

(Please scan this QR code to view the
Tranche II Prospectus)**IIFL SAMASTA FINANCE LIMITED**

IIFL Samasta Finance Limited (“Company” / “Issuer”) was originally incorporated on August 9, 1995 as a public limited company under the provisions of the Companies Act, 1956 as ‘Colanac Finance Limited’ with registered office in Tamil Nadu vide the certification of incorporation granted by Additional Registrar of Companies, Tamil Nadu. The Company changed its name from ‘Colanac Finance Limited’ to ‘Samasta Microfinance Limited’ w.e.f. July 25, 2008 and obtained a fresh certificate of incorporation by Registrar of Companies, Tamil Nadu, Chennai, Andaman and Nicobar Islands on July 25, 2008 consequent to change in name. Subsequently, the registered office of the Company was changed from Tamil Nadu to Karnataka and a fresh certificate of incorporation was issued by Registrar of Companies Bengaluru w.e.f. March 31, 2011. Further the Company changed its name from ‘Samasta Microfinance Limited’ to ‘IIFL Samasta Finance Limited’ w.e.f. September 01, 2021 and a fresh certificate of incorporation was granted by Registrar of Companies Bengaluru on September 01, 2021, consequent to such change in name. The Company obtained a certificate of registration dated May 17, 2011 bearing registration no. B-02.00250 issued by RBI to carry on the activities of a NBFC under section 45 IA of the RBI Act, 1934. Further, pursuant to change of name of our Company to its current name, a revised certificate of registration dated September 20, 2021 bearing registration no. B-02.00250 was issued by RBI. For more information about our Company including details regarding changes in Registered Office, please see “History and Main Objects” on page 119 of the Shelf Prospectus and “General Information” on page 48.

Registered Office: 110/3, Lalbagh Main Road, Krishnappa Layout, Bengaluru – 560 027, Karnataka, India; **Tel:** +91 80 4291 3588**Corporate Office:** 37A, Sannathi Street, Theradi, Thiruvotriyur, Chennai – 600 019, Tamil Nadu, India;**CIN:** U65191KA1995PLC057884; **PAN:** AAACC4577H; **Website:** www.iiflsamasta.com; **Email:** secretarial@iiflsamasta.com**Company Secretary and Compliance Officer:** Manoranjan Biswal; **Tel:** +91 80 4291 3588; **Email:** manoranjan@iiflsamasta.com**Chief Financial Officer:** Ananthakumar Thangavel; **Tel:** +91 80 4291 3509; **Email:** ananthakumar@iiflsamasta.com

PUBLIC ISSUE BY THE COMPANY OF UPTO 1,00,00,000 SECURED, RATED, LISTED, REDEEMABLE, NON-CONVERTIBLE DEBENTURES OF FACE VALUE ₹ 1,000 EACH (“NCDs” OR “DEBENTURES”), AMOUNTING UP TO ₹ 200 CRORE (“BASE ISSUE SIZE”) WITH AN OPTION TO RETAIN OVERSUBSCRIPTION OF UPTO ₹ 800 CRORE (“GREEN SHOE OPTION”) AGGREGATING UP TO ₹ 1,000 CRORE (“TRANCHE II ISSUE SIZE” OR “TRANCHE II ISSUE”). THE TRANCHE II ISSUE SIZE IS WITHIN THE SHELF LIMIT OF ₹ 2,000 CRORE AND IS BEING OFFERED BY WAY OF THIS TRANCHE II PROSPECTUS DATED MAY 24, 2024 CONTAINING INTER ALIA THE TERMS AND CONDITIONS OF TRANCHE II ISSUE (“TRANCHE II PROSPECTUS”), WHICH SHOULD BE READ TOGETHER WITH THE SHELF PROSPECTUS DATED NOVEMBER 23, 2023 READ WITH THE ADDENDUM TO THE SHELF PROSPECTUS DATED MAY 15, 2024 (“SHELF PROSPECTUS”) FILED WITH THE ROC, STOCK EXCHANGES AND SEBI. THE SHELF PROSPECTUS AND THIS TRANCHE II PROSPECTUS CONSTITUTES THE PROSPECTUS. THE ISSUE IS BEING MADE PURSUANT TO THE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON - CONVERTIBLE SECURITIES) REGULATIONS, 2021, AS AMENDED (THE “SEBI NCS REGULATIONS”), THE COMPANIES ACT, 2013 AND RULES MADE THEREUNDER AS AMENDED (THE “COMPANIES ACT, 2013”) TO THE EXTENT NOTIFIED AND THE SEBI MASTER CIRCULAR, AS AMENDED FROM TIME TO TIME. THE ISSUE IS NOT UNDERWRITTEN.

OUR PROMOTER

Our promoters are (i) Narayanaswamy Venkatesh, **Tel:** +91 80 4291 3588, **Email id:** secretarial@iiflsamasta.com; (ii) Shivaprakash Deviah, **Tel:** +91 80 4291 3588, **Email id:** secretarial@iiflsamasta.com; (iii) IIFL Finance Limited, **Tel:** +91 22 6788 1000, **Email id:** csteam@iifl.com. For further details see “Our Promoters” on page 148.

GENERAL RISKS

Investment in non-convertible securities is risky, and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their own examination of the Issuer and the Issue, including the risks involved in it. Specific attention of the Investors is invited to the chapters “Risk Factors” and “Material Developments” on page 18 and page 154, respectively, before making an investment in such Tranche II Issue. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or investor’s decision to purchase such securities. This Tranche II Prospectus has not been and will not be approved by any regulatory authority in India, including the Securities and Exchange Board of India (“SEBI”), the Reserve Bank of India (“RBI”), any registrar of companies or any Stock Exchanges in India nor do they guarantee the accuracy or adequacy of this document.

COUPON RATE, COUPON PAYMENT FREQUENCY, REDEMPTION DATE, REDEMPTION AMOUNT & ELIGIBLE INVESTORS

For details relating to Coupon Rate, Coupon Payment Frequency, Redemption Date, Redemption Amount & Eligible Investors of the NCDs, see “Issue Related Information” on page 250.

CREDIT RATING

The ratings of NCDs proposed to be issued under the terms of this Tranche II Prospectus have been re-evaluated to CRISIL AA-/Watch Developing (Continues on ‘Rating Watch with Developing Implications’) for an amount of ₹ 2,000 crore by CRISIL Ratings Limited vide their rating letter dated May 8, 2024 and ‘ACUITE AA | Rating Watch Negative Implications’ for an amount of ₹ 2,000 crore by Acuite Ratings & Research Limited vide their rating reevaluation letter dated May 10, 2024. The rating by CRISIL Ratings Limited has been revised from CRISIL AA-/Positive (Pronounced as CRISIL double A minus rating with Positive outlook) assigned vide their rating letter dated November 20, 2023 for an amount of ₹ 2,000 crore and the rating by Acuite Ratings & Research Limited has been revised from ‘Acuite AA Stable’ for an amount of ₹ 2,000 crore assigned by their rating letter dated October 6, 2023. Securities with these ratings are considered to have high degree of safety regarding timely servicing of financial obligations. Such securities carry very low credit risk. However, the rating by CRISIL Ratings Limited continues to be under Rating Watch with Developing Implications which reflects an emerging situation, which may affect the credit profile of the related entity and the rating by Acuite Ratings and Research Limited is under watch with Negative Implications. The Rating Watch reflects an emerging situation, which may affect the credit profile of the related entity. Rating given by CRISIL Ratings Limited and Acuite Ratings & Research Limited is valid as on the date of this Tranche II Prospectus and shall remain valid on date of issue and allotment of NCDs and the listing of the NCDs on Stock Exchanges unless withdrawn. In case of any change in credit ratings till the listing of NCDs, our Company will inform the investors through public notices/ advertisements in all those newspapers in which pre issue advertisement has been given. The rating is not a recommendation to buy, sell or hold the rated instrument and investors should take their own decisions. The rating may be subject to revision or withdrawal at any time by the assigning rating agency and each rating should be evaluated independently of any other rating. The rating agencies have a right to suspend or withdraw the rating at any time on the basis of factors such as new information. For the rating letter and rating rationale for these ratings, see “Annexure A” of this Tranche II Prospectus. There are no unaccepted ratings and any other ratings other than as specified in this Tranche II Prospectus.

LISTING

The NCDs offered through the Shelf Prospectus and this Tranche II Prospectus are proposed to be listed on BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”) along with BSE, the “Stock Exchanges”). Our Company has received an ‘in-principle’ approval from BSE vide its letter no. DCS/BM/PI-BOND/017/23-24 dated November 13, 2023, and from NSE vide its letter no. NSE/LIST/D/2023/0296 dated November 9, 2023. NSE Shall be the Designated Stock Exchange for the Issue.

PUBLIC COMMENTS

The Draft Shelf Prospectus dated November 2, 2023 was filed with the Stock Exchanges, pursuant to the provisions of the SEBI NCS Regulations and was kept open for public comments for a period of seven Working Days from the date of filing of the Draft Shelf Prospectus with the Stock Exchanges, i.e., Thursday, November 9, 2023. No comments were received on the Draft Shelf Prospectus until 5:00 PM on November 9, 2023.

LEAD MANAGERS TO THE ISSUE

LEAD MANAGERS TO THE ISSUE		DEBENTURE TRUSTEE	
 TRUST INVESTMENT ADVISORS PRIVATE LIMITED 109/110, Balarama, Bandra Kurla Complex, Bandra East, Mumbai – 400 051 Tel: +91 22 40845000 Fax: +91 22 4084 5066 Email: projectpragathi.trust@trustgroup.in Website: www.trustgroup.in Contact person: Hani Jalan	 NUVAMA WEALTH MANAGEMENT LIMITED <i>(formerly known as Edelweiss Securities Limited)</i> 801 - 804, Wing A, Building No 3 Inspire BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400 051 Tel: +91 22 4009 4400 Fax: NA E-mail: iifl.samasta@nuvama.com Website: www.nuvama.com Contact Person: Saili Dave	 IIFL SECURITIES LIMITED* 24 th Floor, One Lodha Place, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400 013 Tel: +91 22 4646 4728 Fax: +91 22 2493 1073 Email: iiflsamasta.ncd@iiflcap.com Website: www.iiflcap.com Contact Person: Nishita Mody/ Pawan Kumar Jain	 BEACON TRUSTEESHIP LIMITED* 7 A & B, Siddhivinayak Chambers, Opposite MIG Cricket Club, Gandhi Nagar, Bandra East, Mumbai – 400 051 Tel: +91 22 2655 8759 Email: contact@beacontrustee.co.in Website: www.beacontrustee.co.in Contact Person: Kaustubh Kulkarni

CREDIT RATING AGENCY

CRISIL RATINGS LIMITED
 CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai – 400 076
Tel: + 91 22 3342 3000 (B)
Fax: + 91 22 3342 3050
Email: crisilratingdesk@crisil.com
Website: www.crisil.com
Contact Person: Ajit Velonice

ACUITE RATINGS & RESEARCH LIMITED
 708, Lodha Supremus, Lodha iThink Campus, Kanjurmarg (East), Mumbai – 400 042
Tel: +91 99698 98000
Email: chitra.mohan@acuite.in
Website: www.acuite.in
Contact Person: Chitra Mohan

STATUTORY AUDITOR

M/s BRAHMAYYA & CO.
 Chartered Accountants
 Khivraj Mansion, 10/2 Kasturba Road, Bengaluru, Karnataka – 560 001
Tel: +91 80 2227 4551
Email: srinivas@brahmayya.in
Website: www.brahmayya.com
Contact Person: G Srinivas

REGISTRAR TO THE ISSUE

LINK INTIME INDIA PRIVATE LIMITED
 C- 101, 247 Park, LBS Marg, Vikhroli (West) Mumbai – 400 083
Tel: +91 810 811 4949
Fax: +91 22 4918 6195
Email: iiflsamasta.ncd2024@linkintime.co.in
Investor Grievance Email: iiflsamasta.ncd2024@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Shanti Gopalakrishnan

ISSUE PROGRAMME****TRANCHE II ISSUE OPENS ON: MONDAY, JUNE 3, 2024****TRANCHE II ISSUE CLOSES ON: FRIDAY, JUNE 14, 2024**

* Beacon Trusteeship Limited under regulation 8 of SEBI NCS Regulations has by its letter dated October 31, 2023 and May 18, 2024 given its consent for its appointment as Debenture Trustee to the Issue and for its name to be included in the Draft Shelf Prospectus, the Shelf Prospectus and this Tranche II Prospectus and in all the subsequent periodical communications to be sent to the holders of the NCDs issued pursuant to the Tranche II Issue.

** IIFL Securities Limited is deemed to be an associate of the Issuer as per the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended (Merchant Bankers Regulations). Further, in compliance with the provisions of Regulation 21A and explanation to Regulation 21A of the Merchant Bankers Regulations, IIFL Securities Limited would be involved only in marketing of the Issue and as per Regulation 25 (3) of SEBI NCS Regulations shall not issue a due diligence certificate.

