884.62	96	2538.46	18	576.92	4000.00
	9.01%-10.00%	93	2586.28	299	8985.33	21	553.57	12125.18
	10.01%-11.00%	153	2235.86	387	6712.22	68.00	2039.36	10987.44
	More than 11.00%	36.00	1135.72	47.00	1524.89	-	-	2660.62
Quarterly repayment schedule								
1-7 Years	7.01%-8.00%	16	439.20	47	1015.84	6	208.96	1664.00
	8.01%-9.00%	4	76.00	16	304.00	3	26.00	406.00
	9.01%-10.00%	10	644.39	48	3192.95	21	1491.23	5328.57
	10.01%-11.00%	8	1322.00	22	4663.00	3	758.46	6743.47
	More than 11.00%	12	445.26	7.00	291.32	-	-	736.58
Total Amortized Cost								
			17102.66	29228.01		5654.51		51985.18

IKF Home Finance Limited
Notes forming part of Financial Statements for the year ended March 31, 2024

(Amount in INR lakhs unless otherwise stated)

17 Other financial liabilities

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Employee benefits payable	111.92	123.23
Payable towards securitisation / assignment transactions	282.79	361.12
Lease Liabilities	101.13	43.91
Other Payable	107.13	166.57
Total	602.97	694.83

18 Provisions

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Provision for gratuity	54.62	51.39
Provision for leave benefits	-	-
Total	54.62	51.39

19 Deferred tax Liabilities (Net)

Deferred tax Assets/ (liabilities) arising on account of timing differences are as follows:

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Opening Balance (Liabilities/(Asset))	275.55	165.35
Recognised in Statement of Profit and Loss	150.69	110.40
Impairment allowance for financial assets	-61.27	-22.24
Provision for employee benefits	1.81	2.61
Differences in depreciation as per income tax & as charged in financials	-2.89	-39
Deferred tax liability on amortised cost under Ind AS 109	131.36	118.57
Deferred tax liability on Cash flow hedge	25.47	-
Tax deduction under Section 36(1)(vii) of Income Tax Act, 1961	54.31	-
Deferred tax asset on Leases	-96	-35
Others	2.88	12.19
Recognised in/ reclassified from OCI	-5.37	-19
Deferred tax on re-measurement gains/ (losses) on defined benefit plans	2.72	1.17
Deferred tax on re-measurement gains/ (losses) on cash flow hedges	-8.09	-1.36
Closing Balance (Liabilities/(Asset))	420.88	275.55

20 Other non-financial liabilities

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Amount received in advance	890.19	410.75
Statutory dues payable	99.91	84.42
Total	990.10	495.18

21 Equity share capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number	Amount	Number	Amount
Authorised Capital				
Equity shares of Rs. 10 each	11,50,00,000	11500.00	6,50,00,000	6500.00
	11,50,00,000	11500.00	6,50,00,000	6500.00
Issued, subscribed and fully paid-up shares				
Equity Shares of Rs. 10 each fully paid up	6,44,04,183	6440.42	5,74,04,183	5740.42
	6,44,04,183	6440.42	5,74,04,183	5740.42
Issued, subscribed and partly paid-up shares				
Equity Shares of Rs. 10 each, partly paid up Rs. 8.50	-	-	-	-
Equity Shares of Rs. 10 each, partly paid up Rs. 5.00	96,88,043	484.40	-	-
Equity Shares of Rs. 10 each, partly paid up Rs. 6.77	-	-	70,00,000	473.90
	96,88,043	484.40	70,00,000	473.90
	7,40,92,226	6924.82	6,44,04,183	6214.32

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 Rs. 10 each				
At the beginning of the year	5,74,04,183	5740.42	3,76,14,753	3761.48
Shares issued during the year			1,97,89,430	1978.94
Converted from partly paid to fully paid	70,00,000	700.00		
Outstanding at the end of the year	6,44,04,183	6440.42	5,74,04,183	5740.42
Partly paid up equity share of Rs. 10 each, partly paid up Rs.5.0 per share				
At the beginning of the year	-	-		
Amount called/Issued during the year	96,88,043	484.40	-	-
Outstanding at the end of the year	96,88,043	484.40	-	-
Partly paid up equity share of Rs. 10 each, partly paid up Rs.6.77 per share				
At the beginning of the year	70,00,000	473.90	-	.00
Amount called/Issued during the year	-	226.10	70,00,000	473.90
Converted from partly paid to fully paid	(70,00,000)	(700.00)		
Outstanding at the end of the year	-	-	70,00,000	473.90
Total Outstanding at the end of the year	7,40,92,226	6924.82	6,44,04,183	6214.32

B. Terms/rights attached to equity shares

The company has only one class of equity shares having par value of Rs. 10 per share fully paid up. Each holder of equity shares is entitled to one vote per share. The company declares and

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

C. Details of shareholder(s) holding more than 5% of equity shares in the company :

Name of shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of shares held	% Holding	No. of shares held	% Holding
Fully paid equity share of Rs. 10 each				
IKF Finance Limited	5,74,04,177.00	89.13%	5,74,04,177.00	100.00%
VGK Prasad	47,37,881.00	7.36%	-	-
Partly paid up equity share of Rs. 10 each, partly paid up Rs.5.0 per share				
IKF Finance Limited	96,88,043	100.00%	-	-
Partly paid up equity share of Rs. 10 each, partly paid up Rs.6.77 per share				
VGK Prasad	-	-	47,37,880	67.68%
K. Vasumathi Devi	-	-	6,97,312	9.96%
V. Vasantha Lakshmi	-	-	6,56,360	9.38%
V. Raghuram	-	-	4,74,312	6.78%
V. Indira Devi	-	-	4,34,136	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. Details of shares held by the Promoters:

Name of shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of shares held	% Holding	No. of shares held	% Holding
Fully paid equity share of Rs. 10 each				
IKF Finance Limited	5,74,04,177.00	89.13%	5,74,04,177	100.00%
VGK Prasad	47,37,881.00	7.36%	1	0.00%
V. Vasantha Lakshmi	6,97,313.00	1.08%	1	0.00%
K. Vasumathi Devi	6,56,361.00	1.02%	1	0.00%
V. Indira Devi	4,74,313.00	0.74%	1	0.00%
V. Raghuram	4,34,137.00	0.67%	1	0.00%
Partly paid up equity share of Rs. 10 each, partly paid up Rs.5.00 per share				
IKF Finance Limited	96,88,043	100.00%	-	-
Partly paid up equity share of Rs. 10 each, partly paid up Rs.6.77 per share				
VGK Prasad	-	-	47,37,880	67.68%
K. Vasumathi Devi	-	-	6,97,312	9.96%
V. Vasantha Lakshmi	-	-	6,56,360	9.38%
V. Raghuram	-	-	4,74,312	6.78%
V. Indira Devi	-	-	4,34,136	6.20%

IKF Home Finance Limited
Notes forming part of Financial Statements for the year ended March 31, 2024

(Amount in INR lakhs unless otherwise stated)

22 Other equity

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Special Reserve *	1584.20	992.13
Special Reserve U/s 36(viia) Income tax Act, 1961**	-	40.88
Securities Premium	8230.78	4258.69
Cash flow hedge reseve	-24.06	-
Retained earnings	4598.96	2814.68
Total	14389.88	8106.38

A. Nature and purpose of reserve

a. Special reserve

*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 Rs. Rs 16,41,95,562/- for the period ended Mar 31 2024 to the Reserve in terms of Section 29C of the National Housing Bank (“NHB”) Act, 1987.

b. Special reserve

**Reserves created under U/s 36(viia) Income tax Act, 1961

c. Securities Premium

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.

d. Retained earnings

Retained earnings represents surplus / accumulated earnings of the Company and are available for distribution to shareholders.

e. Other comprehensive income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Items that will not be reclassified to profit or loss (specify items and amounts)		
(i) Remeasurements of the defined benefit plans	10.82	4.64
(ii) Impact of changes in fair value of Financial Instruments	-	53.28
Total	10.82	57.92
(b) Income tax relating to items that will not be reclassified to profit or loss		
(i) Remeasurements of the defined benefit plans	-2.72	-1.17
(ii) Impact of changes in fair value of Financial Instruments	-	1.36
Total	-2.72	.19
Subtotal (A)	8.09	58.11
Items that will be reclassified to profit or loss		
(i) Fair value of cash flow hedges	-32.14	-
(ii) Income tax relating to items that will be reclassified to profit or loss	8.09	-
Subtotal (B)	-24.05	-
Other comprehensive income / (loss) (A)	-15.96	58.11

IKF Home Finance Limited
Notes forming part of Financial Statements for the year ended March 31, 2024

(Amount in Rupees unless otherwise stated)

23 Interest income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
On financial assets measured at amortised cost		
-On Term Loans	10714.45	6880.10
-On Intercompany Deposits*	24.50	152.27
-On Deposits with Banks	43.90	55.48
-Interest income from investment in Debentures	679.40	178.41
Total	11462.25	7266.26

* Interest Income on ICD is received from related parties.

24 Fees and commission income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Other fees and charges	1148.37	678.61
Total	1148.37	678.61

25 Net gain on derecognition of financial instruments under amortised cost category

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Gain on derecognition of loans	1826.03	1112.58
Total	1826.03	1112.58

26 Other income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Net gain/loss on foreign currency transactions	3.66	-
Reversal of provisions	40.88	-
Miscellaneous Income	291.63	203.95
Total	336.17	203.95

27 Finance costs

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest on borrowings	6173.34	3713.82
Other finance cost	279.89	241.11
Total	6453.23	3954.92

IKF Home Finance Limited

Notes forming part of Financial Statements for the year ended March 31, 2024

(Amount in Rupees unless otherwise stated)

28 Net loss on fair value changes

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(A) Net loss on financial instruments at fair value through profit or loss	-	-
(i) On trading portfolio	-	-
- investments	-	-
- Derivatives	-	-
- Others	-	-
(ii) On financial instruments designated at fair value through profit or loss	-	-
(B) Others (to be specified)	-	-
Total Net Loss on fair value changes (C)	-	-
Fair Value changes:		
- Realised	-	-
- Unrealised	-	-
Total Net Loss on fair value changes (D) to tally with (C)	-	-
Total	-	-

29 Impairment on financial instruments*

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Loans (Measured at Amortised cost)	243.45	88.36
Total	243.45	88.36

*Impairment on loans excludes impairment relating to interest on credit impaired assets, which is netted off from interest income in accordance with Ind AS 109 on Financial Instruments.