** The Tranche II Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m. (Indian Standard Time) during the period as indicated in this Tranche II Prospectus. Our Company may, in consultation with the Lead Managers, consider closing the Tranche II Issue on such earlier date or extended date (subject to a minimum period of three working days and a maximum period of 10 working days from the date of opening of the Tranche II Issue and subject to not exceeding thirty days from filing of this Tranche II Prospectus with ROC including any extensions), as may be decided by the Board of Directors of our Company or Issuance and Allotment Committee, subject to relevant approvals, in accordance with Regulation 33A of the SEBI NCS Regulations. In the event of an early closure or extension of the Tranche II Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in all the newspapers in which pre-issue advertisement for opening of this Tranche II Issue has been given on or before such earlier or initial date of Tranche II Issue closure. On the Tranche II Issue Closing Date, the Application Forms will be accepted only between 10:00 a.m. and 3:00 p.m. (Indian Standard Time) and uploaded until 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchanges. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5:00 p.m. (Indian Standard Time), on one Working Day post the Tranche II Issue Closing Date. For further details please refer to the section titled “General Information” on page 48. A copy of the Shelf Prospectus has been filed and this Tranche II Prospectus has been filed with the Registrar of Companies, Karnataka at Bengaluru in terms of Section 26 and Section 31 of Companies Act, 2013, along with the endorsed/ certified copies of all requisite documents. For further details, please see “Material Contracts and Documents for Inspection” on page 314.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Tranche II Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning ascribed to such definitions and abbreviations set forth herein. References to any legislation, act, regulation, rules, guidelines, clarifications or policies shall be to such legislation, act, regulation, rules, guidelines, clarifications or policies as amended, supplemented or re-enacted from time to time until the date of this Tranche II Prospectus, and any reference to a statutory provision shall include any subordinate legislation notified from time to time pursuant to such provision.

The words and expressions used in this Tranche II Prospectus but not defined herein shall have, to the extent applicable, the same meaning ascribed to such words and expressions under the SEBI NCS Regulations, the Companies Act, 2013, the SCRA, the Depositories Act and the rules and regulations notified thereunder.

General Terms

Term	Description
the Issuer/ our Company/ the Company/ IIFL Samasta Finance Limited	IIFL Samasta Finance Limited, a Non-Banking Finance (non - deposit accepting or holding) Company - Micro Finance Institution (NBFC MFI) incorporated under the Companies Act, 1956, as amended and replaced from time to time, having its CIN U65191KA1995PLC057884 and having its registered office at 110/3, Lalbagh Main Road, Krishnappa Layout, Bengaluru – 560 027, Karnataka.
we/ us/ our	Unless the context otherwise indicates or implies, refers to our Company
Promoters	Narayanaswamy Venkatesh, Shivaprakash Deviah, and IIFL Finance Limited.
Subsidiaries	Our Company does not have any subsidiaries.

Company Related Terms

Term	Description
Acuité	Acuité Ratings & Research Limited
Articles/ Articles of Association/ AOA	Articles of Association of our Company
Audited Financial Statements	The Audited Financial Statements of the Company comprising of Audited Financial Statements for the Financial Year ending March 31, 2024, Audited Financial Statements for the Financial Year ending March 31, 2023 and Audited Financial Statements for the Financial Year ending March 31, 2022, prepared in accordance with IND AS.
Audited Financial Statements for Fiscal 2024	The annual balance sheet as at March 31, 2024 and the annual statement of profit and loss for the year ended 2024 and the annual statement of cash flows for the year ended 2024 and the annual statement of changes in equity for the year ended 2024 prepared by the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
Audited Financial Statements for Fiscal 2023	The annual balance sheet as at March 31, 2023 and the annual statement of profit and loss for the year ended 2023 and the annual statement of cash flows for the year ended 2023 and the annual statement of changes in equity for the year ended 2023 prepared by the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
Audited Financial Statements for Fiscal 2022	The annual balance sheet as at March 31, 2022 and the annual statement of profit and loss for the year ended 2022 and the annual statement of cash flows for the year ended 2022 and the annual statement of changes in equity for the year ended 2022 prepared by the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
Auditors/ Statutory Auditors	The current statutory auditor of our Company, Brahmayya & Co., Chartered Accountants.
Audit Committee	Audit committee of our Company was re-constituted by the Board of Directors by board resolution dated March 13, 2024, in accordance with applicable laws and as may be further re-constituted from time to time by Board of Directors of the Company.

Term	Description
Asset Liability Management Committee/ ALM Committee	ALM Committee of our Company re-constituted by the Board of Directors by board resolution dated July 21, 2023 in accordance with applicable laws and as may be further re-constituted from time to time by Board of Directors of the Company.
Board/ Board of Directors/ our Board/ our Board of Directors	Board of Directors of our Company or any duly constituted committee thereof
Corporate Social Responsibility Committee/ CSR Committee	Corporate social responsibility committee of our Company last re-constituted by our Board of Directors by board resolution dated March 13, 2024, in accordance with applicable laws and as may be further re-constituted from time to time by Board of Directors of the Company.
Committee	A committee constituted by the Board, and as reconstituted from time to time.
Corporate Office	Corporate office of our Company situated at 37A, Sannathi Street, Theradi, Thiruvottriyur, Chennai – 600 019, Tamil Nadu, India
CRISIL / CRISIL Ratings	CRISIL Ratings Limited
Directors	Directors of our Company
Equity Shares	Equity shares of the Company of face value of ₹10 each
ESOP(s)	Employee stock options
Gross Stage 3 book	Also referred to as Gross NPA
Gross Stage 3 (%)	Also referred to as Gross NPAs to Gross Advances %
Group Company(ies)	Such companies as identified as our group companies in terms of Regulation 2(1)(r) of SEBI NCS Regulations, for the Issue, namely IIFL Home Finance Limited; IIFL Management Services Limited; IIFL Facilities Services Limited; 360 ONE Prime Limited (<i>formerly known as IIFL Wealth Prime Limited</i>); 360 ONE WAM Limited (<i>formerly known as IIFL Wealth Management Limited</i>); IIFL Securities Limited
Independent Director(s)	The independent director(s) on our Board, in terms of Section 2(47) and Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations
Issue and Allotment Committee	Issue and Allotment Committee of our Company constituted by the Board of Directors by board resolution dated April 21, 2023
I.T. Strategy Committee	I.T. Strategy Committee of our Company last re-constituted by the Board of Directors by board resolution dated April 21, 2023, in accordance with applicable laws and as may be further re-constituted from time to time by Board of Directors of the Company
KMP / Key Managerial Personnel	Key managerial personnel of our Company as disclosed in the Shelf Prospectus and appointed in accordance with Section 203, as defined under Section 2(51) of the Companies Act, 2013
MoA/ Memorandum/ Memorandum of Association	Memorandum of association of our Company
Net Stage 3 (%)	Referred to as Net NPAs to Net Advances %
Net Stage 3	Referred to as Net NPA
Nomination and Remuneration Committee	Nomination and remuneration committee of our Company last re-constituted by the Board of Directors by board resolution dated March 13, 2024, in accordance with applicable laws and as may be further re-constituted from time to time by Board of Directors of the Company
Net worth	As defined in Section 2(57) of the Companies Act, 2013, as follows: “ <i>Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet but does not include reserves created out of revaluation of assets, write back of depreciation and amalgamation.</i> ”
Promoter Group	Includes such persons and entities constituting the promoter group of our Company pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations.
Registered Office	Registered Office of our Company presently situated at 110/3, Lalbagh Main Road, Krishnappa Layout, Bengaluru – 560 027, Karnataka, India.
Risk Management Committee	Risk Management Committee of our Company last re-constituted by the Board of Directors by board resolution dated March 13, 2024, in accordance with applicable laws and as may be further re-constituted from time to time by Board of Directors of the Company.
RoC/ Registrar of Companies	Registrar of Companies, Karnataka at Bengaluru

Term	Description
Shareholders	The holders of the Equity Shares of the Company from time to time
Senior Management Personnel/ SMP	Senior Management Personnel of our Company in accordance with definition of Senior Management in Regulation 2 (iia) of the SEBI NCS Regulations, as described in “ <i>Our Management</i> ” on page 135.
Stakeholders’ Relationship Committee	Stakeholders’ relationship committee of our Company last re-constituted by the Board of Directors by board resolution dated March 13, 2024, in accordance with applicable laws and as may be further re-constituted from time to time by Board of Directors of the Company
Total Borrowing(s)/ Total Debt	Debt securities plus borrowings other than debt securities

Issue Related Terms

Term	Description
Abridged Prospectus	A memorandum accompanying the application form for a public issue containing such salient features of the Shelf Prospectus and this Tranche II Prospectus as specified by SEBI
Acknowledgement Slip/ Transaction Registration Slip/ TRS	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application Form
Allotment Advice	The communication sent to the Allottees conveying the details of NCDs allotted to the Allottees in accordance with the Basis of Allotment
Allotment/ Allot/ Allotted	Unless the context otherwise requires, the issue and allotment of NCDs to the successful Applicants pursuant to this Tranche II Issue
Allottee(s)	The successful Applicant to whom the NCDs are Allotted either in full or part, pursuant to this Tranche II Issue
Applicant/ Investor	Any person who applies for issuance and Allotment of NCDs through ASBA process or through UPI Mechanism pursuant to the terms of the Shelf Prospectus, this Tranche II Prospectus, the Abridged Prospectus, and the Application Form for Tranche II Issue.
Application or ASBA Application	An application (whether physical or electronic) to subscribe to the NCDs offered pursuant to the Issue by submission of a valid Application Form and authorising an SCSB to block the Application Amount in the ASBA Account or to block the Application Amount using the UPI Mechanism, where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by retail investors for an Application Amount of upto UPI Application Limit which will be considered as the application for Allotment in terms of the Shelf Prospectus and this Tranche II Prospectus.
Application Amount or Bid Amount	The aggregate value of the NCDs applied for, as indicated in the Application Form for the Tranche II Issue or the Amount blocked in the ASBA account
Application Date	The date on which Application is made in the Tranche II Issue Period
Application Form or ASBA Form	Form in terms of which an Applicant shall make an offer to subscribe to NCDs through the ASBA process or through the UPI Mechanism and which will be considered as the Application for Allotment of NCDs in terms of the Shelf Prospectus and this Tranche II Prospectus.
ASBA Account	An account maintained with a SCSB and specified in the Application Form which will be blocked by such SCSB to the extent of the Application Amount mentioned in the Application Form by an Applicant and will include a bank account of a retail individual investor linked with UPI, for retail individual investors submitting application value upto UPI Application Limit
ASBA Applicant	Any Applicant who applies for NCDs through the ASBA process
Banker to the Tranche II Issue	Collectively, Public Issue Account Bank, Refund Bank and Sponsor Bank
Base Issue Size	₹ 200 crore
Basis of Allotment	The basis on which NCDs will be allotted to applicants under Tranche II Issue, and as specified in “ <i>Issue Procedure – Basis of Allotment</i> ” on 309.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Application Forms, i.e., Designated Branches of SCSB, Specified Locations for Members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Broker Centres	Broker centres notified by the Stock Exchanges where Applicants can submit the ASBA

Term	Description
	Forms (including ASBA Forms under UPI in case of UPI Investors) to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Trading Members are available on the website of the Stock Exchanges at www.bseindia.com and www.nseindia.com .
BSE	BSE Limited.
Category I (Institutional Investors)	<ul style="list-style-type: none"> • Resident public financial institutions, scheduled commercial banks, Indian multilateral and bilateral development financial institutions which are authorised to invest in the NCDs; • Provident funds and pension funds each with a minimum corpus of ₹ 250 million, superannuation funds and gratuity funds, which are authorised to invest in the NCDs; • Alternative Investment Funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012; • Resident Venture Capital Funds registered with SEBI; • Insurance companies registered with the IRDAI; • State industrial development corporations; • Insurance funds set up and managed by the army, navy, or air force of the Union of India; • Insurance funds set up and managed by the Department of Posts, the Union of India; • Systemically Important Non-Banking Financial Companies; • National Investment Fund set up by resolution no. F.No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; and • Mutual funds registered with SEBI.
Category II (Non-Institutional Investors)	<ul style="list-style-type: none"> • Companies within the meaning of Section 2(20) of the Companies Act, 2013; • Statutory bodies/ corporations and societies registered under the applicable laws in India and authorised to invest in the NCDs; • Co-operative banks and regional rural banks; • Trusts including public/private charitable/religious trusts which are authorised to invest in the NCDs; • Educational institutions and associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment: which are authorised to invest in the NCDs; • Scientific and/or industrial research organisations, which are authorised to invest in the NCDs; • Partnership firms in the name of the partners; and • Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009). • Association of Persons; and • Any other incorporated and/or unincorporated body of persons.
Category III (High Net Worth Individual Investors)	Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating to above ₹ 10,00,000 across all options of NCDs in the Tranche II Issue.
Category IV (Retail Individual Investors)	Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating up to and including ₹10,00,000 across all Options/ Series of NCDs in the Issue and shall include Retail Individual Investors, who have submitted bid for an amount not more than ₹5,00,000 in any of the bidding options in the Issue (including HUFs applying through their Karta and does not include NRIs) though UPI Mechanism.
CIBIL	TransUnion CIBIL Limited
Client ID	Client identification number maintained with one of the Depositories in relation to the demat account.
Collecting Depository Participant/ CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications in the Issue, at the Designated CDP Locations in terms of the SEBI Master Circular.
Collecting Registrar and Share Transfer Agents or CRTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications, at the Designated RTA Locations.
Consortium Agreement	Consortium Agreement dated May 24, 2024 entered into amongst the Company, Lead

Term	Description
	Managers and the Consortium Members.
Consortium Members	Trust Financial Consultancy Services Private Limited, Nuvama Wealth and Investment Limited (formerly known as Edelweiss Broking Limited), IIFL Securities Limited and Trust Securities Services Private Limited
Consortium / Members of the Consortium/ Members of Syndicate (each individually, a Member of the Consortium)	The Lead Managers and the Consortium Members
Coupon/ Interest Rate	Please see “ <i>Issue Structure - Specified Terms of NCDs - Interest and Payment of Interest</i> ” on page 254.
Credit Rating Agency	CRISIL Ratings Limited and Acuité Ratings & Research Limited.
Debenture Holder(s)/ NCD Holder(s)	The holders of the NCDs whose name appears in the database of the relevant Depository and/or the register of NCD Holders (if any) maintained by our Company if required under applicable law.
Debenture Trust Deed	The trust deed to be entered between the Debenture Trustee and our Company which shall be executed in relation to the NCDs within the time limit prescribed by applicable statutory and/or regulatory requirements in favour of the Debenture Trustee for the NCD Holders, terms of which will inter alia govern the powers, authorities and obligations of the Debenture Trustee.
Debenture Trustee/ Trustee	Trustees for the NCD holders in this case being Beacon Trusteeship Limited
Debenture Trustee Agreement	Agreement dated October 31, 2023 entered into between the Debenture Trustee and the Company wherein the appointment of the Debenture Trustee to the Issue, is agreed between our Company and the Debenture Trustee.
Deemed Date of Allotment	The date on which the Board of Directors or the Issuance and Allotment Committee approves the Allotment of the NCDs for the Tranche II Issue or such date as may be determined by the Board of Directors/ or the Issuance and Allotment Committee thereof and notified to the Designated Stock Exchange. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the Debenture Holders from the Deemed Date of Allotment.
Demographic Details	The demographic details of the Applicants such as their respective addresses, email, PAN, investor status, MICR Code, and bank account detail.
Depository(ies)	National Securities Depository Limited and /or Central Depository Services (India) Limited
Designated Branches	Such branches of the SCSBs which shall collect the Application Forms, a list of which is available on the website of SEBI at https://www.sebi.gov.in or at such other weblink as may be prescribed by SEBI from time to time.
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the ASBA Forms, a list of which, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the website of the Stock Exchanges at www.nseindia.com and www.bseindia.com .
Designated Date	The date on which the Registrar to the Issue issues instructions for the transfer of funds blocked by the SCSBs from the ASBA Accounts to the Public Issue Account and/or the Refund Account, as appropriate, after finalisation of the Basis of Allotment, in terms of the Shelf Prospectus and Tranche II Prospectus following which the NCDs will be Allotted in this Tranche II Issue.
Designated Intermediaries	Collectively, members of the Consortium, Sub-Consortium/agents, Trading Members, SCSBs, Registered Brokers, CDPs and RTAs, who are authorised to collect Application Forms from the Applicants in the Tranche II Issue. In relation to ASBA applicants authorising an SCSB to block the amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA applicants submitted by Retail Individual Investors where the amount was blocked upon acceptance of UPI Mandate Request using the UPI Mechanism, Designated Intermediaries shall mean the CDPs, RTAs, Lead Managers, Members of the Consortium, Trading Members and Stock Exchanges where applications have been submitted through the app/web interface as provided in the UPI Mechanism Circular.

Term	Description
Designated RTA Locations	Such locations of the CRTAs where Applicants can submit the ASBA Forms to CRTAs, a list of which, along with names and contact details of the CRTAs eligible to accept ASBA Forms available on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com and updated from time to time.
Designated Stock Exchange	The designated Stock Exchange for the Issue, being NSE.
Direct Online Application	An online interface enabling direct applications through UPI by an app based/web interface, by investors to a public issue of debt securities with an online payment facility
Draft Shelf Prospectus	The Draft Shelf Prospectus dated November 2, 2023 filed with the Stock Exchanges for receiving public comments and with SEBI, in accordance with the provisions of the Companies Act, 2013 and the SEBI NCS Regulations.
Interest Payment Date/ Coupon Payment Date	Please see the section titled “ <i>Terms of the Issue</i> ” on page 260.
Issue	Public Issue by the Company of up to 2,00,00,000 secured, rated, listed, redeemable, Non-convertible Debentures of face value ₹ 1,000 each, aggregating up to ₹ 2,000 crore. The NCDs will be issued in one or more tranches. The Issue is being made pursuant to the provisions of the SEBI NCS Regulations, the Companies Act, 2013 to the extent notified and the SEBI Master Circular, as amended from time to time.
Issue Agreement	The Issue Agreement dated November 2, 2023, as amended on May 14, 2024, entered between the Company and Trust Investment Advisors Private Limited, IIFL Securities Limited* and Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited) the Lead Managers to the Issue. <i>* IIFL Securities Limited is deemed to be an associate of the Issuer as per the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended (Merchant Bankers Regulations). Further, in compliance with the provisions of Regulation 21A and explanation to Regulation 21A of the Merchant Bankers Regulations, IIFL Securities Limited would be involved only in marketing of the Issue and as per Regulation 25 (3) of SEBI NCS Regulations shall not issue a due diligence certificate.</i>
Issue Documents	The Draft Shelf Prospectus, the Shelf Prospectus, this Tranche II Prospectus, the Abridged Prospectus, the Application Form, and supplemental information, if any, read with any notices, corrigenda and addenda thereto.
Lead Managers	Trust Investment Advisors Private Limited, IIFL Securities Limited*, Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited) <i>* IIFL Securities Limited is deemed to be an associate of the Issuer as per the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended (Merchant Bankers Regulations). Further, in compliance with the provisions of Regulation 21A and explanation to Regulation 21A of the Merchant Bankers Regulations, IIFL Securities Limited would be involved only in marketing of the Issue and as per Regulation 25 (3) of SEBI NCS Regulations shall not issue a due diligence certificate.</i>
Listing Agreement	The uniform listing agreement entered into between our Company and the Stock Exchanges in connection with the listing of debt securities of our Company
Market Lot	1 (One) NCD
Mobile App(s)	The mobile applications listed on the website of Stock Exchanges as may be updated from time to time, which may be used by RIBs to submit Bids using the UPI Mechanism
Maturity Date/ Redemption Date	Please see the section titled “ <i>Terms of the Issue</i> ” on page 260.
NCDs/ Debentures	Secured, rated, listed, redeemable, non-convertible debentures of face value of ₹ 1,000 each, amounting up to ₹2,000 crore. (“ Shelf Limit ”)
NCD Holders/ Debenture Holder	Any debenture holder who holds the NCDs issued pursuant to this Tranche II Issue and whose name appears on the beneficial owners list provided by the Depositories.
NSE	National Stock Exchange of India Limited.
OCB or Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% (sixty percent) by NRIs including overseas trusts, in which not less than 60% (sixty percent) of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under the FEMA. OCBs are not permitted to invest in this Tranche II Issue.
Offer Documents	The Draft Shelf Prospectus, the Shelf Prospectus and this Tranche II Prospectus.
Public Issue Account	Account(s) to be opened with the Banker(s) to the Issue to receive monies for allotment of NCDs from the ASBA Accounts maintained with the SCsBs (including under the UPI

Term	Description
	mechanism) on the Designated Date, for Tranche II Issue.
Public Issue Account and Sponsor Bank Agreement	Public Issue Account and Sponsor Bank Agreement dated May 24, 2024 entered into amongst our Company, the Registrar to the Issue, the Public Issue Account Bank, the Refund Bank and the Sponsor Bank and the Lead Managers for the appointment of the Public Issue Account Bank, Refund Bank and Sponsor Bank in accordance with the UPI Mechanism Circular and for collection of the Application Amounts from ASBA Accounts under the UPI mechanism from the Applicants on the terms and conditions thereof and where applicable, refund of the amounts collected from the applicants, as specified for in this Tranche II Prospectus for this Tranche II Issue.
Public Issue Account Bank	HDFC Bank Limited
Record Date	<p>The record date for payment of interest in connection with the NCDs or repayment of principal in connection therewith shall be 15 (fifteen) days prior to the date on which interest is due and payable, and/or the date of redemption or such other date under this Tranche II Prospectus as may be determined by the Company.</p> <p>Provided that trading in the NCDs shall remain suspended between the aforementioned Record Date in connection with redemption of NCDs and the date of redemption or as prescribed by the Stock Exchanges, as the case may be.</p> <p>In case Record Date falls on a day when Stock Exchanges are having a trading holiday, the immediate subsequent trading day or a date notified by our Company to the Stock Exchanges will be deemed as the Record Date</p>
Recovery Expense Fund	A fund created by our Company with the Designated Stock Exchange in the manner as specified by SEBI in SEBI Debenture Trustee Master Circular and regulation 11 of SEBI NCS Regulations with the Designated Stock Exchange.
Refund Account	Account to be opened with the Refund Bank from which refunds, if any, of the whole or any part of the Application Amount shall be made.
Redemption Amount	Please see the section titled “ <i>Terms of the Issue</i> ” on page 260.
Refund Bank	HDFC Bank Limited
Register of NCD holders	The register of NCD holders maintained by the Issuer/RTA in accordance with the provisions of the Companies Act, 2013 and by the Depositories in case of NCDs held in dematerialised form, and/or the register of NCD holders maintained by the Registrar
Registrar Agreement	Agreement dated October 31, 2023 as further amended on May 14, 2024 entered into between the Issuer and the Registrar under the terms of which the Registrar has agreed to act as the Registrar to the Issue.
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers) Regulation, 1992 and the Stock Exchanges having nationwide terminals, other than the Members of the Syndicate and eligible to procure Applications from Applicants.
Registrar to the Issue or Registrar	Link Intime India Private Limited.
Resident Individual	An individual who is a person resident in India as defined in the FEMA
Registrar and Share Transfer Agents/ RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Application in the Issue.
RTA Master Circular	Securities and Exchange Board of India Master Circular for Registrars to an Issue and Share Transfer Agents’ dated May 07, 2024, bearing reference number SEBI/HO/MIRSD/POD-1/P/CIR/2024/37, as amended.
Security	The principal amount of the NCDs to be issued in terms of the Shelf Prospectus and this Tranche II Prospectus together with all interest due and payable on the NCDs thereof, shall be secured by way of exclusive charge by way of hypothecation over book debts of the Company, such that a security cover of at least 1.05 times (1.05x) of the outstanding principal amounts of the NCDs and all interest due and payable thereon is maintained at all times until the Maturity Date. For further details on date of creation of security/likely date of creation of security, minimum security cover etc., please refer to the “ <i>Terms of the Issue – Security</i> ” on page 260.
Self-Certified Syndicate Banks/ SCSBs	The banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes.or at such other