IKF Home Finance Limited
Notes forming part of Financial Statements for the year ended March 31, 2024

(Amount in Rupees unless otherwise stated)

30 Employee benefits expenses

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries and wages	3103.18	2532.06
Contribution to provident and other funds	141.56	119.96
Staff welfare expenses	33.95	50.96
Gratuity	27.48	25.86
Leave encashment	-	-
Total	3306.17	2728.84

31 Other expenses

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Communication cost	37.01	40.08
Advertisements & Publications	1.54	5.25
Travelling and conveyance	83.15	74.25
Software expenses	70.66	28.88
Principal amount of loan Written off	134.36	-
Rent,taxes and energy cost	219.80	184.60
Insurance	43.88	32.88
Commission and Brokerage	115.74	69.19
Repairs and maintenance	47.87	22.90
Printing and stationary	15.29	12.78
Directors' sitting fees	8.70	3.90
Payment to the auditors:	3.00	3.18
Other expenses	199.40	170.08
Legal and professional fees	386.47	301.71
CSR Expense	26.43	24.38
Total	1393.32	974.06

Payment to the auditors:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Auditor's remuneration		
- Audit fees	3.00	3.18
In other capacity		
- Taxation	-	-
Other of pocket expenses	-	-
Total	3.00	3.18

32 Reconciliation of the effective tax rate

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Accounting profit before tax (A)	3248.67	1437.77
At India's statutory income tax rate	25.17%	25.17%
Expected income tax expense	817.63	361.86
Tax effect of:		
Effect of income exempt from tax	-10.39	15.16
Effect of differential tax rate	-	-
Effect of expenses / provions not deductible	43.51	-
Adjustment in respect of current income tax of earlier years	3.06	-
Provision under sec 36(1)(viia)	-38.62	13.46
Others	65.24	-24.31
Income tax expense reported in the statement of profit and loss	880.42	366.16

The effective income tax rate for March 31, 2024 is 27.10% (March 31, 2023: 25.47%).

Particulars	Net balance March 31 2023	Recognised in P&L	Recognised in OCI	Net balance March 31 2024
Depreciation on property, plant and equipment and amortisation of Other Intangible assets	6.12	2.89	-	9.01
Provision for employee benefits	5.34	-1.81	-2.72	.81
Impairment allowance for financial assets	180.50	61.27	-	241.77
Lease liability	.24	.13	-	.36
Derivative financials instruments	1.36	-25.47	8.09	-16.02
EIR impact on financial liabilities	-110.37	-25.13	-	-135.50
Interest spread EIS	-614.36	-246.79	-	-861.15
EIR impact on financial assets	275.27	140.56	-	415.83
Provision under 36(vii)(a)	-	-54.31	-	-54.31
Others	-19.66	-2.04	-	-21.70
Deferred tax assets / (liabilities)	-255.90	-148.65	5.37	-420.88

Particulars	Net balance March 31 2022	Recognised in P&L	Recognised in OCI	Net balance March 31 2023
Depreciation on property, plant and equipment and amortisation of Other Intangible assets	5.73	.39	-	6.12
Provision for employee benefits	9.12	-2.61	-1.17	5.34
Impairment allowance for financial assets	158.27	22.24	-	180.50
Lease liability	-.11	.35	-	.24
Derivative financial instruments	-	-	1.36	1.36
EIR impact on financial liabilities	-90.27	-20.10	-	-110.37
Interest spread EIS	-368.29	-246.06	-	-614.36
EIR impact on financial assets	127.67	147.60	-	275.27
Provision under 36(vii)(a)	-	-	-	-
Others	-7.46	-12.19	-	-19.66
Deferred tax assets / (liabilities)	-165.35	-110.40	.19	-275.55

33 Contingent liabilities, commitments and leasing arrangements

The Company is involved in certain judicial and arbitration proceedings (including those described below) concerning matters arising in the normal course of business including claims from customers, contingencies arising from having issued guarantees to lenders or to other entities. The proceedings in respect of these matters are in various stages. Management has assessed the possible obligations arising from such claims against the Company, in accordance with the requirements of Indian Accounting Standard (Ind AS) 37 and based on judicial precedents, consultation with lawyers or based on its historical experiences. Accordingly, Management is of the view that based on currently available information, no provision in addition to that already recognised in its financial statements is considered necessary in respect of the above.

Given below are amounts in respect of claims asserted by borrowers and others

There are No Contingent Liability as on Mar 31, 2024 (Mar 31, 2023 Rs. Nil)

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is 10.00 Crore as on 31.03.2024 (Previous year 15.00 Crore).

34 Earnings per share

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit attributable to equity holders of the Company used in calculating	2368.25	1071.61
Weighted average number of equity shares used as the denominator in	641.69	492.35
Basic earnings per share (Rs.)	3.69	2.18
Weighted average number of equity shares and potential equity shares used	641.69	492.35
Diluted earnings per share (Rs.)	3.69	2.18

IKF Home Finance Limited

Notes forming part of Financial Statements for the year ended March 31, 2024

*(Amount in INR lakhs unless otherwise stated)***35 Related Party Disclosure****a. Name of related party and nature of relationship:**

Holding Company	IKF Finance Limited
Enterprises significantly influenced by the company - Subsidiary	-
Enterprises in which directors are interested	IKF Finance Limited IKF Infratech Private Limited
Enterprises significantly influenced by Key Management Personnel and	IKF Infratech Private Limited
Relative of Key Management Personnel	Mr. V Raghu Ram Mrs. V Indira Devi
Key Management Personnel (KMP)	Mrs V Vasatha Lakshmi - Managing Director Mr. V G K Prasad Mrs.K.Vasumathi Devi *Mr. Abhishek Jain- Company Secretary **Mr. Vishal Kumar Joshi- Company Secretary ***Mr. Aravind J - CFO ****Mr. Ch. Sreenivasa Rao - CFO
* Mr Abishek Jain was appointed as company secretary w.e.f 9th Nov 2023	
** Mr Vishal kumar joshi ceases to be company secretary w.e.f 9th Nov 2023	
***Mr Aravind ceases to be CFO w.e.f 19th April 2024	
**** Mr Ch. Sreenivasa rao was appointed as CFO w.e.f 27th May 2024	

IKF Home Finance Limited
Notes forming part of Financial Statements for the year ended March 31, 2024

(Amount in INR lakhs unless otherwise stated)

45 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	313.07	-	313.07	4777.83	-	4777.83
Bank Balance other than cash and cash equivalents	-	525.77	525.77	-	525.62	525.62
Receivables						
(I) Trade receivables	-	-	-	-	-	-
(II) Other receivables	-	-	-	-	-	-
Loans	2895.15	85871.63	88766.78	1982.68	56182.85	58165.53
Investments	1.00	-	1.00	1200.00	-	1200.00
Derivative financial instruments	62.79	-	62.79	-	-	-
Other Financial assets	810.68	3253.24	4063.92	400.46	2404.78	2805.24
Sub total	4082.68	89650.64	93733.32	8360.97	59113.25	67474.22
Non-financial assets						
Current Tax assets (Net)	-	-	-	-	27.57	27.57
Property, plant and equipment	-	112.94	112.94	-	112.77	112.77
Right to Use Assets	-	99.69	99.69	-	42.97	42.97
Other intangible assets	-	74.10	74.10	-	79.84	79.84
Other non-financial assets	64.87	1116.30	1181.17	9.08	597.22	606.30
Sub total	64.87	1403.02	1467.89	9.08	860.37	869.45
Total assets	4147.55	91053.66	95201.21	8370.05	59973.62	68343.67
LIABILITIES AND EQUITY						
LIABILITIES						
Financial liabilities						
Derivative financial instruments	-	-	-	5.40	-	5.40
Payables						
(I) Trade payables						
(i) total outstanding dues of creditors of micro enterprises and small	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small	157.85	-	157.85	113.02	-	113.02
Debt Securities	2000.00	3009.40	5009.40	7802.13	-	7802.13
Borrowings (Other than Debt Securities)	16038.34	50498.03	66536.37	9879.42	34706.05	44585.47
Deposits	-	-	-	-	-	-
Subordinated Liabilities	-	-	-	-	-	-
Other Financial liabilities	602.97	-	602.97	694.83	-	694.83
Sub total	18799.16	53507.43	72306.59	18494.80	34706.05	53200.85
Non-Financial liabilities						
Current tax liabilities (Net)	114.33	-	114.33	-	-	-
Provisions	-	54.62	54.62	.09	51.30	51.39
Deferred tax liabilities (Net)	-	420.88	420.88	-	275.55	275.55
Other non-financial liabilities	990.10	-	990.10	495.18	-	495.18
Sub total	1104.43	475.49	1579.92	495.27	326.85	822.12
Total liabilities	19903.59	53982.93	73886.52	18990.07	35032.90	54022.97

(Amount in INR lakhs unless otherwise stated)

b. Transaction with related parties:

Name of related party	Relation / Designation	Nature of transaction	As at April 1, 2022	Transaction value for the year ended March 31, 2023	Received During the year	Paid / Transferred During the Year	As at March 31, 2023	Transaction value for the year ended March 31, 2024	Received During the year	Paid / Transferred During the Year	As at March 31, 2024	
Key management personnel & Relatives of key management personnel												
Mrs. D Vasantha Lakshmi	Managing Director	Director's remuneration	-	86.58	-	-	-	93.76	-	-	-	
		Share Capital (INR 10/- Paid up)	10	-	-	-	10	-	21.20	-	65.64	
		Partly paid up shares (Rs 5.00 Paid Up)	32.82	-	-	-	-	-	-	-	-	
		Partly paid up shares (Rs 6.77 Paid Up)	-	-	11.62	-	44.44	-	-	-	44.44	
		Unsecured Loan	-	-	-	-	-	-	-	-	-	
Mr. Vishal Kumar Joshi	Company secretary	Salary Paid	-	34.49	-	-	8.88	-	-	-		
Mr. Abhishek jain	Company secretary	Salary Paid	-	-	-	-	6.79	-	-	-		
Mr. Aravind J	CFO	Salary Paid	-	-	-	-	41.14	-	-	-		
Mr. V Raghu Ram	Relative	Share Capital (INR 10/- Paid up)	10	-	-	-	10	-	15.32	-	47.43	
		Partly paid up shares (Rs 5.00 Paid Up)	23.72	-	-	-	-	-	-	-	-	
		Partly paid up shares (Rs 6.77 Paid Up)	-	-	8.40	-	32.11	-	-	-	32.11	
		Unsecured Loan	-	-	-	-	-	-	-	-	-	
Mrs. V Indira Devi	Relative	Share Capital (INR 10/- Paid up)	10	-	-	-	10	-	14.02	-	43.41	
		Partly paid up shares (Rs 5.00 Paid Up)	21.71	-	-	-	-	-	-	-	-	
		Partly paid up shares (Rs 6.77 Paid Up)	-	-	7.68	-	29.39	-	-	-	29.39	
		Unsecured Loan	-	-	-	-	-	-	-	-	-	
Mr. V G K Prasad	Non executive director	Share Capital (INR 10/- Paid up)	10	-	-	-	10	-	153.03	-	473.79	
		Partly paid up shares (Rs 5.00 Paid Up)	236.89	-	-	-	-	-	-	-	-	
		Partly paid up shares (Rs 6.77 Paid Up)	-	-	83.86	-	320.75	-	-	-	320.75	
		Unsecured Loan	-	-	-	-	-	-	-	-	-	
Mrs. K. Vasumathi Devi	Non executive director	Share Capital (INR 10/- Paid up)	10	-	-	-	10	-	22.52	-	69.73	
		Partly paid up shares (Rs 5.00 Paid Up)	34.87	-	-	-	-	-	-	-	-	
		Partly paid up shares (Rs 6.77 Paid Up)	-	-	12.34	-	47.21	-	-	-	47.21	
		Unsecured Loan	-	-	-	-	-	-	-	-	-	
Mr. Radhe Shyam Garg	Independent director	Sitting fee	-	3.90	-	-	8.70	-	-	-		
Enterprises significantly influenced by key management personnel or their relatives												
IKF Finance Limited		Loan Received*	-	-	400.00	-400.00	-	-	4470.00	-4470.00	-	
		Loan given	-	-	27000.00	-27000.00	-	-	-	-	-	
		Share Capital (INR 10/- Paid up)	3761.47	-	1430.78	-	5740.42	-	-	-	5740.42	
		Share Capital (INR 5/- Paid up)	-	-	-	-	-	-	484.40	-	484.40	
		Share Capital (INR 2.77/- Paid up)	548.17	-	-	-	-	-	-	-	-	
		Securities Premium Received	1179.66	-	3079.03	-	4258.69	-	3972.10	-	8230.78	
		Interest Paid	-	1.42	-	-	-	-	.62	-	-	
		Interest Received	-	126.42	-	-	-	-	-	-	-	
		Direct Assignment Receipt	2782.98	-	-	-803.10	1979.88	-	-	-	-595.89	1383.99
		Interest Payable on Direct Assignment	34.46	313.39	-	-318.87	28.99	217.79	-	-	-226.31	20.47
		Service Fee Received (Shared Services & Service fee)	-	-	-	-	-	3.06	-	-	-	-
		Service Fee Paid (Shared Services & Service fee)	-	28.35	-	-	-	38.11	-	-	-	-
IKF Infratech Private Limited		Share Capital (INR 10/- Paid up)	10	-	-	-	10	-	-	-	10	
		Interest Paid	-	-	-	-	-	-	-	-	-	

c. Key management personnel compensation

Particulars	As at March 31, 2023	As at March 31, 2024
Short-term employee benefits	121.07	150.56
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	123.70	154.80

*Line of credit taken from IKF Finance Ltd are at interest rate of 10%

Notes:

- Transaction values are excluding taxes and duties.
- 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.
- 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.
- All related party transactions entered during the year were in ordinary course of the business and are on arm's length basis.

IKF Home Finance Limited

Notes forming part of Financial Statements for the year ended March 31, 2024

36 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 Rs.1,41,56,040 (March 31, 2023 : Rs.1,19,95,679) for provident fund and other contributions in the Statement of profit and loss.

The Supreme Court has recently, delivered its ruling on the composition of basic wages for the purposes of deduction and contribution to the Employees Provident and Pension funds.

The company, in the interest of its employees, awaits clarity on the complexities revolving around the application of the said order, the ambiguity reflected by the divergent views of legal experts and the response/direction from the authorities, including on representations made by an industry association in this regard.

b. Defined Benefit Plan - Gratuity

In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity, a non-contributory defined benefit arrangement providing lump-sum gratuity benefits expressed in terms of Final monthly salary and year of service, covering all employees. The plan provides a lump sum payment to vested employees at retirement or termination of employment in accordance with the rules laid down in the Payment of Gratuity Act, 1972.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2020. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of obligation (A)	54.61	51.39
Fair Value of plan assets (B)	-	-
Present value of obligation (A- B)	54.61	51.39
Net deficit / (assets) are analysed as:	54.61	51.39

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	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
Opening balance	51.39	30.17			51.39	30.17
Current service cost	24.13	23.61			24.13	23.61
Past service cost	-	-			-	-
Interest cost (income)	3.35	2.25			3.35	2.25
	78.87	56.03			78.87	56.03
Other comprehensive income						
Remeasurement loss (gain):						
Actuarial loss (gain) arising from:						
Experience	-10.82	-4.64			-10.82	-4.64
Financial assumption	-10.82	-4.64			-10.82	-4.64
Others						
Transfer in/(out)						
Contributions by employer	-	-			-	-
Benefits paid	-13.44	-			-13.44	-
Closing balance	54.62	51.39			54.62	51.39
Represented by						
Net defined assets					54.62	51.39
Net defined liability					54.62	51.39

IKF Home Finance Limited
Notes forming part of Financial Statements for the year ended March 31, 2024

Components of defined benefit plan cost:

Particulars	For the year ended March 31,2024	For the year ended March 31, 2023
Recognised in statement of profit or loss		
Current service cost	24.13	23.61
Interest cost/ (income) (net)	3.35	2.25
Past service cost		
Unrecognised past service cost- non vested benefits		
Total	27.48	25.86
Recognised in other comprehensive income		
Remeasurement loss (gain):		
Actuarial loss (gain) arising from:		
Experience	-10.82	-4.64
Financial assumption	-	-
Total	-10.82	-4.64

Percentage break-down of total plan assets

Particulars	For the year ended March 31,2024	For the year ended March 31, 2023
Investment funds with insurance company	-	-
Cash and cash equivalents	-	-
	-	-

Note :

Actuarial assumptions:

The following were the principal actuarial assumptions at the reporting date:

Particulars	For the year ended March 31,2024	For the year ended March 31, 2023
Discount rate	7.23%	7.50%
Salary growth 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%	100%
Expected weighted average remaining working lives of employees	25.38 years	24.79 years
Interest rate on net DBO/ (asset) (% p.a.)		

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.

IKF Home Finance Limited
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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 April 31, 2024		As at March 31, 2023	
	Increase	Decrease	Increase	Decrease
Salary Growth Rate (+/- 1%)	11.34%	-9.88%	11.06%	-9.64%
Discount Rate (+/- 1%)	-9.17%	10.66%	-8.90%	10.36%
Withdrawal Rate (+/- 1%)	-0.14%	-0.04%	0.03%	-0.23%

The Sensitivity is performed on the DBO 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.

Description of asset liability matching (ALM) policy

The Company has an insurance plans invested in market linked bonds. The investment returns of the market-linked plan are sensitive to the changes in interest rates. The liabilities' duration is not matched with the assets' duration.

Description of funding arrangements and funding policy that affect future contributions

The liabilities of the fund are funded by assets. The company aims to maintain a close to full-funding position at each Balance Sheet date. Future expected contributions are disclosed based on this principle.

Maturity profile

The average expected remaining lifetime of the plan members is 5 years (March 31, 2018: 5 years, March 31, 2017: 5 years) as at the date of valuation. This represents the weighted average of the expected remaining lifetime of all plan participants.

Expected future contributions

Expected cash flow for following years

Maturity Profile of Defined Benefit Obligations	
Year 1	1.64
Year 2	3.57
Year 3	2.83
Year 4	4.14
Year 5	4.37
Year 6	4.33
Year 7	4.29
Year 8	4.25
Year 9	4.95
Year 10	4.12
Year 11+	91.88

The weighted average duration of the defined benefit obligation is 11 years

c. Compensated absences :

The Company has discontinued the policy of leave encashment on account of this the company has not provided any provision for compensated absences during the Financial year.

37 Segment Reporting

The Company operates under the principal business segment viz. "providing long term housing finance, loans against property and refinance loans". Further, the Company is operating in a single geographical segment. The Chief Operating Decision Maker (CODM) views and monitors the operating results of its single business segment for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profits or losses and is measured consistently with operating profits or losses in the financial statements. Accordingly, disclosures relating to primary and secondary business segments under the Indian Accounting Standard on 'Segment Reporting' (Ind AS 108) are not applicable to the Company.

38 Corporate Social Responsibility expenditure

The gross amount required to be spent by the Company during the year towards Corporate Social Responsibility as per Sec 135 (5) of the Companies Act, 2013

(Amount in INR lakhs unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
a) Amount required to be spent by the company during the year	26.42	23.53
b) Amount of expenditure incurred		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	26.43	24.27
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	Eradicating hunger, poverty and malnutrition 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.	-	-

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.

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Net Debt	71545.77	52387.60
Total equity	21314.70	14320.70
Net Debt to equity ratio	3.36	3.66

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Total Debt to Total Assets (Debt securities+Borrowings other than debtsecurities)/Loan assets	0.81	0.90

Particulars	As at			As at
	March 31, 2024			March 31, 2023
	Numerator	Denominator	Ratio	Ratio
Capital to risk weighted assets ratio (CRAR)	18568.45	58031.03	32.00%	37.51%
Tier I CRAR	17843.06	58031.03	30.75%	36.29%
Tier II CRAR	725.39	58031.03	1.25%	1.22%

Particulars	As at			As at	% Variance	Reasons for variance (if above 25%)
	March 31, 2024			March 31, 2023		
	Numerator	Denominator	Ratio	Ratio		
Capital to risk weighted assets ratio (CRAR)	18568.45	58031.03	32.00%	37.51%	-14.70%	NA
Tier I	17843.06	58031.03	30.75%	36.29%	-15.27%	NA
Tier II	725.39	58031.03	1.25%	1.22%	2.46%	NA
Liquidity coverage ratio	-	-	NA	NA	NA	NA

The pillars of its policy are as follows:

- Maintain diversity of sources of financing and spreading the maturity across tenure buckets in order to minimize liquidity
- Maintain investment grade ratings for all its liability issuances domestically and internationally by ensuring that the financial strength of the balance sheets is preserved.
- Manage financial market risks arising from Interest rate, equity prices and minimise the impact of market volatility.
- Leverage optimally in order to maximise shareholder returns while maintaining strength and flexibility of balance sheet.

The Company is subject to the capital adequacy norms stipulated by the NHB guidelines on Capital Adequacy. These guidelines require the Company to maintain a minimum ratio of total capital to risk weighted assets of 15%. The total Tier-II capital should not exceed Tier-I capital. The total capital adequacy ratio of the Company as per the NHB guidelines are 32.00%, 37.51% at March 31, 2024 and March 31, 2023 respectively. The Company has complied in full, with the guidelines on capital adequacy issued by NHB.

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. Valuation governance framework

The Company's fair value methodology and the governance over its models includes a number of controls and other procedures to ensure appropriate safeguards are in place to ensure its quality and adequacy. All new product initiatives (including their valuation methodologies) are subject to approvals by various functions of the Company including the risk and finance functions.

Where fair values are determined by reference to externally quoted prices or observable pricing inputs to models, independent price determination or validation is used. For inactive markets, Company sources alternative market information, with greater weight given to information that is considered to be more relevant and reliable.

The responsibility of ongoing measurement resides with the business and product line divisions. However finance department is also responsible for establishing procedures governing valuation and ensuring fair values are in compliance with accounting standards.

IKF Home Finance Limited

Notes forming part of Financial Statements for the year ended March 31, 2024

C. The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy

As at March 31, 2024

Particulars	Level 1	Level 2	Level 3	Total
Assets measured at fair value on recurring basis				
Assets measured at fair value through profit or loss	-	-	-	-
Derivative financial instruments				
Forward contracts and currency swaps	-	-	-	-
Interest rate swaps	62.79	-	-	62.79
Total assets measured at fair value on a recurring basis (a)	62.79	-	-	62.79
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	-	-	-	-
Interest rate swaps	-	-	-	-
Total liabilities measured at fair value through profit or loss	-	-	-	-

As at March 31, 2023

Particulars	Level 1	Level 2	Level 3	Total
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	-	-	-	-
Interest rate swaps	5.40	-	-	5.40
Total liabilities measured at fair value through profit or loss	5.40	-	-	5.40

IKF Home Finance Limited
Notes forming part of Financial Statements for the year ended March 31, 2024

(Amount in INR lakhs unless otherwise stated)

D. 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

As at March 31, 2024

Particulars	Carrying Value	Fair Value		
		Level 1	Level 2	Level 3
Financial Assets				
Cash and cash equivalents	313.07	313.07	-	-
Bank balance other than cash and cash	525.77	525.77	-	-
Trade Receivable	-	-	-	-
Loans	88,766.78	-	93,769.53	-
Derivative financial instruments	-	-	-	-
Investments	1.00	1.05	-	-
Other financial assets	4,063.92	-	4,063.92	-
Total Financial Assets	93,670.53	839.88	97,833.45	-
Financial Liabilities				
Trade Payables	157.85	-	157.85	-
Debt Securities	5,009.40	-	5,048.27	-
Borrowings	66,536.37	-	66,441.63	-
Other Financial Liabilities	602.97	-	602.97	-
Total Financial liabilities	72,306.59	-	72,250.73	-

As at March 31, 2023

Particulars	Carrying Value	Fair Value		
		Level 1	Level 2	Level 3
Financial Assets				
Cash and cash equivalents	4,777.83	4,777.83	-	-
Bank balance other than cash and cash	525.62	525.62	-	-
Loans	58,165.53	-	65,101.54	-
Investments	1,200.00	1,200.00	-	-
Other financial assets	2,805.24	-	2,805.24	-
Total Financial Assets	67,474.22	6,503.45	67,906.78	0.00
Financial Liabilities				
Derivative financial instruments	-	-	-	-
Trade Payables	113.02	-	113.02	-
Debt Security	7,802.13	-	8,246.20	-
Borrowings	44,585.47	-	44,533.24	-
Other Financial Liabilities	694.83	-	694.83	-
Total Financial liabilities	53,195.46	-	53,587.30	0.00

Below mentioned valuation techniques used in measuring Level 1, Level 2 and Level 3 fair values for financial instruments measured at fair value in the balance sheet, as well as the significant unobservable inputs used.

Loans

The fair value of loan and advances are estimated by discounted cash flow models. For fixed rate loans, the fair value represent the discounted value of the expected future cash flow. For floating rate interest loans, the discounted value of expected cash flows represent the carrying amount of the loans. Fair value is then reduced by the impairment loss allowance on loans which is already calculated incorporating probability of default and loss given defaults.

Debt securities, borrowings (other than debt securities) and subordinated liabilities

For floating rate borrowings carrying value represents the fair value of the instruments. For fixed rate carrying value of borrowings as at reporting date approximates the fair value of the instruments because the borrowings have been raised near to reporting date .

There were no transfers between levels during the year

Investment

Company has investments of Rs 1,00,000/- as on March 31 2024 (March 31 2023: Rs 12,00,00,203/-)

41 Financial Risk Management

A. Liquidity Risk

Liquidity risk arises as Company has contractual financial liabilities that is required to be serviced & redeemed as per committed timelines and in the business of lending where money is required for the disbursement & creation of financial assets to address the going concern of Company

Liquidity risk management is imperative to Company as this allows covering the core expenses, market investment / creation of financial assets, timely repayment of debt commitments and continuing with their operations. The Company with the help of ALCO committee, ALM policy & Liquidity Desk, monitors the Liquidity risk and uses structural, dynamic liquidity statements and cash flow statements as a mechanism to address this.

The Company aims to maintain the level of its cash equivalents, in hand bank sanctions, unutilized borrowing lines and cash infows at an amount in excess of expected cash outflows on financial liabilities over the next one year

Liquidity Cushion:

Particulars	As at March 31, 2024	As at March 31, 2023
Liquidity cushion		
Government Debt Securities	-	-
Mutual Fund Investments	1.00	1200.00
Total Liquidity cushion	1.00	1200.00

Financing Arrangement

The Company had access to the following undrawn borrowing facilities at the end of the reporting year

Particulars	As at March 31, 2024	As at March 31, 2023
Committed Lines from Banks	5000.00	3000.00
Committed Lines from Other Parties	-	5250.00
Total	5000.00	8250.00

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:

As at March 31, 2024

Particulars	On Demand	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 Years	Total
Financial assets						
Cash and cash equivalents*	313.07	-	-	-	-	313.07
Bank Balance other than cash and cash equivalents*	-	-	-	-	525.77	525.77
Trade Receivables	-	-	-	-	-	-
Loans**	-	742.45	2152.70	16731.73	69139.90	88766.78
Investments*	1.00	-	-	-	-	1.00
Other Financial assets**	-	243.13	567.55	650.65	2665.38	4126.71
Total financial assets	314.07	985.57	2720.25	17382.38	72331.05	93733.32
Financial liabilities						
Trade Payables*	-	157.85	-	-	-	157.85
Debt securities**	-	500.00	1500.00	3009.40	-	5009.40
Borrowings (Other than Debt Securities)**	-	4016.32	12022.01	44224.96	6273.08	66536.37
Other Financial liabilities**	111.92	491.05	-	-	-	602.97
Total discounted financial liabilities	111.92	5165.22	13522.01	47234.36	6273.08	72306.59
Total net financial assets / (liabilities)	202.14	-4179.65	-10801.76	-29851.98	66057.98	21426.73

IKF Home Finance Limited
Notes forming part of Financial Statements for the year ended March 31, 2024

As at March 31, 2023

Particulars	On Demand	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 Years	Total
Financial assets						
Cash and cash equivalents*	4,778	-	-	-	-	4,778
Bank Balance other than cash and cash equivalents*	-	-	-	-	525.62	525.62
Trade Receivables	-	-	-	-	-	-
Loans**	-	475.86	1506.82	11551.49	44627.88	58162.05
Investments*	1,200	-	-	-	-	1,200
Other Financial assets**	6.89	337.22	63.24	484.81	1910.00	2802.20
Total financial assets	6.95	813.08	1570.06	12036.30	47063.50	61489.93
Financial liabilities						
Derivative financial instruments**	-	-	5.40	-	-	5.40
Trade Payables*	-	113.02	-	-	-	113.02
Debt securities**	-	4777.13	3024.99	-	-	7802.13
Borrowings (Other than Debt Securities)**	-	2330.65	7548.77	29525.34	5180.59	44585.35
Other Financial liabilities**	361.12	2186.45	-	-	-	2547.57
Total financial liabilities	361.12	9407.25	10573.76	29525.34	5180.59	55053.47
Total net financial assets / (liabilities)	-354.17	-8594.17	-9003.70	-17489.04	41882.91	6436.46

* Undiscounted cash flows

**Discounted cash flows

Contractual expiry of commitments

The table below shows the contractual expiry by maturity of the Company's commitments.

As at March 31, 2024

Particulars	On Demand	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 Years	Total
Undrawn committed credit lines	5000.00	-	-	-	-	5000.00
Estimated amount of contracts capital account	-	-	-	-	-	-
	5000.00	-	-	-	-	5000.00

As at March 31, 2023

Particulars	On Demand	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 Years	Total
Undrawn committed credit lines	250.00	8000.00	-	-	-	8250.00
Estimated amount of contracts capital account	-	-	-	-	-	-
	250.00	8000.00	-	-	-	8250.00

IKF Home Finance Limited
Notes forming part of Financial Statements for the year ended March 31, 2024

B. Market Risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, equity prices and Index movements.

Total market risk exposure

Particulars	As at March 31, 2024	As at March 31, 2023	Primary risk sensitivity
	Carrying amount	Carrying amount	
Financial assets			
Cash and cash equivalents	313	4,778	-
Bank Balance other than cash and cash	526	526	-
Trade Receivables	-	-	-
Loans	88766.78	58165.53	Interest rate risk
Derivative financial instruments	.00	-	Interest rate risk
Investments	1.00	1200.00	Interest rate risk
Other Financial assets	4,064	2,805	Interest rate risk
Total financial assets	88767.83	59365.61	
Financial liabilities			
Derivative financial instruments	-	.00	Interest rate risk
Trade Payables	158	113	-
Debt securities	5,009	7,802	Interest rate risk
Borrowings (Other than Debt Securities)	66,536	44,585	Interest rate risk
Other Financial liabilities	603	695	Interest rate risk
Total financial liabilities	72,307	.53	

C. Interest Rate Risk

The principal risk to which non-trading portfolios are exposed is the risk of loss from fluctuations in the future cash flows or fair values of financial instruments because of a change in market interest rates. Interest rate risk is managed principally through monitoring interest rate gaps and by having pre-approved limits for

ALCO is the monitoring body for compliance with these limits. ALCO reviews the interest rate gap statement and the mix of floating and fixed rate assets and liabilities. Balance Sheet Management Unit is in-charge for day to day management of interest

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The Board has established limits on the non-trading interest rate gaps for stipulated periods. The Company's policy is to monitor positions on a daily basis and hedging strategies are used to ensure positions are maintained within the established limits.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Company's statement of profit and loss and equity. The sensitivity of the statement of profit and loss is the effect of the assumed changes in interest rates on the profit or loss for a year, based on the floating rate non-trading financial assets and financial liabilities held at 31 March 2024 and at 31 March 2023

Interest rate sensitivity

AS at March 31, 2024

Particulars	Increase in basis points	Sensitivity of Profit	Decrease in basis points	Sensitivity of Profit
Bank Borrowings	10	60.27	10	60.27
Government securities	-	-	-	-

AS at March 31, 2023

Particulars	Increase in basis points	Sensitivity of Profit	Decrease in basis points	Sensitivity of Profit
Bank Borrowings	10	51.87	10	51.87
Government securities	-	-	-	-

D 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. 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 consumer credit trends released by TransUnion CIBIL to determine PD.