Term	Description
	websites as may be prescribed by SEBI from time to time. Additionally, the banks registered with SEBI, enabled for UPI Mechanism, list of which is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other web-link as may be prescribed by SEBI from time to time.
Series/ Option	Collectively the Series of NCDs being offered to the Applicants as stated in the section titled “ <i>Issue Related Information</i> ” beginning on page 250.
Shelf Limit	The aggregate limit of the issue, being ₹ 2,000 crore to be issued pursuant to the Draft Shelf Prospectus, the Shelf Prospectus, through one or more tranches.
Shelf Prospectus	The Shelf Prospectus dated November 2, 2023 read with the Addendum to the Shelf prospectus dated May 15, 2024 filed by our Company with ROC, SEBI and the Stock Exchanges in accordance with the provisions of the Companies Act, 2013 and the SEBI NCS Regulations. The Shelf prospectus is valid for a period of 1 year from the date of opening of the Tranche I Issue under the Tranche I Prospectus as prescribed under Section 31 of the Companies Act.
Specified Cities/ Specified Locations	Bidding centres where the Members of the Syndicate shall accept Application Forms from Applicants, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=45 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.
Sponsor Bank	HDFC Bank Limited
Stock Exchanges/ Exchanges	NSE and BSE
Syndicate ASBA	Applications through the Syndicate or the Designated Intermediaries
Syndicate ASBA Application	ASBA Applications through the Lead Managers, Consortium Members, the Trading Members of the Stock Exchanges or the Designated Intermediaries.
Syndicate SCSB Branches	In relation to ASBA Applications submitted to a Member of the Syndicate, such branches of the SCSBs at the Syndicate ASBA Application Locations named by the SCSBs to receive deposits of the Application Forms from the members of the Syndicate, and a list of which is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time.
Syndicate Bidding Centres	Syndicate Bidding Centres established for acceptance of Application Forms
Tenor	Please see the section titled “ <i>Terms of the Issue</i> ” on page 260.
Trading Members	Intermediaries registered with a lead broker or a sub-broker under the SEBI (Stock Brokers) Regulations, 1992 and/or with the Stock Exchanges under the applicable byelaws, rules, regulations, guidelines, circulars issued by Stock Exchanges from time to time and duly registered with the Stock Exchanges for collection and electronic upload of Application Forms on the electronic application platform provided by Stock Exchanges.
Tranche I Prospectus	The Tranche I Prospectus dated November 23, 2023 read with corrigendum to the Tranche I Prospectus dated November 30, 2023 filed by the Company with Stock Exchanges and RoC.
Tranche II Issue	Public Issue by the Company of upto 1,00,00,000 secured, rated, listed, redeemable, Non-Convertible Debentures of face value ₹ 1,000 each (“NCDs” or “ Debentures ”), amounting up to ₹ 200 Crore (“ Base Issue Size ”) with an option to retain oversubscription of upto ₹ 800 Crore (“ Green Shoe Option ”) aggregating up to ₹ 1,000.
Tranche II Issue Closing Date	Friday, June 14, 2024
Tranche II Issue Opening Date	Monday, June 3, 2024
Tranche II Issue Period	The period between the Tranche II Issue Opening Date and the Tranche II Issue Closing Date inclusive of both days, during which prospective Applicants can submit their Application Forms as provided in this Tranche II Prospectus.
Tranche II Prospectus	This Tranche II Prospectus dated May 24, 2024 in respect of the Tranche II Issue.
Transaction Documents	Transaction documents shall mean the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche II Prospectus read with any notices, corrigenda, addenda thereto, Abridged Prospectus, Application Form, Issue Agreement, Registrar Agreement, Debenture Trustee Agreement, Debenture Trust Deed, Tripartite Agreements, Consortium Agreement, Public

Term	Description
	Issue Account and Sponsor Bank Agreement. For further details please see the section titled, “ <i>Material Contracts and Documents for Inspection</i> ” on page 314.
Tripartite Agreements	Tripartite agreement dated June 18, 2018, among our Company, the Registrar and CDSL and tripartite agreement dated September 9, 2017 among our Company, the Registrar and NSDL.
UPI/ UPI Mechanism	Unified Payments Interface mechanism in accordance with SEBI Master Circular to block funds for application value up to UPI Application Limit submitted through intermediaries, namely the Registered Stock brokers, Consortium Members, Registrar and Transfer Agent and Depository Participants.
UPI ID	Identification created on the UPI for single-window mobile payment system developed by the National Payments Corporation of India.
UPI Application Limit	Maximum limit to utilize the UPI mechanism to block the funds for application value up to ₹ 500,000 for issues of debt securities pursuant to SEBI Master Circular or any other investment limit, as applicable and prescribed by SEBI from time to time
UPI Mandate Request/ Mandate Request	A request initiated by the Sponsor Bank on the Retail Individual Investor to authorize blocking of funds in the relevant ASBA Account through the UPI mobile app/web interface (using UPI Mechanism) equivalent to the bid amount (not exceeding UPI Application Limit) and subsequent debit of funds in case of allotment.
Wilful Defaulter(s)	Includes wilful defaulters as defined under Regulation 2(1)(III) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 which includes a person or a company who or which is categorized as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India and includes a company whose director or promoter is categorized as a wilful defaulter.
Working Day	Working day means all days on which commercial banks in Mumbai or Bengaluru, are open for business. In respect of announcement or bid/issue period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai or Bengaluru are open for business. Further, in respect of the time period between the bid/ issue closing date and the listing of the NCDs on the Stock Exchanges, working day shall mean all trading days of the Stock Exchanges for NCD, excluding Saturdays, Sundays and bank holidays, as specified by SEBI.

Conventional and General Terms or Abbreviations

Term/ Abbreviation	Description/Full Form
₹/ Rupees/ INR/ Indian Rupees	The lawful currency of the Republic of India
US\$/ USD/ U.S. Dollars	The lawful currency of the United States of America
ACH	Automated Clearing House
AGM	Annual General Meeting
ALM	Asset Liability Management
ALM Guidelines	Guidelines for ALM system in relation to NBFCs
AMC	Asset Management Company
AS or Accounting Standards	Accounting standards as prescribed by Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended from time to time
AIF	An alternative investment fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 as amended from time to time
ASBA	Application Supported by Blocked Amounts
AUM	Assets Under Management
Bankruptcy Code	The Insolvency and Bankruptcy Code, 2016
CAGR	Compounded annual growth rate over a specified period of time of a given value (the year-over-year growth rate)
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identification Number
Companies Act/ Companies Act, 2013	Companies Act, 2013 and the rules made thereunder

Term/ Abbreviation	Description/Full Form
CPC	Code of Civil Procedure, 1908
CRAR	Capital to risk-weighted assets ratio means (Tier I Capital + Tier II Capital)/ Total Risk Weighted Assets *100
CrPC	Code of Criminal Procedure, 1973
CSR	Corporate Social Responsibility
CY	Calendar Year
Depositories Act	Depositories Act, 1996
Depository(ies)	NSDL and /or CDSL
DIN	Director Identification Number
DP/ Depository Participant	Depository Participant as defined under the Depositories Act, 1996
DRR	Debenture Redemption Reserve
EGM	Extraordinary General Meeting
EOW	Economic Offences Wing
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time
FII	Foreign Institutional Investor(s)
FPI	Foreign Portfolio Investor as defined and registered under the SEBI (Foreign Portfolio Investors) Regulations, 2019, as amended from time to time.
Financial Year/ Fiscal/ FY	Period of 12 months ended March 31 of that particular year
GDP	Gross Domestic Product
Government	Government of India
G-Sec	Government Securities
GST	Goods and Services Tax
HNI	High Net worth Individual
HFC	Housing Finance Company
HUF	Hindu Undivided Family
IBC	Insolvency and Bankruptcy Code, 2016
ICAI	Institute of Chartered Accountants of India
IEPF	Investor Education and Protection Fund
IFRS	International Financial Reporting Standards
Income Tax Act/ IT Act	Income Tax Act, 1961
Ind AS	Indian Accounting Standards as prescribed by Section 133 of the Companies Act, 2013 and notified by the Ind AS Rules
Ind AS Rules	Indian Accounting standards as prescribed by Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2015 as amended from time to time
India	Republic of India
IPC	Indian Penal Code, 1860
IRDAI	Insurance Regulatory and Development Authority of India
IT	Information Technology
ITR	Income Tax Returns
KYC	Know Your Customer
LEI	Legal Entity Identifier
LLP	Limited Liability Partnership
LLP Act	Limited Liability Partnership Act, 2008
MACT	Motor Accidents Claims Tribunal
MCA	Ministry of Corporate Affairs, Government of India
MICR	Magnetic Ink Character Recognition
MLD	Market Linked Debentures
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
NACH	National Automated Clearing House
NAV	Net Asset Value
NBFC	Non-Banking Financial Company, as defined under Section 45-IA of the RBI Act
NEFT	National Electronic Fund Transfer
NRI	Non-resident Indian
NSDL	National Securities Depository Limited
p.a.	Per annum
PAN	Permanent Account Number

Term/ Abbreviation	Description/Full Form
PAR	Portfolio at Risk
PAT	Profit After Tax
PMLA	Prevention of Money Laundering Act, 2002
PP MLD	Principal Protected Market Linked Debentures
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
RBI Master Directions	Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking and Deposit taking Company (Reserve Bank) Directions, 2016 dated September 1, 2016
RERA	Real Estate Regulatory Authority
RERAD Act	Real Estate Regulation and Development Act, 2016
RTGS	Real Time Gross Settlement
SARFAESI Act	Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002
SCRA	Securities Contracts Regulation Act, 1956, as amended
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended
SEBI Debenture Trustee Master Circular	SEBI circular with reference number SEBI/HO/DDHS-PoD3/P/CIR/2023/46 dated May 16, 2024, as may be amended from time to time.
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time
SEBI Listing Regulations/ SEBI LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Merchant Banker Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended
SEBI NCS Regulations	Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended and circulars issued thereunder
SEBI Master Circular	SEBI circular no. SEBI/HO/DDHS/PoD1/P/CIR/2024/54 dated May 22, 2024, as amended.
SFBs	Small Finance Banks
TDS	Tax Deducted at Source
Trademarks Act	Indian Trademarks Act, 1999

Technical and Industry Related Terms

Term/Abbreviation	Description/Full Form
FCNR	Foreign Currency Non-Resident.
IFC	Infrastructure Finance Company.
IRDA	Insurance Regulatory and Development Authority.
ISO	International Organization for Standardization.
LIC	Life Insurance Corporation of India
Hybrid Debt	A capital instrument, which possesses certain characteristics of equity as well as debt
LTV	Ratio of loan to the collateral value
MICR	Magnetic Ink Character Recognition.
MFI	Microfinance institutions
Crisil MOSPI	Crisil Ministry of Statistics and Programme Implementation (MOSPI)
NPA	Non-Performing Assets
NBFC-BL/ NBFC – Base Layer	Non-deposit taking NBFCs below the asset size of ₹ 1,000 crore and (b) NBFCs undertaking the following activities- (i) NBFC-Peer to Peer Lending Platform (NBFC-P2P), (ii) NBFC-Account Aggregator (NBFC-AA), (iii) Non-Operative Financial Holding Company (NOFHC) and (iv) NBFCs not availing public funds and not having any customer interface
NBFC-D	NBFC registered as a deposit accepting NBFC
NBFC-MFI	An NBFC-MFI is defined as a non-deposit taking NBFC which extends loans to Micro Finance Sector

Term/Abbreviation	Description/Full Form
NBFC-ND	NBFC registered as a non-deposit accepting NBFC
NBFC-ND-SI (NBFC-ML/ NBFC – Middle Layer)	(a) all deposit taking NBFCs (NBFC-Ds), irrespective of asset size, (b) non-deposit taking NBFCs with asset size of ₹1,000 crore and above and (c) NBFCs undertaking the following activities (i) Standalone Primary Dealers (SPDs), (ii) Infrastructure Debt Fund – Non-Banking Financial Companies (IDF-NBFCs), (iii) Core Investment Companies (CICs), (iv) Housing Finance Companies (HFCs) and (v) Infrastructure Finance Companies (NBFC-IFC)
NBFC- TL / NBFC- Top Layer	NBFC-UL which in the opinion of RBI has substantial increase in the potential systemic risk
NBFC-UL / NBFC-Upper Layer	NBFCs which are specifically identified by RBI as warranting enhanced regulatory requirement based on a set of parameters and scoring methodology as provided in SBR Framework
Owned Funds	Paid-up equity capital, preference shares which are compulsorily convertible into equity, free reserves, balance in share premium account; capital reserve representing surplus arising out of sale proceeds of asset, excluding reserves created by revaluation of assets; less accumulated loss balance, book value of intangible assets and deferred revenue expenditure, if any
Prudential Norms	Prudential norms as provided under Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016
MSME	Micro, Small and Medium Enterprises
RBI	Reserve Bank of India.
Tier I Capital	Tier I capital means owned fund as reduced by investment in shares of other non-banking financial companies and in shares, debentures, bonds, outstanding loans and advances including hire purchase and lease finance made to and deposits with subsidiaries and companies in the same group exceeding, in aggregate, ten per cent of the owned fund; and perpetual debt instruments issued by a non-deposit taking nonbanking financial company in each year to the extent it does not exceed 15% of the aggregate Tier I Capital of such company as on March 31 of the previous accounting year
Tier II Capital	Tier II capital includes the following: <ul style="list-style-type: none"> a. preference shares other than those which are compulsorily convertible into equity; b. revaluation reserves at discounted rate of fifty five percent; c. General Provisions (including that for Standard Assets) and loss reserves to the extent these are not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of one and one fourth percent of risk weighted assets; d. hybrid debt capital instruments; e. subordinated debt; perpetual debt instruments issued by a non-deposit taking non-banking financial company which is in excess of what qualifies for Tier I Capital to the extent the aggregate does not exceed Tier I Capital
UTI	Unit Trust of India.
WCDL	Working Capital Demand Loan.
XIRR	Internal rate of return for irregular cash flows.
Yield	Ratio of interest income to the daily average of interest earning assets.

Notwithstanding the foregoing, the terms defined as part of “Risk Factors”, “General Information”, “Statement of Possible Tax Benefits”, “Our Business”, “Financial Information”, “Industry Overview” and “Other Regulatory and Statutory Disclosures” on pages 18, 48, 73, 115, 153, and 86 and sections entitled “Regulations and Policies” and “Summary of Key Provisions of Articles of Association” on pages 139 and 290 of the Shelf Prospectus, shall have the meaning ascribed to them as part of the aforementioned sections.

CERTAIN CONVENTIONS, USE OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

In this Tranche II Prospectus, unless otherwise specified or the context otherwise indicates or implies the terms, all references to “we”, “us”, “our” are to IIFL Samasta Finance Limited, and references to “you”, “offeree”, “purchaser”, “subscriber”, “recipient”, “investors” and “potential investor” are to the prospective investors in this Tranche II Issue. Unless stated otherwise, all references to page numbers in this Tranche II Prospectus are to the page numbers of this Tranche II Prospectus.

All references in the Shelf Prospectus and this Tranche II Prospectus to “India” are to the Republic of India and its territories and possessions. All references to the “Government”, “Central Government” or “State Government” are to Government of India, Central or State, as applicable.

Presentation of Financial Information

Our Company’s financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year, so all references to a particular financial year or fiscal are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year. Unless the context requires otherwise, all references to a year in the Shelf Prospectus and this Tranche II Prospectus are to a calendar year and references to a Fiscal/Fiscal Year are to the year ended on March 31 of that calendar year.

For the purposes of disclosure in this Tranche II Prospectus, we have prepared and presented the Audited Financial Statements for the financial years ended March 31, 2024, March 31, 2023, and March 31, 2022 prepared in accordance with Ind AS and audited by our Statutory Auditor, Brahmayya & Co., Chartered Accountants.

Unless stated otherwise or unless the context requires otherwise, the financial data as at and for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 used in this Tranche II Prospectus is derived from the Audited Financial Statements.

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance have been included in this Draft Prospectus. We compute and disclose such non-GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance. These non-GAAP financial measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies.

Currency and Unit of Presentation

In the Shelf Prospectus and this Tranche II Prospectus, all references to ‘Rupees’/‘₹’/‘INR’/ ‘Rs.’ Are to Indian Rupees, the official currency of the Republic of India. Except where stated otherwise in the Shelf Prospectus and this Tranche II Prospectus, all figures have been expressed in ‘in crores’. References, if any, to ‘million/million/mn.’ Refer to one million, which is equivalent to ‘ten lakh’ or ‘ten lacs’, the word ‘lakh/lacs/lac’ means ‘one hundred thousand’ and ‘crore’ means ‘ten million’ and ‘billion/bn./billions’ means ‘one hundred crore’.

Certain figures contained in the Shelf Prospectus and this Tranche II Prospectus, including financial information, have been subject to rounding adjustments. Unless set out otherwise, all figures in decimals, including percentage figures, have been rounded off to one decimal point. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Further, any figures sourced from third party industry sources may be rounded off to other than one decimal point to conform to their respective sources.

Industry and Market Data

Any industry and market data used in this Tranche II Prospectus consists of estimates based on data reports compiled by Government bodies, professional organizations and analysts, data from other external sources including Industry Report

on CRISIL Market Intelligence & Analytics (CRISIL MI&A) – NBFC Industry Report dated April 2024, available in the public domain and knowledge of the markets in which we compete. These publications generally state that the information contained therein has been obtained from publicly available documents from various sources believed to be reliable. The data used in these sources may have been reclassified by us for purposes of presentation. Data from these sources may also not be comparable. The extent to which the industry and market data presented in the Shelf Prospectus and this Tranche II Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources.

General Risk

Investment in NCDs is risky, and investors should not invest any funds in NCDs unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it.

Specific attention of investors is invited to statement of risk factors contained under section “*Risk Factors*” on page 18. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the NCDs or Investor’s decision to purchase such securities.

Exchange Rates

The exchange rates for INR (₹) vis-à-vis of USD, as of March 31, 2024, March 31, 2023 and March 31, 2022 are provided below:

Currency	March 31, 2024	March 31, 2023	March 31, 2022
1 USD	83.34	82.22	75.81

Source: <https://www.fbil.org.in/#/home> and <https://www.rbi.org.in/scripts/ReferenceRateArchive.aspx>

The above exchange rates are for the purpose of information only and may not represent the rates used by the Company for purpose of preparation or presentation of its financial statements. The rates presented are not a guarantee that any person could have on the relevant date converted any amounts at such rates or at all.

FORWARD LOOKING STATEMENTS

Certain statements contained in the Shelf Prospectus and this Tranche II Prospectus that are not statements of historical fact constitute “forward-looking statements”. Investors can generally identify forward-looking statements by terminology such as “aim”, “anticipate”, “believe”, “continue”, “could”, “estimate”, “expect”, “intend”, “may”, “objective”, “plan”, “potential”, “project”, “pursue”, “shall”, “seek”, “should”, “will”, “would”, or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, revenue and profitability, new business and other matters discussed in the Shelf Prospectus and this Tranche II Prospectus that are not historical facts. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results, including our financial conditions and results of operations to differ from our expectations include, but are not limited to, the following:

- Any increase in the levels of non-performing assets (“NPA”) on our loan portfolio, for any reason; whatsoever, would adversely affect our business and results of operations.
- Certain conditions and restrictions in terms of our financing arrangements, could restrict our ability to conduct our business and operations in the manner we desire;
- Volatility in interest rates could have a material adverse effect on our net interest income, net interest margin and our financial performance;
- Downgrade of our credit ratings may increase our borrowing costs and constrain our access to capital and debt markets and, as a result, may adversely affect our net interest margin and our results of operations;
- Non-payment or default owing to the profile of borrowers in the microfinance industry, whom we service, may lead to increased levels of non-performing assets, related provisions and write-offs that may adversely affect our business, results of operations, cash flows and financial condition.
- Any disruption in our sources of funding;
- We may not be able to sustain or manage our growth or execute our growth strategy for microfinance loans effectively. If we fail to increase our operational efficiency, we may have higher operating costs and lower profitability and cash flows or operate our business effectively.
- We are involved in certain legal and other proceedings which, if determined against us, could have a material adverse impact on our financial condition;
- Occurrence of natural calamities, pandemics, or natural disasters affecting the areas in which our Company has operations.

For further discussion of factors that could cause our actual results to differ, see “*Risk Factors*” on page 18.

All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results and valuations to differ materially from those contemplated by the relevant statement. Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under the sections titled “*Industry Overview*”, “*Our Business*” and “*Legal and Other Information*” on pages 86, 115 and 193, respectively. The forward-looking statements contained in the Shelf Prospectus and this Tranche II Prospectus are based on the beliefs of management, as well as the assumptions made by and information currently available to management. Although our Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure investors that such expectations will prove to be correct or will hold good at all times. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialise, or if any of our Company’s underlying assumptions prove to be incorrect, our Company’s actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements.

Neither our Company, its Directors, its KMPs and officers, or the Lead Managers, nor any of their respective affiliates or associates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with SEBI NCS Regulations, our Company and the Lead Managers will ensure that investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges.

By their nature, certain market risk disclosures are only estimate(s) and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither our Company, nor the Lead Managers or its respective Directors and officers, nor any of its respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI NCS Regulations, our Company and the Lead Managers will ensure that investors are informed of material developments between the date of filing this Tranche II Prospectus with ROC and the date of receipt of listing and trading permission from the Stock Exchanges for the NCDs issued pursuant to this Tranche II Issue.

SECTION II – RISK FACTORS

An investment in NCDs involves a certain degree of risk. You should carefully consider all the information contained in this Tranche II Prospectus, including the chapters “Our Business” and “Financial Statements” on pages 115 and 153, respectively, before making an investment decision. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the NCDs. Additional risks and uncertainties, which are currently unknown or now deemed immaterial, if materialises, may in the future have a material adverse effect on our business, financial condition and results of operations and cash flows. The market prices of the NCDs could decline due to such risks and you may lose all or part of your investment.

If any one of the following stated risks or other risks that are not currently known or are now deemed immaterial actually occurs, the Company’s business, financial conditions and results of operations and cash flows could suffer and, therefore, the trading price of the Company’s NCDs could decline and/or the Company’s ability to meet its obligations in respect of the NCDs could be affected and you may lose all or part of your interest and/or redemption amounts. More than one risk factor may have simultaneous affect with regard to the NCDs such that the effect of a particular risk factor may not be predictable. In addition, more than one risk factor may have a compounding effect which may not be predictable. No prediction can be made as to the effect that any combination of risk factors may have on the value of the NCDs and/or the Company’s ability to meet its obligations in respect of the NCDs.

The financial and other related implications of the risks described in this section, have been disclosed to the extent quantifiable as on the date of this Tranche II Prospectus. This Tranche II Prospectus also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including events described below and elsewhere in the Draft Shelf Prospectus.

This Tranche II Prospectus contains forward looking statements that involve risk and uncertainties. Our Company’s actual results could differ materially from those anticipated in these forward looking statements as a result of several factors, including the considerations described below and elsewhere in this Tranche II Prospectus. Certain information in this section includes extracts from Industry Report on CRISIL Market Intelligence & Analytics (CRISIL MI&A) – NBFC Industry Report dated April 2024. Neither our Company, the Lead Managers, the Debenture Trustee, nor any other person connected with the Issue has independently verified such industry and third-party information. For more information, please see “Industry Overview” on page 86.

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implication of any of the risks described in this section.

Unless otherwise stated or unless context requires otherwise, the financial information used in this section is derived from and should be read in conjunction with the Audited Financial Statements as included in this Tranche II Prospectus. For further details on the financial information used in this section, please refer to “Presentation of Financial Information” under chapter “Certain Conventions, Use of Financial, Industry and Market Data and Currency of Presentation.” on page 14.

In this section any reference to “Company”, “we” or “us” or “Our” refers to IIFL Samasta Finance Limited.

INTERNAL RISK FACTORS

Risks Relating to our Business.

1. We deal with higher risk clients and provide unsecured loans. Hence our business is exposed to risk of NPAs.

Out of the total loans and advances by our Company, we had ₹ 1,117.80 crore as secured loans and ₹ 13,093.49 crore as unsecured loans which constituted 7.87% and 92.13%, respectively, of the total loans, as on March 31, 2024. The majority of our loans are unsecured and are of the high risk category. If we are unable to control the level of non-performing loans (“NPAs”) in the future, or if our prudential reserves are insufficient to cover future default losses of our borrowers, our financial condition and results of operations may be materially and adversely affected.

As on March 31, 2024 our net NPAs stood at ₹ 32.37 crore and gross NPA were at ₹ 185.21 crore, which amounts to 0.33 % and 1.91%, respectively, as a percentage of our gross loan book. As the majority of our loans are unsecured and are given to high risk category customers. There is an uncertainty on the customers’ ability to fulfil their loan

obligations, as many MFI borrowers are from informal segment of the society or proper income proof verification. Accordingly, it can be difficult to assess the default credit risk. Such non-performing or low credit quality loans can negatively impact our results of operations. Therefore, we have various procedures and process controls in place to mitigate the credit default risk of our customers. All group lending loans are provided under the Grameen Model and based on the joint liability of the group. Nevertheless, we cannot assure you that we will be able to effectively control and reduce the level of the impaired loans in our total loan portfolio. The amount of our reported NPAs may increase in the future as a result of growth in our total loan portfolio, and also due to factors beyond our control, such excessive debt taken by our customers that we are unaware of.

If we are unable to manage our NPAs or adequately recover our loans, our results of operations will be adversely affected. Our current loan loss reserves may not be adequate to cover an increase in the amount of NPAs or any future deterioration in the overall credit quality of our total loan portfolio. As a result, if the quality of our total loan portfolio deteriorates, we may be required to increase our loan loss reserves, which will adversely affect our financial condition and results of operations. Our customers/borrowers are from informal segment and are from low-income group as a result might they are vulnerable to economic conditions worsening or growth rates decelerating in India, or if there are natural disasters such as floods and droughts in areas where our customers live. Moreover, there is no precise method for predicting credit losses from the loans, and we cannot assure you that our monitoring and risk management procedures will effectively predict such losses or that loan loss reserves will be sufficient to cover actual losses. If we are unable to control or reduce the level of our NPAs or poor credit quality loans, our financial condition and results of our operations could be materially and adversely affected. Further, we believe that our interests are perfected and legally enforceable, they might not be deemed as such in an Indian court.