Portfolio	As at March 31, 2024		As at March 31, 2023	
	Stage 1	Stage 2	Stage 1	Stage 2
Home Loans	2.96%	35.05%	2.96%	37.52%
Loans Against Property	3.43%	22.99%	3.43%	23.65%

Stage 3 assets have a PD of 100%

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.

Particulars	As at March 31, 2024	As at March 31, 2023
Home Loans	25.00%	25.00%
Loans Against Property	25.00%	25.00%

**Assets having the DPD more than 1095 is taken a LGD of 100%*

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. *Assets having the DPD more than 1095 is taken a LGD of 100%*

IKF Home Finance Limited**Notes forming part of Financial Statements for the year ended March 31, 2024****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 home loans. The Company manages concentration of risk primarily by geographical region. The following tables show the region-wise concentrations of net terms loans.

Geography	Rs.In Lakhs	
	31-Mar-24	31-Mar-23
West	18,788.83	14,122.26
Central		
South	70,641.27	44,482.42
Total	89,430.09	58,604.68

Quantitative Information of Collateral

Net value of total term loans to value of collateral is as follows:

As at March 31, 2024	Rs.In Lakhs			
	Loan to value			Total
	Upto 50%	51%-70%	More than 70%	
Home Loans	30,546.95	15,578.53	13,050.75	59,176.22
Loans Against Property	22,910.62	7,197.43	145.82	30,253.88
Total	53,457.57	22,775.96	13,196.57	89,430.09

As at March 31, 2023	Rs.In Lakhs			
	Loan to value			Total
	Upto 50%	51%-70%	More than 70%	
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	34,934.90	15,475.56	8,194.22	58,604.68

42 Transfer of financial assets

Transfer of financial assets that are not derecognised in their entirety

(i) Securitisations:

During the year company has not entered into any securitisation transactions.

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Carrying amount of transferred assets measured at amortised cost	-	-
Carrying amount of associated liabilities	-	-
Fair value of transferred assets - (A)	-	-
Fair value of associated liabilities - (B)	-	-
Net position at Fair value	-	-

Transfer of financial assets which qualify for derecognition in their entirety

(i) Details of Assignment transactions undertaken

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
No. Accounts	546	330
Aggregate value of accounts sold	6076.48	4545.47
Aggregate consideration	5468.83	4043.43
Additional Consideration realized in respect of accounts transferred in earlier years	-	-
Aggregate gain/(loss) over net book value	-	-

Disclosure pursuant to RBI Notification – RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021

(a) Details of transfer through assignment in respect of loans not in default during the year ended 31 March 2023

Entity/Assignee	Housing Finance Companies
Count of Loan accounts Assigned	546
Amount of Loan accounts Assigned	6076.48
Retention of beneficial economic interest (MRR)	607.65
Weighted Average Maturity (Residual Maturity) (Months)	110.03
Weighted Average Holding Period (Months)	14.40
Coverage of tangible security coverage	100%
Rating wise distribution of rated loans	-

(b) Details of acquired through assignment in respect of loans not in default during the year ended 31 March 2024

Entity/Assignee	Housing Finance Company
Count of Loan accounts Assigned	-
Amount of Loan accounts Assigned	-
Retention of beneficial economic interest (MRR)	-
Weighted Average Maturity (Residual Maturity) (Months)	-
Weighted Average Holding Period (Months)	-
Coverage of tangible security coverage	Nil
Rating wise distribution of rated loans	-

(c) The Company has not transferred or acquired any stressed loans during year ended March 31, 2024

HKF Home Finance Limited

Notes forming part of Financial Statements for the year ended March 31, 2024

(iv) 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.

The Company has assigned loans (earlier measured at amortised cost) by way of direct assignment. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the extent of 90%/85%/80% of the assets transferred to the buyer, the assets have been de-recognised from the Company's Balance Sheet. The table below summarises the carrying amount of the derecognised financial assets :

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Direct assignment		
Carrying amount of transferred assets measured at amortised cost	14858.72	12239.44
Carrying amount of exposures retained by the Company at amortised cost	1909.70	1639.83

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
1 No of transactions assigned by the Company	14	11
2 Total amount of outstanding	14858.72	12239.44
3 Total amount of exposures retained by the company to comply	-	-
a) Off-balance sheet exposures	-	-
First loss	-	-
Others	-	-
b) On-balance sheet exposures		
First loss	-	-
Others	1909.70	1639.83
4 Amount of exposures to assigned transaction other than MRR		
a) Off-balance sheet exposures		
i) Exposure to own securitisations		
First loss	-	-
Others	-	-
ii) Exposure to third party securitisations		
First loss	-	-
Others	-	-
b) On-balance sheet exposures		
i) Exposure to own securitisations		
First loss	-	-
Others	-	-
ii) Exposure to third party securitisations		
First loss	-	-
Others	-	-

43 Changes in liabilities arising from financing activities

Particulars	As at April 1, 2023	Cash Flows (net)	CCPS converted	Others (net)*	As at March 31, 2024
Subordinated liabilities	-	-	-	-	-
Debt securities	7802.13	-2802.13	-	9.40	5009.40
Borrowing other than debt securities	44585.47	22376.16	-	-425.27	66536.37
	52387.60	19574.03	-	-415.86	71545.77

Particulars	As at April 1, 2022	Cash Flows (net)	CCPS converted	Others (net)*	As at March 31, 2023
Subordinated liabilities	-	-	-	-	-
Debt securities	8621.44	-1288.11	-	468.79	7802.13
Borrowing other than debt securities	22676.23	22300.54	-	-391.30	44585.47
	31297.68	21012.43	-	77.50	52387.60

* Others column includes the effect of accrued but not paid interest on borrowing, amortisation of processing fees etc.

IKF Home Finance Limited**Notes forming part of Financial Statements for the year ended March 31, 2024****44 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*(Rs. In Lakhs)*

Particulars	As at March 31, 2024	As at March 31, 2023
Opening	42.97	8.92
Additions	106.92	57.96
Deletion	-	(8.92)
Depreciation	(50.20)	(14.99)
Closing Balance	99.69	42.97

The following is the movement in lease liabilities :*(Rs. In Lakhs)*

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning	43.91	9.48
Additions	102.68	48.67
Finance cost accrued during the period	8.66	2.37
Payment of lease liabilities	(54.11)	(16.61)
Balance at the end	101.13	43.91

IKF Home Finance Limited

Notes forming part of Financial Statements for the year ended March 31, 2024

(Rs. In Lakhs)

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	0.21	5.90
Over 3 months & upto 6 months	0.88	6.05
Over 6 months & upto 1 year	7.08	11.93
Over 1 year & upto 3 years	80.23	13.14
Over 3 years	12.73	6.89

The following are the amounts recognised in statement of profit or loss:

(Rs. In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Depreciation expense of right-of-use assets	50.20	14.99
Interest expense on lease liabilities	8.66	2.37
Expense relating to short-term leases	-	-
Total amount recognised in profit or loss	58.86	17.36

Future Commitments:

(Rs. In Lakhs)

Particulars	As at March 31, 2024	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, 2024.

IKF Home Finance Limited
Notes forming part of Financial Statements for the year ended March 31, 2024

46 Disclosure on Principal business criteria

Particulars	As at 31-Mar-24
Total Housing Loans (%)	60.59%
Individual Housing Loans (%)	60.59%

*% of Total assets netted of intangible assets.

47 The spread of Covid-19 across the globe and India has caused significant upheaval in economic activity and financial markets. The Indian Government announced lockdown in March 2020 which was lifted subsequently but regional lockdowns continued to be implemented in various areas from time to time. RBI took various regulatory measures like moratorium on payment of dues, reliefs towards 'interest on interest' charged during March-August 2020 and allowing one-time restructuring (OTR) to eligible borrowers.

Further, the second wave of Covid-19 pandemic in April- May 2021 led to re-imposition of localised/ regional lockdowns in various parts of the country, which led to a substantial impact on the economic activities. The second wave has started to subside from June 2021 onwards and there has been gradual lifting of lock downs and increase in economic activities. However, the uncertainty around the third wave of Covid-19 pandemic in future and its impact on the economic activities are not known. Accordingly, the Company's results remain uncertain and dependent on future developments and actuals may differ from the estimates used in the preparation of the financial statement on the reporting date.

48 In accordance with the instructions of RBI circular no. DOR.STR.REC.4/21.04.048/2021-22 dated April 07, 2021, the HFC shall refund / adjust interest on interest' to all borrowers including those who had availed of 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 methodology for calculation of the amount of such 'interest on interest' has been recently circulated by the Indian Banks Association (IBA), The Company is in the process of suitably implementing this methodology and has created a liability of Rs 380,674 towards estimated interest relief and reduced the same from the interest income for the year ended March 31, 2021

49 Disclosure pursuant to RBI Notification- DOR.No.BP.BC/3/21.04.048/2020-21 dated 6 August 2020

Type of borrower	(A) Number of accounts where resolution plan has been implemented under this window	(B) exposure to accounts mentioned at (A) before implementation of the plan	(C) Of (B), aggregate amount of debt that was converted into other securities	(D) Additional funding sanctioned, if any, including between invocation of the plan and implementation	(E) Increase in provisions on account of the implementation of the resolution plan
Housing Loans	20	411.29	-	-	-
Loan against Property	28	533.23	-	-	-

50 Additional information required in terms of Housing Finance Companies – Corporate Governance (National Housing Bank) Directions, 2016 NHB(ND)/DRS/REG/MC-07/2018, 02 July, 2018 and Notification no. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 09,2017 have been prepared on the basis of previous GAAP pursuant to the NHB circular no. NHB (ND)/DRS/Policy Circular No.89/2017-18 dated June 14, 2018 is given in Annexure I, which have been presented solely based on the information compiled by the Management.

51 **Capital management :**

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the company. The primary objective of the Company's capital management is to maximise the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of its Regulator, NHB. The Company monitors capital using, among other measures, a capital adequacy ratio which is a ratio of weighted assets to total owned capital derived as per the NHB requirements. As per the NHB guidelines Company being a Housing Finance Company is required to maintain minimum of 15% of capital adequacy ratio (March 31, 2023 - 15%). Company has complied in full with all its externally imposed capital requirements over the reported period.