2. *Microfinance loans are unsecured and are susceptible to various operational and credit risks which may result in increased levels of NPAs, thereby adversely affecting our business, results of operation, cash flows and financial condition.*

Our micro-finance loans constitute 83.67% of our Gross AUM and 85.23% of our total income as on March 31, 2024. Micro-finance loans are collateral-free loans, irrespective of end use and mode of application/ processing/ disbursal (either through physical or digital channels), provided to low-income households, i.e., households having annual income up to ₹3,00,000, as per the Master Direction – Reserve Bank of India (Regulatory Framework for Microfinance Loans) Directions, 2022 dated March 14, 2022. Further all our micro-finance loans are collateral-free in nature and are not be linked with a lien on the deposit account of the borrowers. Our customers typically have limited sources of income, savings and credit histories and as a result, are usually adversely affected by declining economic conditions.

Further, our JLG Customers do not provide any collateral or security for their borrowings as RBI, as per the new microfinance regulations, has mandated that microfinance loans should be collateral free to be eligible for classification as “Qualifying Assets”. Such customers generally do not have a high level of financial resilience, and, as a result, they can be adversely affected by declining economic conditions and natural calamities such as floods or droughts. Furthermore, as there is typically limited financial information available about our focus customer segment and many of our customers do not have any credit history supported by tax returns, bank or credit card statements, statements of loan exposures from players operating in the unorganized segments or other related documents, it is difficult to consistently carry out credit risk analyses on our customers.

Further, we rely primarily on non-traditional guarantee mechanisms rather than any tangible assets such as collateral. Our loans typically involve a joint liability mechanism whereby borrowers form an informal joint liability group (“JLG”) (typically comprising between five to ten members) and provide joint and several guarantees for loans obtained by each member of the group. There can however be no assurance that such joint liability arrangements will ensure repayment by the other members of the JLG in the event of default by any one of them. Such joint liability arrangements are likely to fail if there is no meaningful personal relationship or bond among members of such group, if inadequate risk management procedures have been employed to verify the group members and their ability to repay such loans, or as a result of adverse external factors such as natural calamities or forced migration. Further, while we have our own due diligence and credit analysis procedures, there can be no assurance that we will be able to ensure low delinquency rates. As a result, our customers potentially present a higher risk of loss in case of a credit default compared to that of borrowers in other asset-backed financing products.

Due to the underlying profile of our customers, we may, in the future, experience increased levels of non-performing assets and related provisions and write-offs, which would materially and adversely impact our business and results of operations. We cannot assure you that our risk management policies will continue to be sufficient or that additional risk management policies for individual borrowers will not be required. Failure to maintain sufficient credit

assessment and risk management policies could adversely affect our credit portfolio, which could have a material and adverse effect on our business, results of operations, cash flows and financial condition.

3. *Loans due within two years' account for almost all of our interest income, and a significant reduction in short term loans may result in a corresponding decrease in our interest income.*

The weighted average maturity of our loans as on March 31, 2024 was 16.78 months with average ticket size of ₹ 44,186. All of our loans matures within approximately two years of disbursement. The relatively short-term maturity of our loans means that our long-term interest income stream is less certain than if a portion of our loans were for a longer term. In addition, our customers may not obtain new loans from us upon maturity of their existing loans, particularly if there is an increase in competition or increase in interest rates. The potential instability of our interest income could materially and adversely affect our results of operations and financial position. Further, the weighted average maturity period of our borrowings as on March 31, 2024 stood at 16.93 months. Therefore, there is gap in relation of assets and maturity of our borrowings. Please refer to Section titled “*Other Regulatory And Statutory Disclosures - Residual Maturity Profile of Assets and Liabilities as on March 31, 2024*” on page 247.

4. *While we have presence in over 21 states and one union territory, our operations are majorly concentrated in Tamil Nadu, Bihar, Karnataka, Rajasthan and Uttar Pradesh. Any adverse developments in these states could have an adverse effect on our business, results of operations, financial condition and cash flows.*

We have presence in 21 states and one union territory and as of March 31, 2024, we conducted our operations through 1,648 branches in India, of which 229 branches were located in Bihar, 228 branches were located in Tamil Nadu, 197 branches were located in Karnataka, 154 branches were located in Uttar Pradesh and 148 branches were located in Rajasthan. As of March 31, 2024, 22.32% of our Gross AUM originated in Bihar, 14.35% of our Gross AUM originated in Tamil Nadu, 13.04% of our Gross AUM originated in Karnataka, 8.80% of our Gross AUM originated in Uttar Pradesh and 8.64% of our Gross AUM originated in West Bengal. In the event of a regional slowdown in the economic activity in these states or any other developments including health epidemics, political unrest, disruption or sustained economic downturn that make our products in these states less beneficial, we may experience an adverse impact on our financial condition, cash flows and results of operations, which are largely dependent on the performance and other prevailing conditions affecting the economies of these states. The market for our products or general business conditions in these states may perform differently from, and be subject to, market and regulatory developments that are different from the requirements in other states of India. There can be no assurance that the demand for our products will grow or will not decrease in the future in these states.

Further we are exposed to certain political, regulatory and concentration of risks and therefore, plan to expand into newer geographic locations. Due to the nature of operations, we are exposed to political, regulatory and concentration risks. We believe a mitigation to this is to expand our geographical reach and we are consequently expanding operations in different geographies.

If we are not effectively able to manage such operations and expansion, we may lose money invested in such expansion, which could adversely affect our business and results of operations.

5. *An increase in our portfolio of non-performing assets and/ or our provisions may materially and adversely affect our business and results of operations.*

Our management of credit risk involves having appropriate credit policies, underwriting standards, approval processes, loan portfolio monitoring, collection and remedial management, provisioning policies and an overall architecture for managing credit risk. If the credit quality of our customers, the growth of our loan portfolio or our provisioning levels deteriorate, it could have an adverse effect on our business, results of operations, cash flows and financial condition. Further, our credit monitoring and risk management policies and procedures may not be accurate, properly designed, or appropriately implemented or complied with by our customers, and we could suffer material credit losses. In addition, even if our policies and procedures are accurate and appropriate, we may not be able to anticipate future economic or financial developments or downturns, which could lead to an increase in our NPAs.

We recognise impairment of financial instruments on our statement of profit and loss based on ECL (Expected Credit Loss) methodology in accordance with Ind AS (for further details of our provisioning policies, see “*Financial Information*” on page 153). In addition to the required provision under our ECL model, we also consider our management overlay and macroeconomic factors as applicable for loan losses and risks inherent in the loan portfolio when deciding on the appropriate level of impairment allowance, which are recognized under impairment on financial instruments. The determination of an appropriate level of loan losses and provisions involves a degree of subjectivity

and requires that we make estimates of current credit risks, all of which may be subject to material changes. Any incorrect estimation of risks may result in our provisions not being adequate to cover any further increase in the amount of NPAs or any further deterioration in our NPA portfolio.

The following table sets forth the classification of our gross loan portfolio as of Financial Years ending 2024, 2023 and 2022.

(₹ in crore)

Asset Classification			
	Fiscal 2024	Fiscal 2023	Fiscal 2022
Loans outstanding* (Gross) (A)			
Stage 1	9,444.81	7,593.73	5,230.65
Stage 2	78.68	235.45	364.62
Stage 3	185.21	169.35	177.45
Loans outstanding (Gross)	9,708.70	7,998.53	5,772.72
Impairment loss allowance (B)			
Stage 1	116.49	141.57	108.86
Stage 2	17.11	10.61	15.81
Stage 3	152.84	105.04	130.13
Total Impairment loss allowance	286.44	257.22	254.80
Loans outstanding (Net) (C = A – B)			
Stage 1	9,328.32	7,452.16	5,121.79
Stage 2	61.57	224.84	348.81
Stage 3	32.375	64.31	47.32
Loans outstanding (Net)	9,422.26	7,741.31	5,517.92
Gross Stage 3 (%) \$ (1)	1.91%	2.12%	3.07%
Net Stage 3 (%) # (2)	0.34%	0.83%	0.86%

Notes:

According to Ind AS 109, Stage 1 includes loans for which the credit risk at the reporting date is in line with the credit risk at the initial recognition (i.e., disbursement date). Stage 2 includes loans for which the credit risk at reporting date is significantly higher than at the risk at the initial recognition (Significant Increase in Credit Risk i.e., SICR). Stage 3 includes default loans; a loan is considered default at the earlier of (i) the Company considers that the obligor is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing collateral (if held); or (ii) the obligor is past due more than 60 / 90 days on any material credit obligation to the Company.

*Represents Gross Carrying Value

\$ Stage 3 loan outstanding (Gross) / Total loan outstanding (Gross)

Stage 3 loan outstanding (Net) / Total loan outstanding (Net)

⁽¹⁾Gross Stage 3 (%) represents Gross Stage 3 loans outstanding (as defined above) as a percentage of the total portfolio loans outstanding (gross) as of the last day of the relevant period.

⁽²⁾Net Stage 3 (%) represents Net Stage 3 loans outstanding (as defined above) as a percentage of total portfolio loans outstanding (net) as of the last day of the relevant period.

Note: Loans include group lending loans and individual loans.

A number of factors outside of our control affect our ability to limit and reduce NPAs. These factors include developments in the Indian and global economy, domestic or global turmoil, competition, changes in customer behavior and demographic patterns, various central and state government decisions (including farm loan waivers or any), changes in interest rates and exchange rates and changes in regulations, including with respect to regulations requiring us to lend to certain sectors identified by RBI, or the Government of India. These factors, coupled with other factors such as volatility in commodity markets, decrease in agriculture productivity and decline in business and consumer confidence, could impact our customers and in turn impact their ability to fulfil their obligations under the loans we extended to them. In addition, the expansion of our business may cause our NPAs to increase and the overall quality of our loan portfolio to deteriorate. If our NPAs increase, we will be required to increase our provisions, which would result in our net profit being less than it otherwise would be and could materially adversely affect our financial condition, cash flows and results of operations. Our Gross Stage 3 to Total Assets had increased to 3.07% in March 31, 2022 from 1.82% as on March 31, 2021 due to Covid-19 related impact. Our Gross Stage 3 Assets to Total Assets were at 1.91% and 2.12% as on March 31, 2024 and as on March 31, 2023, respectively.

6. *The past performance and growth of our business is not indicative of our future performance and growth. If we are unable to manage our growth effectively, our financial, accounting, administrative, operational and technology infrastructure, as well as our business and reputation could be adversely affected.*

Our business has experienced organic growth over the past few years. Our network of branches in India has expanded

from 1267 branches servicing 23.54 lakh customers as of March 31, 2023 to 1648 branches servicing approximately 30.01 lakh customers, as of March 31, 2024.

As part of our growth strategy, we expect the contiguous expansion of our geographic footprint and network of branches to continue, which may further constrain our capital and human resources, and make asset quality management increasingly important. As we move to newer geographies, we may not be able to maintain the level of our NPAs or the quality of our portfolio. We will need to continue to enhance and improve our financial, accounting, information technology, administrative/ risk management and operational infrastructure and internal capabilities in order to manage the future growth of our business effectively. For example, our current BR.Net and Perdix banking application software is a centralized core banking solution that has been licensed from an information technology company. There can be no assurance that the network infrastructure required for communication with the centralized system can be expanded in scale to meet any increase in the volume of our transactions. We may also not be able to implement the necessary improvements in a timely manner, or at all, and we may encounter deficiencies in existing systems and controls. Further, we may be unable to develop adequate infrastructure or devote sufficient financial resources or develop and attract talent to manage our growth.

If we are unable to manage our future expansion successfully, our ability to provide products and services to our customers would be adversely affected, and, as a result, our reputation could be damaged, and our business and results of operations could be materially and adversely impacted.

Notwithstanding the expansion of our business and customer base, there is no guarantee that we will be able to effectively manage or continue the rate of growth and financial performance. Our disbursements across our financing products for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 were ₹12,206.30 crore, ₹ 10,213.77 crore and ₹ 5,710.24 crore respectively. Our net interest incomes for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 were ₹ 1852.71 crore, ₹ 1,159.25 crore and ₹ 617.69 crore, respectively. Our profit after tax for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 were ₹ 503.04 crore, ₹ 128.18 crore and ₹ 50.60 crore respectively. Our net worth (calculated basis the definition provided under section 2(57) of Companies Act, 2013) as of March 31, 2024, was ₹ 1,919.99 crore. However, our past growth is not indicative of our future performance or potential growth.

We have reported 34.68% growth in our Gross AUM from ₹ 10,552.12 crore as of March 31, 2023 to ₹ 14,211.28 crore as of March 31, 2024. While we were profitable during the last three fiscal years and will continue to endeavour to grow our profitability, however, going forward, no assurance can be given that our growth will continue at a similar rate or that we will be able to manage our rapid growth. If we are unable to implement or sustain our growth strategy effectively it could adversely affect our business, results of operations, cash flows and financial condition.