The Company also manages its leverage position on periodic basis by monitoring debt equity ratio to aligning itself with market and peers.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023.

52 Previous year figures have been regrouped/ reclassified wherever applicable.

53 No Funds raised through Preferential allotment of shares (March 31, 2023 -Nil).

54 Value of Imports on CIF basis- Nil (March 31, 2023-Nil).

55 Foreign exchange earnings - Nil (March 31, 2023 - Nil) and out go - Nil (March 31, 2023 - Nil).

56 All charges or satisfaction are registered with ROC within the statutory period for the financial years ended March 31, 2024 and March 31, 2023

The Company, as part of its normal business, grants loans and advances, makes investment, provides guarantees to and accept from its customers, other entities and persons. These transactions are part of Company's normal housing 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

57 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.

58 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.

59 There are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

60 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.

61 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

62 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.

63 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.

64 The Company has not been undertaken any transactions with any company whose name is 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.

64 The company obtained registrations from other financial sector regulators.

Regulator	Registration Number
"Securities and Exchange Board of India (SEBI)"	959612
Legal Entity Identifier (LEI)	335800U9A1URKYV83571
Ministry of Corporate Affairs (MCA)	U65922AP2002PLC039417

65 There have been no events after the reporting date that require disclosure in these financial statements (March 31, 2023 Rs. Nil)

66 During the FY2024,the company has not entered into any Arrangements U/s 230-237 of The Companies Act,2013(Nil for FY2023)

- 67 The Company has not advanced loan/invested in a entities/other person (Intermediaries) with specific instruction to intermediaries to directly or indirectly lend or invest in /provide guarantee to other identified entities (ultimate Beneficiaries).
- 68 There were no instances of any Frauds reported During the FY2024.(Nil for FY2023)
- 69 There is no undisclosed income during the FY2024. (Nil for FY2023)

IKF Home Finance Limited

Notes forming part of Financial Statements for the year ended March 31, 2024

70 Transactions with Non-Executive Directors

Name of Non-Executive Director	Transaction Type	As at March 31, 2024	As at March 31, 2023
Radhe Shyam Garg	Payment of Sitting Fees	8.70	3.90

71 The Company has 79 branches as at March 31, 2024 (64 branches as at March 31,2023). The list of branches is given below

State	Branch
Andhra Pradesh	VIJAYAWADA
Andhra Pradesh	VISHAKAPTANAM
Andhra Pradesh	GUNTUR
Andhra Pradesh	RAJAMUNDRY
Andhra Pradesh	ELURU
Andhra Pradesh	KURNOOL
Andhra Pradesh	TIRUPATHI
Andhra Pradesh	KAKINADA
Andhra Pradesh	VIZIANAGARAM
Andhra Pradesh	ANAKAPALLI
Andhra Pradesh	NELLORE
Andhra Pradesh	ANANTAPUR
Andhra Pradesh	MADANAPALLE
Gujarat	NADIAD
Gujarat	CENTRAL BARODA
Gujarat	ANKLESHWAR
Karnataka	BANGALORE
Karnataka	PEENYA
Karnataka	K.R.PURAM
Karnataka	CHANDAPURA
Karnataka	HUBLI
Karnataka	BELGAUM
Karnataka	DAVANGERE
Karnataka	RAMANAGARA
Karnataka	MYSURU
Karnataka	TUMKUR
Karnataka	DEVANAHALLI
Karnataka	HASSAN
Maharashtra	PUNE
Maharashtra	PIMPRI
Maharashtra	AURANGABAD
Maharashtra	NASIK
Maharashtra	AHMEDNAGAR
Maharashtra	KHARADI
Maharashtra	SATARA ROAD
Maharashtra	JALGAON
Maharashtra	JALNA
Maharashtra	SOLAPUR
Maharashtra	DHULE
Maharashtra	CHAKAN
Maharashtra	LATUR
Maharashtra	SANGAMNER
Tamilnadu	SALEM
Tamilnadu	COIMBATORE
Tamilnadu	ERODE
Tamilnadu	POLLACHI
Tamilnadu	TIRUPPUR
Tamilnadu	NAMAKKAL
Tamilnadu	VELLORE
Tamilnadu	VANIYAMBADI
Tamilnadu	SHOLINGHUR
Tamilnadu	T.NAGAR
Tamilnadu	TAMBARAM
Tamilnadu	REDHILLS
Tamilnadu	KRISHNAGIRI
Tamilnadu	HOSUR
Tamilnadu	PONDICHERRY
Telangana	SOMAJIGUDA
Telangana	CHANDA NAGAR
Telangana	L B NAGAR
Telangana	ECIL
Telangana	WARANGAL
Telangana	SANGAREDDY
Telangana	NIZAMABAD
Telangana	KARIMNAGAR
Telangana	KHAMMAM
Telangana	MIRYALAGUDA
Telangana	KODAD
Telangana	DILSUKHNAGAR
Telangana	MANCHIRYAL
Telangana	SURYAPET
Telangana	KOMPALLY
Telangana	JAGTIAL
Telangana	SIDDIPET
Telangana	BHONGIR
Telangana	VIKARABAD
Telangana	MEDAK
Telangana	KAMAREDDY
Telangana	IBRAHIMPATNAM

72 The company has not revalued any of its Property, Plant and Equipment during the FY.

73 The unit has not defaulted in meeting its payment / repayment obligations to the lenders and has utilised the finance from the lenders for the specific purposes for which finance was availed.

During the current year, the company has taken borrowings from banks or financial institutions on the basis of security of current assets. The quarterly returns or statements filed with banks or financial institutions are in agreement with the books of accounts

I. Disclosure as per Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021

a. (i) Capital to Risk Assets Ratio ('CRAR'):

Particulars	31-03-2024	31-03-2023
CRAR (%)	32.00%	37.51%
CRAR – Tier I Capital (%)	30.75%	36.29%
CRAR – Tier II Capital (%)	1.25%	1.22%
Amount of subordinated debt raised as Tier-II capital	-	-
Amount raised by issue of Perpetual Debt Instruments	-	-

(ii) Liquidity coverage ratio:

As per RBI Master directions- (non banking finance company- Scale based regulation directions), 2023 liquidity coverage ratio is not applicable to the company.

b. Reserve Fund u/s 29C, of NHB Act 1987:

Particulars	31-03-2024	31-03-2023
Balance at the beginning of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	992.13	724.23
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	-	-
c) Total	992.13	724.23
Addition/ Appropriation/ Withdrawal during the year		
Add:		
a) Amount transferred u/s 29C of the NHB Act, 1987	592.06	267.90
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	-	-
Less:		
a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
b) Amount withdrawn from the special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987	-	-
Balance at the end of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	1584.20	992.13
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	-	-
c) Total	1584.20	992.13

c. Investments:

Particulars	31-03-2024	31-03-2023
Value of Investments		
(i) Gross value of investments		
(a) In India	1.00	1200.00
(b) Outside India	-	-
(ii) Provisions for Depreciation		
(a) In India	-	-
(b) Outside India	-	-
(iii) Net value of investments		
(a) In India	1.00	1200.00
(b) Outside India	-	-
Movement of provisions held towards depreciation on investments		
(i) Opening balance	-	-
(ii) Add: Provisions made during the year	-	-
(iii) Less: Write-off / Written-bank of excess provisions during the year	-	-
(iv) Closing balance	-	-

d. Derivatives:

Forward Rate Agreement (FRA)/ Interest Rate Swap

Particulars	31-03-2024	31-03-2023
(i) The notional principal of Forward Rate Contracts and Swap agreements	6046.46	7618.46
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-
(iii) Collateral required by the HFC upon entering into swaps	Nil	Nil
(iv) Concentration of credit risk arising from the swaps	The Company has entered into derivatives contract with the Schedule Commercial Banks	The Company has entered into derivatives contract with the Schedule Commercial Banks
(v) The fair value of the swap book	62,79,088	5,39,589

Exchange Traded Interest Rate (IR) Derivative

Particulars	31-03-2024	31-03-2023
(i) Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument wise)	-	-
(ii) Notional principal amount of exchange traded IR derivatives outstanding as on 31st March 2023 (instrument wise)	-	-
(iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument wise)	-	-
(iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument wise)	-	-

IKF Home Finance Limited
Annexure 1 to Note No. 46 to the Financial Statements

Disclosures on Risk Exposure in Derivatives

A. Qualitative Disclosure

The Company has to manage various risks associated with the lending business. These risks include liquidity risk, exchange risk, interest rate risk and counterparty risk.

The Company uses derivate contracts such as cross currency interest rate swaps to hedge its exposure to movements in foreign exchange . All derivative transactions that are entered into by the company are reported to the board, and the mark-to-market on its portfolio is monitored regularly by the senior management.

The rationale for hedging risk in case of the company is to reduce potential costs of financial distress by making the company less vulnerable to adverse market movements in interest rate, exchange rate etc. and also create a stable planning environment to avoid huge fluctuations on the financials of the company due to market movements.

To hedge its risks on the principal and/or interest amount for foreign currency borrowings on its balance sheet, the company has currently used cross currency interest rate swaps (CCIRS).

Derivative financial instruments are initially measured at fair value on the contract date and are subsequently remeasured to fair value at each reporting date. Derivatives are classified as assets when the fair value is positive (positive marked to market value) or as liabilities when the fair value is negative (negative marked to market value). Derivative assets and liabilities are recognized on the balance sheet at fair value. Fair value of derivatives is ascertained from the mark to market and accrual values received from the counter-party banks. Changes in the fair value of derivatives other than those designated as hedges are recognized in the Statement of Profit and Loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, no longer qualifies for hedge accounting or the Company chooses to end the hedging relationship.