7. *Failure to train employees and large scale attrition, especially at the senior management level, can make it difficult for us to manage our business.*

Our ability to sustain our rate of growth also depends, to a large extent, upon our ability to recruit trained and efficient personnel, retain key managerial personnel, maintain effective risk management policies, continue to offer products, which are relevant to our target base of clients, develop managerial experience to address emerging challenges and ensure a high standard of client service. We will need to recruit new employees, who will have to be trained and integrated into our operations. We will also have to train existing employees to adhere properly to internal controls and risk management procedures. Failure to train our employees properly may result in an increase in employee attrition rate, a need to hire additional employees, erosion in the quality of customer service, a diversion of the management's resources, an increase in our exposure to high-risk credit and an increase in costs for us.

Our growth has placed and will continue to place significant demands on our operational, credit, financial and other internal risk controls, including:

- developing and improving our products and delivery channels;
- recruiting, training and retaining sufficient skilled personnel;
- upgrading, expanding to digital platforms;
- upgrading our technology stack to support the expanding scale of business;
- complying with regulatory requirements; and
- maintaining high levels of customer satisfaction.

If we are not successful in implementing or executing these operational measures and risk controls, we may not be able to expand our business as we have in the past, and our growth rate may decline. We may not be able to manage

our new operations effectively or efficiently, which would mean that our operations would suffer, and our performance and financial results as a whole would be materially and adversely affected. If we are not able to attract, motivate, integrate or retain qualified personnel at levels of experience that are necessary to maintain our quality and reputation, it will be difficult for us to manage our business and growth. We depend on the services of our executive officers and key employees for our continued operations and growth.

8. *Our business is particularly vulnerable to interest rate risk, and volatility in interest rates could have a material adverse effect on our net interest income, net interest margin and our financial performance.*

Our results of operations depend to a large extent on the level of our net interest income as our primary revenue source is interest income. Net interest income is the difference between our revenue from operations and our finance costs. The differential between the interest rates that we charge on interest-earning assets (i.e. our portfolio loans) and the interest rates that we pay on interest-bearing liabilities, and the volume of such assets and liabilities, tend to have a significant impact on our results of operations. During the year ended March 31, 2024, interest on loans represented 85.81% of our total income. Further, as on March 31, 2024, 38.5% and 61.5% of our total borrowings were in fixed interest rates and floating interest rates, respectively. While 100% of our total advances were in fixed interest rates. Changes in market interest rates affect the interest rates we charge on our interest-earning assets differently from the interest rates we pay on our interest-bearing liabilities. Interest rates are highly sensitive, and fluctuations thereof are dependent upon many factors which are beyond our control, including the monetary policies of RBI, de-regulation of the financial services sector in India, domestic as well as international economic and political conditions, inflation and other factors. Interest rates in India have been volatile in the past. An increase in interest rates could result in an increase in interest expense in a higher proportion compared to interest income if we are not able to increase the rates charged on our portfolio loans and advances or if the volume of our interest-bearing liabilities is larger or growing faster than the volume of our interest-earning assets. Further, such an increase in interest rates could impact our ability to raise low cost funds as compared to some of our competitors which may have access to lower cost deposits. For example: RBI has increased the repo rate by 210 basis points from May 2022 to March 31, 2024, increasing the repo rate to 6.50%. The increase in repo rate resulted in an increase in MCLR of banks and financial institutions with a lag. The sharp increase in interest rate tends to impact our cost of funds and profitability of our Company. The differences between repricing maturities of rate sensitive liabilities and rate sensitive assets, called repricing gaps, exposes our business to interest rate risk. Our business is also exposed to interest rate risk in the form of non-uniform movement in different interest rate benchmarks that are used for pricing of our assets and liabilities.

An increase in inflation and consequent changes in bank rates, repo rates and reverse repo rates by RBI have led to an increase in interest rates on loans provided by banks and financial institutions and consequently, interest rates in India have been volatile in recent financial periods. There can be no assurance that we will be able to adequately manage our interest rate risk in the future, which could have an adverse effect on our net interest income and net interest margins, which could in turn have a material adverse effect on our business, results of operations, cash flows and financial condition.

As the repricing maturities of our liabilities and assets are spread over different time periods, we are exposed to interest rate risk in the form of non-parallel movement in yield curves. Further, in a declining interest rate environment, if our cost of funds does not decline simultaneously or to the same extent as the yield on our interest-earning assets, it could lead to a reduction in our net interest income (representing our revenue from operations as reduced by our finance costs) and net interest margin. The quantum of the changes in interest rates for our assets and liabilities may also be different, leading to a decrease in the interest margin.

We operate a defined benefit gratuity plan in respect of certain eligible employees. The investments of the superannuation funds are made in government securities, financial institutions and other financial products. If interest rates were to fall, our liabilities under defined benefit gratuity plan will increase, which would impact our profits and financial performance.

Moreover, changes in interest rates could affect our fixed income portfolio and treasury income.

There can be no assurance that we would be able to adequately manage our interest rate risks. If we are unable to effectively manage our interest rate risks, it could have an adverse effect on our net interest income, net interest margin, thereby impacting our business prospects, financial condition and results of operations.

9. ***Our Company's growth will depend on our Company's continued ability to access funds at competitive rates which is dependent on a number of factors including our Company's ability to maintain its credit ratings. Any downgrade of our credit ratings may increase our borrowing costs and constrain our access to capital and debt markets and, as a result, may adversely affect our net interest margin and our results of operations and cashflows.***

The cost and availability of funds is dependent, among other factors, on our short-term and long-term credit ratings. Credit ratings reflect a rating agency's opinion of our financial strength, operating performance, industry position, and ability to meet our obligations. Any future performance issues for our Company or the industry may result in a downgrade of our credit ratings, which may in turn lead to an increase in our borrowing costs and constrain our access to capital and debt markets and, as a result, may adversely affect our net interest income and net interest margin.

As on the date of this Tranche II Prospectus, we have received following credit ratings form CRISIL and Acuite:

Rating Agency	Instrument	Rated Limit (in ₹ crore)	Ratings
CRISIL Ratings Limited	Non Convertible Debentures	2,000	CRISIL AA-/Watch Developing (Continues on 'Rating Watch with Developing Implications')
	Non Convertible Debentures	500	CRISIL AA-/Watch Developing (Continues on 'Rating Watch with Developing Implications')
	Non Convertible Debentures	550	CRISIL AA-/Watch Developing (Continues on 'Rating Watch with Developing Implications')
	Long Term Principal Protected Market Linked Debentures	100	CRISIL AA-/Watch Developing (Continues on 'Rating Watch with Developing Implications')
	Long Term Principal Protected Market Linked Debentures	20	CRISIL AA-/Watch Developing (Continues on 'Rating Watch with Developing Implications')
	Long Term Principal Protected Market Linked Debentures	200	CRISIL AA-/Watch Developing (Continues on 'Rating Watch with Developing Implications')
	Principal Protected Market Linked Non-Convertible Subordinated Debentures	100	CRISIL AA-/Watch Developing (Continues on 'Rating Watch with Developing Implications')
	Commercial Paper	500	CRISIL AA-/Watch Developing (Continues on 'Rating Watch with Developing Implications')
	Commercial Paper	750	CRISIL A1+ (Reaffirmed)
Acuite Rating & Research	Non-Convertible Debenture	3,000	ACUITE AA Reaffirmed Rating Watch with Negative Implications
	Commercial Paper	50	ACUITE A1+ Reaffirmed Rating Watch with Negative Implications

For details of our credit ratings, see “*Our Business*” on page 115.

The NCDs proposed to be issued under this Issue have been rated CRISIL AA- Watch Developing (Continues on 'Rating Watch with Developing Implications') for an amount of ₹ 2,000 crore by CRISIL Ratings Limited vide their rating letter dated May 8, 2024. Further, the ratings of the NCDs proposed to be issued under this Issue were rated 'Acuite AA (Reaffirmed) Rating Watch with Negative Implications for an amount of ₹ 1,487.98 crore by Acuite Ratings & Research Limited vide their rating revalidation letter dated May 10, 2024. For rating letter and rationale, including the risk and key drivers mentioned therein, please see “*Annexure A*” of this Tranche II Prospectus.

Any downgrade of our credit ratings would increase borrowing costs and constraint our access to capital and debt markets and, as a result, would negatively affect our net interest margin and our business. In addition, downgrades of our credit ratings could increase the possibility of additional terms and conditions being added to any additional financing or refinancing arrangements in the future. There is a possibility of increase in forced sale of our NCDs by the investors resulting in sharp decline in their market price. Any such adverse development could adversely affect our business, financial condition, cash flows and results of operations and cashflows.

We also face certain restrictions on our ability to raise money from international markets, which may further constrain our ability to raise funds at attractive rates. While our borrowing costs have been competitive in the past due to our ability to raise debt products, credit rating and our asset portfolio, we may not be able to offer competitive interest rates for loans to our customers if we are unable to access funds at an effective cost that is comparable to or lower than our competitors. This may adversely impact our business and results of operations and cashflows.

10. Our statutory auditor has highlighted certain emphasis of matters to their audit report relating to our audited financial statements, which may affect our future financial results.

There were no modifications i.e., unmodified opinions were given by our Statutory Auditor in their audit reports for Fiscal 2024, Fiscal 2023 and Fiscal 2022, except that there were certain emphasis of matters ('EOM') in their report on the audited financial statements issued for the Fiscal 2022. However, the said EOM did not lead to any modification/qualification. Following are the details of EOM in our audit reports:

Fiscal	Emphasis of Matter	Steps taken by the Company
2024	Nil	Nil
2023	Nil	Nil
2022	We draw attention to Note 58 of the Annual Financial Statements which describes the uncertainties due to outbreak of COVID-19 pandemic and management's evaluation of the impact on Company's financial performance is dependent on future developments, which are uncertain.	The Company had created adequate overlay for uncertainty over the potential macro-economic impact of the pandemic.

For further details, in relation to the emphasis of matter, etc. kindly see "*Financial Information*" on page 153. There can be no assurance that our statutory auditors will not include further matters of emphasis or other similar comments in the audit reports to our audited financial statements in the future, or that such remarks or matters of emphasis will not affect our financial results in future fiscal periods. Investors should consider the matters of emphasis and remark in evaluating our financial condition, results of operations and cash flows. Any such matter of emphasis or remark in the auditors' report on our financial statements in the future may also adversely affect the trading price of the NCDs.

11. Our Company, Directors, Promoters and our Group Companies are subject to certain legal proceedings and any adverse decision in such proceedings may have a material adverse effect on our business, financial condition, cash flows and results of operations.

Our Company, Directors, Promoters and our Group Companies are subject to certain legal proceedings including civil suits, consumer litigations, tax litigations etc. We and our Directors, Promoters and our Group Companies incur substantial cost in defending these proceedings before a court of law. Moreover, we are unable to assure you that we shall be successful in any or all of these actions. In the event, we suffer any adverse order, our reputation may suffer and may have an adverse impact on our business and results of operations. We cannot assure you that an adverse order by any statutory or governmental authority would not have a negative impact on our profit, financial condition and cash flows. If the courts or tribunals rule against us, our Directors or our group companies, we may face monetary and/ or reputational losses. Furthermore, we may also not be able to quantify all the claims in which our group companies are involved.

Recently, an inspection of our Promoter (IIFL Finance Limited) was carried out by the RBI in respect of its financial year ending March 31, 2023, wherein certain material supervisory concerns were observed by the RBI in respect to the gold loan portfolio of our Promoter (IIFL Finance Limited), including serious deviations in assaying and certifying purity and net weight of the gold at the time of sanction of loans and at the time of auction upon default; breaches in loan-to-value ratio; significant disbursement and collection of loan amount in cash far in excess of the statutory limit; non-adherence to the standard auction process; and lack of transparency in charges being levied to customer accounts, etc. Pursuant to press release and order dated March 4, 2024, RBI has directed our Promoter (IIFL Finance Limited) to cease and desist, with immediate effect, from sanctioning or disbursing gold loans or assigning/ securitising/ selling any of its gold loans. Our Promoter (IIFL Finance Limited) can, however, continue to service its existing gold loan portfolio through usual collection and recovery processes.

"IIFL" is a well-established brand among retail, institutional and corporate investors in India and we believe we have benefited extensively from the brand. We also derive substantial benefit from synergies and cross-selling opportunities generated between our company and entities within IIFL group. As a result, our company's reputation

and brand may be affected by any regulatory orders alleging non-compliance by other entities within the IIFL group with laws and regulations.

A summary of the outstanding proceedings involving our Company, Directors, Promoters and Group Companies in accordance with requirements under the SEBI NCS Regulations, as disclosed in this Tranche II Prospectus, to the extent quantifiable, have been set out below:

Name	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges	Material Civil Litigations	Aggregate amount involved (₹ in crores)
Company						
By the Company	189	1	Nil	Nil	Nil	99.07
Against the Company	1942	1	Nil	Nil	Nil	7.62
Directors						
By the Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	Nil	Nil	Nil	Nil	Nil
Promoters						
By the Promoters	8,303	Nil	Nil	Nil	4	321.39
Against the Promoters	Nil	32	2	Nil	7	408.61
Group Companies						
By the Group Companies	10,550	Nil	Nil	Nil	5	289.13
Against the Group Companies	41	8	1	Nil	8	89.56
Subsidiaries						
Our Company does not have any subsidiaries						

For further details of the legal proceedings that we are subject to, please see “*Outstanding Litigations and other Confirmations*” on page 193.