B. Quantitative Disclosure

Particulars	Currency Derivatives		Interest Rate Derivatives	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
(i) Derivatives (Notional Principal Amount)	6046.46	-	-	-
(ii) Marked to Market Positions	-	-	-	-
(a) Assets (+)	62.79	-	-	-
(b) Liability (-)	-	-	-	-
(iii) Credit Exposure	-	-	-	-
(iv) Unhedged Exposures	-	-	-	-

C. Movement in Cash flow hedge reserve are as follows

Particulars	31-Mar-24	31-Mar-23
Opening Balance	39.87	-55.33
Credit/(Debit) in cashflow reserve	-63.93	95.20
Closing Balance	-24.06	39.87

e. Disclosures relating to Securitization:

The company has not entered into any securitization transaction during the year.

f. Details of assignment transactions undertaken:

Particulars	31-03-2024		31-03-2023	
	No. of accounts	Aggregate value	No. of accounts	Aggregate value
(i)	No. of accounts	546	330	
(ii)	Aggregate value (net of provision) of accounts sold to SC/RC	6076.48	4545.47	
(iii)	Aggregate consideration	5468.83	4043.43	
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	-	-	
(v)	Aggregate gain / loss over net book value	-	-	

g. Details of non-performing financial assets purchased / sold:

The Company has not purchased / sold non-performing financial assets in the current year.

h. Asset Liability Management:

Maturity pattern of certain Assets and Liabilities as on March 31, 2024:

Particulars	(Rs. In Lakhs)										
	1 day to 7 days	8 to 14 days	15 days to 1 Month	Over 1 month & upto 2 Months	Over 2 month & upto 3 Months	Over 3 month & upto 6 Months	Over 6 month & upto 1 Year	Over 1 Year & upto 3 Year	Over 3 Year & upto 5 Year	Over 5 Years	Total
Liabilities											
Deposits											-
Borrowings from banks	236.56	-	806.22	778.09	1,203.52	3,036.25	6,191.87	21,274.53	13,779.58	4,940.03	52,246.64
Market Borrowings*	203.11	77.78	63.65	337.37	310.03	923.49	1,870.40	5,800.85	3,369.99	1,333.05	14,289.73
Foreign Currency Liabilities											-
Assets											
Advances	192.52	44.56	-	251.88	253.49	780.60	1,372.11	7,263.24	9,468.49	69,139.91	88,766.78
Investments	1.00										1.00
Foreign currency assets											-

*Market borrowings includes long term borrowings from parties other than banks and non-convertible debentures.

IKF Home Finance Limited
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Maturity pattern of certain Assets and Liabilities as on March 31, 2023:

Particulars	1 day to 7 days	8 to 14 days	15 days to 1 Month	Over 1 month & upto 2 Months	Over 2 month & upto 3 Months	Over 3 month & upto 6 Months	Over 6 month & upto 1 Year	Over 1 Year & upto 3 Year	Over 3 Year & upto 5 Year	Over 5 Years	Total
Liabilities											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrowings from banks	125.73	-	627.00	424.20	548.12	1,863.65	3,846.55	14,076.70	8,855.84	3,795.86	34,163.65
Market Borrowings	107.17	57.64	50.54	209.49	168.97	596.57	1,202.94	3,978.66	2,691.06	1,358.78	10,421.82
Foreign Currency Liabilities											-
Assets											
Advances	121.55	42.69	-	156.22	155.40	481.62	1,025.19	5,004.62	6,546.87	44,631.35	58,165.52
Investments	1,200.00	-	-	-	-	-	-	-	-	-	1,200.00
Foreign currency assets	-	-	-	-	-	-	-	-	-	-	-

I. Exposures

a) **Exposure to real estate sector and capital market**

(Rs. In Lakhs)

Category	31-Mar-24	31-Mar-23
Direct Exposure		
i) Residential Mortgages :		
Lending fully Secured by mortgages on residential property that is or will be occupied by the borrower or that is rented:		
- Individual Housing loans upto Rs. 15 lakhs	23,500	18,007
- Others	65,929	40,598
Total	89,429	58,605
ii) Commercial Real Estate :		
Lending secured by mortgages on commercial real estates (offices, buildings, retail space, multipurpose 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 (NFB) limits;	-	-
iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures:		
a) Residential	-	-
b) Commercial Real Estate	-	-
Indirect Exposure		
Fund bases and Non-Fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFC's)		
Total Exposure to Real Estate Sector	-	-

b) **Exposure to Capital Market:**

Particulars	31-Mar-24	31-Mar-23
(i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt	-	-
(ii) Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds Advances for any other purposes where shares or convertible	-	-
(iii) Bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	-	-
(iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully Covered the advances	-	-
(v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	-	-
(vi) Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for	-	-
(vii) Bridge loans to companies against expected equity flows / issues	-	-
(viii) All exposures to Venture Capital Funds/Alternate Investment Funds (both registered and unregistered)	-	-
Total Exposure to Capital Market	-	-

IKF Home Finance Limited
Annexure I to Note No. 46 to the Financial Statements

c) **Details of financing of parent company products**

The Company does not have any exposure in financing of parent company products

d) **Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC**

The Company has not lent / invested / lent and invested in any borrower / group of borrower in excess of limits prescribed by the NHB.

e) **Unsecured Advances** – The company has not financed any unsecured advances against intangible securities such as rights, licenses, authority etc ascollateral security.

f) **Exposure to group companies engaged in real estate business**

S.No.	Description	Amount (₹ in Lakhs)	% of Net owned fund
(i)	Exposure to any single entity in a group engaged in real estate business	-	-
(ii)	Exposure to all entities in a group engaged in real estate business	-	-

g) **Intra group exposure** : There are no exposures to the group companies in the current year as well as previous year.

h) **Sectoral Exposure**

Sectors	Particulars					
	As at March 31, 2024			As at March 31, 2023		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs (AUM)	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs (AUM)	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and allied activities	-	-	-	-	-	-
2. Industry	-	-	-	-	-	-
i. Construction finance	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total of industry (I + others)	-	-	-	-	-	-
3. Services	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total of services	-	-	-	-	-	-
4. Personal loans	-	-	-	-	-	-
i. Housing loans	63862.82	458.95	0.72%	46462.40	334.13	0.72%
ii. Loan against property	41132.67	457.89	1.11%	23147.80	369.73	1.60%
iii. Insurance	-	-	-	-	-	-
Total of personal loans (i+ii+...others)	104995.49	916.84	0.87%	69610.20	703.86	1.01%
5. Others	-	-	-	-	-	-
Total	104995.49	916.84	0.87%	69610.20	703.86	1.01%

h) **Unhedged foreign currency exposure**: The company doesn't have any unhedged foreign currency exposure during the current & previous years.

j) **Registration obtained from other financial sector regulators:**

The Company is registered with following other financial sector regulators (Financial regulators as described by Ministry of Finance):

- i. NHB – 04.0133.16
- ii. Ministry of Corporate Affairs – U65922AP2002PLC039417

k) **Disclosure of Penalties imposed by NHB and other Regulators**

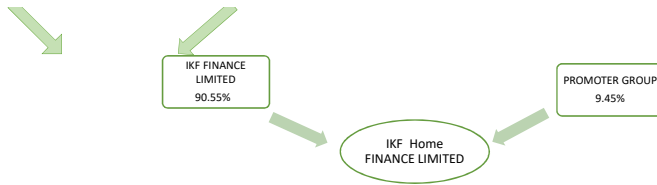
During FY 23-24 - NIL

l) **Related Party Transactions.**

Items	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Key Management		Relatives of Key Management Personnel		CY
	CY	PY	CY	PY	CY	PY	CY	PY	CY	PY	
	Borrowings	4470.00	400.00	-	-	-	-	-	-	-	
Deposits	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits	-	-	-	-	-	-	-	-	-	-	-
Advances	-	27000.00	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-	-
Purchase of fixed/ other assets	-	-	-	-	-	-	-	-	-	-	-
Sale of fixed/ other assets	-	-	-	-	-	-	-	-	-	-	-
Interest paid	-	-	-	-	-	-	-	-	-	-	-
Shared services	35.05	28.35	-	-	-	-	-	-	-	-	35.05
Direct assignment receipt	1383.99	1979.88	-	-	-	-	-	-	-	-	1383.99
Interest payable on direct assignment	20.47	28.99	-	-	-	-	-	-	-	-	20.47
Remuneration	-	-	-	-	-	-	150.56	121.07	-	-	150.56

m) **Group Structure**





n. Ratings assigned by credit rating agencies and migration of ratings during the year: -

Instrument	31-03-2024	31-03-2023
Non-Convertible Debentures	[CARE]A- (Stable)	[CARE]A- (Stable) [BWR]A (Stable)
Term loans	[CARE]A- (Stable)	[CARE]A- (Stable)
Subordinate Debt	[CARE]A- (Stable)	[CARE]A- (Stable)
Cash Credit	[CARE]A- (Stable)	[CARE]A- (Stable)

o. Net Profit or Loss for the period, prior period items and changes in accounting policies

During the year,

- (a) no prior period items occurred which has impact on Statement of Profit and loss,
- (b) no change in Accounting policy,
- (c) there is no withdrawal from reserve fund.

p. Revenue Recognition

There are no circumstances in which revenue recognition has been postponed by the Company pending the resolution of significant uncertainties.

q. Consolidated Financial Statements (CFS)

The Company does not have a Subsidiary, so Consolidated financial statements is not applicable.

r. Provisions and Contingencies (shown under the head expenditure in Statement of Profit and Loss)

Particulars	31-03-2024	31-03-2023
Provisions for depreciation on Investment	-	-
Provision towards NPA	180.05	203.93
Provision made towards Income tax		
i. Current Tax	726.67	255.77
ii. Deferred Tax	105.37	110.40
Other Provision and Contingencies (with details)	-	-
Provision for Standard Assets (with details like teaser loan, CRE, CRE-RH etc.)	780.59	513.26

IKF Home Finance Limited
Annexure I to Note No. 46 to the Financial Statements

s. Breakup of Loans and Advances and Provision thereon 31-03-2024

(Rs. In Lakhs)

Particulars	Housing		Non-Housing	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
Standard Assets				
a) Total Outstanding amount	58,774	40,635	29,975	17,419
b) Provision made *	499	353	280	160
Sub-Standard Assets				
a) Total Outstanding amount	308	214	244	88
b) Provision made *	75	52	59	21
Doubtful Assets- Category I				
a) Total Outstanding amount	42	73	34	84
b) Provision made *	11	18	9	21
Doubtful Assets- Category II				
a) Total Outstanding amount	51	-	-	69
b) Provision made *	28	-	-	69
Doubtful Assets- Category III				
a) Total Outstanding amount	-	-	-	22
b) Provision made *	-	-	-	22
Loss Assets				
a) Total Outstanding amount	-	-	-	-
b) Provision made	-	-	-	-
Total				
a) Total Outstanding amount	59,176	40,922	30,253	17,682
b) Provision made	612	423	348	294

*With the applicability of Ind AS 109, credit loss assessment is based on expected credit loss (ECL) model

Note : 1. The total Outstanding amount means principal+accrued interest pertaining to loans without netting off.

t. Draw down from Reserves:

There has been no draw down from reserves during the year ended March 31, 2023.

u. Concentration of Advances, Exposures and NPAs:

(Amount Rupees)

Particulars	31-03-2024	31-03-2023
Concentration of Public Deposits		
Total deposits to twenty largest depositors	-	-
(%) of deposits to twenty largest depositors to total deposits	-	-
Concentration of Advances		
Total advances to twenty largest borrowers	1153.74	982.42
(%) of advances to twenty largest borrowers to total advances	1.29%	1.68%
Concentration of Exposures		
Total exposure to twenty largest borrowers/customers	1188.84	1030.31
(%) of exposure to twenty largest borrowers/customers to total exposure	1.13%	1.68%
Concentration of NPAs		
Total exposure to top ten NPA accounts	319.72	327.12

v. Sector-wise NPAs

Particulars	31-Mar-24		31-Mar-23	
	Rs.	%	Rs.	%
Housing Loans				
Individuals	402.28	59.14%	287.29	52.18%
Builders/Project loans	-	-	-	-
Corporates	-	-	-	-
Others (specify)	-	-	-	-
Non-Housing Loans				
Individuals	277.96	40.86%	263.32	47.82%
Builders/Project loans	-	-	-	-
Corporates	-	-	-	-
Others (specify)	-	-	-	-

w. Movement of NPAs

Particulars	31-03-2024		31-03-2023	
(i) Net NPAs to Net Advances (%)		0.56%		0.59%
(ii) Movement of NPAs (Gross)				
(a) Opening balance		550.61		318.51
(b) Additions during the year		542.04		309.48
(c) Reductions during the year (incl. loans written off)		412.41		77.38
(d) Closing balance		680.24		550.61
(iii) Movement of Net NPAs				
(a) Opening balance		346.68		185.04
(b) Additions during the year		395.11		235.77
(c) Reductions during the year		243.03		74.14
(d) Closing balance		498.76		346.68
(iv) Movement of provisions for NPAs				
(a) Opening balance		203.93		133.46
(b) Provisions made during the year		146.93		73.71
(c) Write-off / write-back of excess provisions		169.38		3.25
(d) Closing balance		181.48		203.93

IKF Home Finance Limited

Annexure 1 to Note No. 46 to the Financial Statements

- x. Overseas Assets- Nil
- y. Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting Norms) - Nil
- z. Customer Complaints

Particulars		For the year ended 31 March, 2024	For the year ended 31 March, 2023
(i)	Number of complaints pending at the beginning of the year	-	-
(ii)	Number of complaints received during the year	9	-
(iii)	Number of complaints redressed during the year	9	-
(iv)	Number of complaints pending at the end of the year	-	-

za. (i) Maintainable complaints received from the Office of Ombudsman

Particulars		For the year ended 31 March, 2024	For the year ended 31 March, 2023
1	No of maintainable complaints received from Office of Ombudsman	-	-
	1.1) Of 1, No of complaints resolved in favour of the company by Office of Ombudsman	-	-
	1.2) Of 1, No of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	-	-
	1.3) Of 1, No of Complaints resolved after passing of Awards by the Office of Ombudsman	-	-
2	No of Awards unimplemented within the stipulated time (other than those appealed)	-	-

(ii) Top 5 grounds of complaints received by the company from the customers

Grounds of Complaints (i.e. Complaints relating to)	Number of complaints 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	number of complaints pending beyond 30 days
Current year					
1	Insurance	-	1	100%	-
2	Pre-Closure/Closure	-	3	100%	-
3	Recovery / collection	-	1	100%	-
4	Statements & Documents Related	-	1	100%	-
5	Sanction/ disbursement	-	2	100%	-
6	Others	-	2	100%	-
Previous year					
1	Insurance	-	-	-	-
2	Pre-Closure/Closure	-	-	-	-
3	Recovery / collection	-	-	-	-
4	Statements & Documents Related	-	-	-	-
5	Sanction/ disbursement	-	-	-	-
6	Others	-	-	-	-

zb. A comparison between provisions required under Income recognition, asset classification and provision norms (IRACP) and impairment allowances made under IND AS 109

(Rs. 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	Provisions 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)	
Standard	Stage 1	87,476.56	681.99		86,794.58	349.91	332.08
	Stage 2	1,273.29	97.18		1,176.11	5.09	92.09
Subtotal		88,749.86	779.17		87,970.69	355.00	424.17
Non-Performing Assets (NPA)							-
Substandard	Stage 3	551.87	134.23		417.65	55.19	79.04
Doubtful - up to 1 year	Stage 3	76.90	19.23		57.68	15.38	3.85
1 to 3 years	Stage 3	51.46	28.02		23.44	15.44	12.59
More than 3 years	Stage 3	-	-		-	-	-
Subtotal for doubtful		128.36	47.25		81.11	30.82	16.43
Loss	Stage 3	-	-		-	-	-
Subtotal for NPA		680.24	181.48		498.76	86.01	95.47
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							
Total	Stage 1	87,476.56	681.99		86,794.58	349.91	332.08
	Stage 2	1,273.29	97.18		1,176.11	5.09	92.09
	Stage 3	680.24	181.48		498.76	86.01	95.47
	Total	89,430.09	960.64		88,469.45	441.01	519.64

zc. The Company does not have any outstanding loan against gold jewellery as at March 31, 2023.

				(₹ in crore)		
Particulars						
Liabilities side			Amount outstanding	Amount overdue		
(1)	Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:					
	(a)	Debentures : Secured				
		: Unsecured (other than falling within the meaning of public deposits*)		50.09		
	(b)	Deferred Credits				
	(c)	Term Loans		641.57		
	(d)	Inter-corporate loans and borrowing				
	(e)	Commercial Paper				
	(f)	Public Deposits*				
(g)	Other Loans (specify nature)		23.79			
* 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		895.19		
	(b)	Unsecured		2.17		
(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				
	(iii)	(a)	Assets on hire			
(b)		Reposessed Assets				
Other loans counting towards asset financing activities						
(a)		Loans where assets have been reposessed				
(b)	Loans other than (a) above					
(5)	Break-up of Investments					
	Current Investments					
	1.	<u>Quoted</u>				
		(i)	Shares			
			(a)	Equity		
		(b)	Preference			
		(ii)	Debentures and Bonds			
		(iii)	Units of mutual funds		0.01	
	(iv)	Government Securities				
	(v)	Others (please specify)				
	2.	<u>Unquoted</u>				
		(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.	<u>Quoted</u>					
	(i)	Share				
		(a)	Equity			
	(b)	Preference				
	(ii)	Debentures and Bonds				
	(iii)	Units of mutual funds				
(iv)	Government Securities					
(v)	Others (please specify)					
2.	<u>Unquoted</u>					
	(i)	Shares				
		(a)	Equity			
	(b)	Preference				
	(ii)	Debentures and Bonds				
	(iii)	Units of mutual funds				
(iv)	Government Securities					
(v)	Others (please specify)					

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	Total
(6)	1.	Related Parties **		
		(a)	Subsidiaries	
		(b)	Companies in the same group	
		(c)	Other related parties	
	2.	Other than related parties		
	Total			
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		Book Value (Net of Provisions)
(7)	1.	Related Parties **		
		(a)	Subsidiaries	
		(b)	Companies in the same group	
		(c)	Other related parties	
	2.	Other than related parties		
	Total			
** As per applicable Accounting Standard (Please see Note 3)				
Other information				
	Particulars	Amount		
(8)	(i)	Gross Non-Performing Assets		
		(a)	Related parties	
		(b)	Other than related parties	6.80
(ii)	Net Non-Performing Assets			
	(a)	Related parties		
	(b)	Other than related parties	4.99	
(iii)	Assets acquired in satisfaction of debt			
Notes:				
1.	As defined in Paragraph 4.1.30 of these Directions.			
2.	Provisioning norms shall be applicable as prescribed in these Directions.			
3.	As per applicable Accounting Standards 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.			

zd. Divergence in Asset Classification and Provisioning

There has been no divergence in asset classification and provisioning requirements as assessed by NHB during the year ended 31st March, 2024 and 31st March, 2023

a) the additional provisioning requirements assessed by RBI (or National Housing Bank(NHB) in the case of Housing Finance Companies) exceeds 5 percent of the reported profits before tax and impairment loss on financial instruments for the reference period - **Not applicable**

b) the additional Gross NPAs identified by RBI/NHB exceeds 5 per cent of the reported Gross NPAs for the reference period - **Not applicable**

ze. Corporate governance

As per NHB guidelines , Specific disclosures relating to corporate governance should be disclosed under the corporate governance section in the annual report.

zf. Remuneration of directors

Details of remuneration of directors are disclosed as part of the Director's Report.

zg. Management

Refer to the Management Discussion and Analysis Report for the relevant disclosures.

Disclosure related to information namely, area, country of operation and joint venture partners with regard to joint ventures and overseas subsidiaries as prescribed under the said

zh. Directions :

We do not have any joint venture or overseas subsidiaries during the relevant financial year and in previous year.

zi. Disclosure on Principal business criteria

Particulars	As at 31-Mar-24	As at 31-Mar-23
Total Housing Loans (%)	60.59%	58.87%
Individual Housing Loans (%)	60.59%	58.87%

zj. Disclosure of Frauds as per NHB (ND)/DRS/Policy Circular No.92/2018-19 dated 05 February, 2019

During financial year ended March 31, 2024, there were no instances of frauds detected and reported.

zk. Disclosure on liquidity risk under RBI/2020-21/60 DOR.NBFC (HFC).CC.No.118/03.10.136/2020-21 dated October 22, 2020**i. Funding Concentration based on significant counterparty (both deposits and borrowings)**

Sr.no	No. of significant counterparties	Amount	% of total deposits	% of total liabilities*
1	27	60079.87	NA	81.31%

ii. Top 20 large deposits- Not applicable**iii. Top 10 Borrowings**

Amount	% of total liabilities
3,26,21,97,869.29	44.15%

iv. Funding Concentration based on significant instrument/product

Sr.no	Name of the instrument	Amount	% of total liabilities*
1	Term loans	59725.34	80.83%
2	NHB Loans	4750.85	6.43%
3	NCD	5000.00	6.77%
4	Sub- debt	-	-
5	Working capital / Short term facilities	-	-
6	CP	-	-

v. Stock ratios

Sr.no	Particulars	Amount
1	Commercial Papers to Total Liabilities*	NIL
2	Commercial Papers to Total Assets	NIL
3	NCDs (Original Maturity <1 ys) to Total Assets	NIL
4	NCDs (Original Maturity <1 ys) to Total liabilities	NIL
5	Other Short-Term Liabilities to Total Assets	20.91%
6	Other Short-Term Liabilities to Total Liabilities	26.94%

*Total Liabilities does not include Net Worth.

** Significant Counterparties and Top 10 Borrowings are as per actual outstanding

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. The ALCO meetings are held at periodic intervals. At the apex level, the Risk Committee (RC), a sub-committee of the Board of Directors of the Company, oversees the liquidity risk management. The RC subsequently updates the Board of Directors on the same.

z. Breach of covenant

During the year there were no instances of breach of covenant of loan availed or debt securities issued.

zm. Details of non-compliance with requirements of Companies Act, 2013

During the year there were no defaults in compliance with the requirements of Companies Act, 2013, including with respect to compliance with accounting & secretarial standards.