12. We are subject to certain conditions and restrictions in terms of our financing arrangements, which could restrict our ability to conduct our business and operations in the manner we desire. In addition, on certain occasions in the past, we have been unable to comply with certain financial covenants in our financing documents.

As of March 31, 2024, we had total borrowings aggregating to ₹ 8,902.90 crore. Incurring indebtedness is a direct consequence of the nature of our business, and having large outstanding borrowings portfolio may have significant implications on our business and results of operations and cashflows, including, *inter alia*:

- low availability of cash flow for working capital, capital expenditures and other general corporate requirements;
- fluctuations in market interest rates may affect the cost of our borrowings, as our indebtedness is at variable interest rates;
- affecting our ability to obtain additional financing in the future at reasonable terms;
- triggering provisions of cross-default across multiple financing arrangements;
- adverse and onerous implications (including limitations to the use of funds in the relevant facility) in the event of inability to comply with financial and other covenants specified in the financing agreements;
- the right to recall loans by our lenders; and
- reduction in the ability to respond to changing business, regulatory and economic conditions.

Some of the financing arrangements entered into by us also include conditions that require us to obtain the respective lender's consent prior to carrying out certain activities. These covenants vary depending on the requirements of the

financial institution extending the loan, and may be, *inter alia*, in relation to: (i) permitting any change in the management or constitution documents of the Company ; (ii) creating any further charge, lien or encumbrance over the assets and properties of the Company; (iii) effecting any changes to the shareholding of the Company to the effect that it changes the management control of the Company; (iv) making any investments by way of deposits, loans, advances or investments in share capital or otherwise, in any concern or providing any credit or giving any guarantee, indemnity or similar assurance other than in normal course of business; (v) revaluing its assets; (vi) paying any commission to its promoters, directors, managers or other persons for furnishing guarantees, counter guarantees or indemnities; (vii) inducting on its Board a person whose name appears in the list of willful defaulters (in accordance with the extant guidelines issued by RBI); (viii) buy back, cancel, retire, reduce, redeem, re-purchase, purchase or otherwise acquire any of its share capital now or hereafter outstanding, or set aside any funds for the foregoing purposes, issue any further share capital whether on a preferential basis or otherwise or change its capital structure in any manner whatsoever that may result in change in promoters or the promoters losing control, (viii) approaching capital markets for mobilizing additional sources, either in the form of debt or equity; (ix) implement any scheme of expansion, modernization, diversification or acquire fixed assets other than those shown in the cash flow statement.

Further, under certain financing arrangements, we are required to maintain specific credit ratings and other financial ratios, which may restrict or delay certain actions or initiatives that we may propose to take in the ordinary course of business.

While we duly informed the relevant lenders about such non-compliance (and the reasons thereof) and requested for their waivers and the relevant lenders have not declared a default on this account, we cannot assure you that that they will not do so in the future, or such instances of non-compliance would not recur in future.

Failure to observe the covenants under our financing arrangements or failure to obtain necessary waivers may lead to the termination of our credit facilities, acceleration of amounts due under such facilities, trigger cross-default provisions and the enforcement of security provided. There can be no assurance that we would be able to persuade our lenders to grant extensions or refrain from exercising such rights, which may adversely affect our operations and cash flows. During any period in which we are in default, we may be unable to raise, or face difficulties raising, further financing or generate sufficient cash to fund our liquidity requirements.

Any default or delay in repayment of our borrowing would trigger payment to some or all of the other borrowing obtained by our Company, which would have a material adverse effect on the liquidity position, cash flows, business and results of operation of our Company.

Our lenders also have the ability to recall or accelerate all or part of the amounts owed by us, subject to the terms of the financing arrangement. Such recalls may be contingent on the happening of an event beyond our control and there can be no assurance that we will be able to persuade our lenders to give us extensions or to refrain from exercising such recalls. A recall notice may also lead to an event of default under an existing financing arrangement. There can be no assurance that we will be able to repay our loans in full, or at all, at the receipt of a recall or acceleration notice, or otherwise. Our inability to comply with the conditions prescribed under the financing arrangements, or repay the loans as per the repayment schedule, may have an adverse impact on our credit rating, business operations and future financial performance. Further, if we are unable to service our existing debt, our ability to raise debt in the future will be adversely affected, which will have a significant adverse effect on our results of operations, cashflows, financial condition and our business.

13. *There can be no assurance that we will be able to access capital as and when we need it for growth.*

Our liquidity and profitability are, in large part, dependent upon our timely access to capital and costs associated with raising capital. Our funding requirements have historically been met from a combination of term loans from banks and financial institutions, proceeds from issuance of non-convertible debentures, subordinated debt as well as equity contributions from holding company. Any change in RBI regulations on priority sector lending, or our inability to maintain relationships with such banks and financing institutions could adversely affect our business, results of operations, cashflows and financial condition. Our business depends and will continue to depend on our ability to access diversified low-cost funding sources. As a financial services company, we face certain additional regulatory restrictions on our ability to obtain financing from banks. For further information, see “*Regulations and Policies*” on page 139 of the Shelf Prospectus.

If we are unable to access the necessary amounts of additional capital, for meeting our incremental capital requirement, it may adversely impact our ability to grow our overall business and may even require us to curtail or withdraw from some of our current business operations. If we are unable to access funds at an effective cost that is

comparable to or lower than our competitors, we may not be able to offer competitive interest rates for our loans to customers. Our ability to raise funds on acceptable terms and at competitive rates continues to depend on various factors, including the regulatory environment and policy initiatives in India, liquidity in the market, developments in the international markets affecting the Indian economy, investors' and/ or lenders' perception of demand for debt and equity securities of NBFCs and MFIs, and our current and future results of operations and financial condition. There can also be no assurance that we would be able to raise adequate additional capital in the future on terms favorable to us, or at all, and this may hamper and adversely impact our growth plans.

14. Any failure or material weakness of our internal control systems could cause significant operational errors, which would materially and adversely affect our profitability and reputation.

We are responsible for establishing and maintaining adequate internal measures commensurate with the size and the complexity of our operations. Our internal or concurrent audit functions is to provide independent, objective assurance and consulting services to designed to add value and improve our operations. The audit department is decentralized and internal audit staff is deployed in each state where the Company operate. All the assurance and consulting activities, including the deployment of staff are planned and monitored by the HO team. The department conducts audits for the branches, Regional Offices, Zonal Offices and also the Head Office. Audits of some specific functions are outsourced to external audit firms based on the organizational requirement. 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. Further, an independent internal audit system is in place to conduct audit of all the branches, regional offices, zonal offices as well as head office. Our management information systems and internal control procedures that are designed to monitor our operations and overall compliance may not identify every instance of non-compliance or every suspicious transaction. If internal control weaknesses are identified, our actions may not be sufficient to fully correct such internal control weakness. We face operational risks in our business which may result in deficiencies to arise in the credit sanction process, inaccurate financial reporting, fraud and failure of critical systems and processes which may result in losses. In addition, we carry out certain processes manually, which may increase the risk that human error, tampering or manipulation will result in losses that may be difficult to detect. As a result, we may suffer material losses. Such instances may also adversely affect our reputation, thereby adversely impacting our business, results of operations and financial condition.

15. We may face various risks associated with our large number of branches and widespread network of operations which may adversely affect our business, financial condition, results of operations and cashflows.

As of March 31, 2024, we have presence across 21 states (Andhra Pradesh, Arunachal Pradesh, Assam, Karnataka, Maharashtra, Madhya Pradesh, Tamil Nadu, Kerala, Odisha, Punjab, Chhattisgarh, Goa, Haryana, Bihar, Jharkhand, Gujarat, Rajasthan, Telangana, Tripura, Uttar Pradesh and West Bengal) and one union territory (Puducherry) in India through 1,648 branches.

As a consequence of our large network, we may be exposed to certain risks, including, amongst others:

- preserving our asset quality and managing our NPAs as our geographical presence increases and our customer profile changes;
- developing and improving our product delivery channels;
- upgrading, expanding and securing our technology platform;
- complying with regulatory requirements such as KYC and AML norms;
- maintaining high levels of customer satisfaction;
- difficulties arising from operating a larger and more complex organization;
- difficulties arising from coordinating and consolidating corporate and administrative functions;
- delay in the transfer of data amongst various locations;
- higher technology support costs to achieve last mile connectivity;
- operational risks including integration of internal controls and procedures;
- failure to efficiently and optimally allocate management, technology and other resources across our branch network;
- failure to manage third-party service providers in relation to any outsourced services;
- difficulties in the integration of new branches with our existing branch network;
- difficulties in supervising local operations from our centralized locations;
- difficulties in hiring and training skilled personnel in sufficient numbers to operate the new branches

- locally and management to supervise such operations from centralized locations;
- failure to maintain the level of customer service at all branches; and
- unforeseen legal, regulatory, property, local taxation, labor or other issues.

Any of the above reasons may result in our failure to manage our expansive presence, which may materially and adversely affect our brand, reputation, business, financial condition, results of operations and cash flows.

16. *Competition from banks and financial institutions, as well as state-sponsored social programs, may adversely affect our profitability and position in the Indian microcredit lending industry.*

We face significant competition from other MFIs and banks in India (including SFBs). Many of the institutions with which we compete may be larger in terms of business volume or may have greater assets, higher geographical penetration and better access to, and lower cost of, funding than we do. In certain areas, they may also have better brand recognition and larger customer bases than us. We anticipate that we may encounter greater competition as we continue expanding our operations in India, and this may adversely affect our business, results of operations and financial condition.

We believe traditional commercial banks as well as regional rural and cooperative banks, have generally not directly targeted the lower income segments of the population for new customers. However, some banks do participate in microfinance by financing the loan programs of self-help groups often in partnership with NGOs, or through certain state-sponsored social programs. Further, most small finance banks which received approval from RBI for the commencement of SFB operations are focused on low and middle- income individuals and micro, small and medium enterprises. Banks also indirectly participate in microfinance by giving loans and providing other sources of funding to other MFIs. In addition, of late, some commercial banks are also beginning to directly compete with for-profit MFIs for lower income segment customers in certain geographies.

17. *We depend on the accuracy and completeness of information about customers and counterparties for our credit assessment and risk management. Any misrepresentation, errors in or incompleteness of such information could adversely affect our business and financial performance.*

In deciding whether or not to extend credit or enter into other transactions with customers, we rely on information furnished to us by or on behalf of customers. We may also rely on certain representations from our customers as to the accuracy and completeness of that information. To ascertain the creditworthiness of potential borrowers, we may depend on credit information companies or credit bureaus, and our reliance on any misleading information may affect our judgement of credit worthiness of potential borrowers, which may affect our business, prospects, results of operations, and cashflows and financial condition. We may receive inaccurate or incomplete information as a result of negligence or fraudulent misrepresentation. Our risk management measures may not be adequate to prevent or deter such activities in all cases, which may adversely affect our business prospects, financial condition, results of operations and cashflows.

Moreover, the availability of accurate and comprehensive credit information of our focus customer segment in India is limited, which reduces our ability to accurately assess the credit risk associated with such lending. Difficulties in assessing credit risks associated with our day-to-day lending operations may lead to an increase in the level of our NPAs, which could materially and adversely affect our business prospects, financial condition and results of operations.

18. *We handle cash in a high volume of transactions occurring through a dispersed network of branches; as a result, we are exposed to operational risks, including fraud, petty theft and embezzlement, which could harm our results of operations and financial position. Further, our employees may be the target of violent crime, such as thefts and robberies, which may adversely affect our business, operations and our ability to recruit and retain employees.*

As we handle a large amount of cash through a high volume of transactions taking place across our branch network, we are exposed to the risk of fraud or other misconduct by employees or outsiders. This risk is further exacerbated by the high level of autonomy on the part of our loan officers and back-end managers, which our business model requires. For instance, in the past, we have discovered a few cases of theft, robbery and cash embezzlement by either third parties or employees. For details relating to such criminal litigations, please see “*Outstanding Litigations*” on page 193. Given the high volume of transactions we process on a daily basis, certain instances of fraud and misconduct may go unnoticed or may only be discovered and successfully rectified after substantial delays. Even when we discover such instances of fraud or theft and pursue them to the full extent of the law or with our insurance carriers, there can be no assurance that we will recover any of the amounts involved in these cases. Our reputation

could be adversely affected by fraud committed by employees, customers or outsiders, or by our perceived inability to properly manage fraud-related risks. We make a provision in our financial statements for 100.00% of the value of any fraud discovered by us. Further, to the extent that our employees are subject to violent attacks, theft or robbery in the course of their duties in certain areas where we have operations/branches, our ability to service such areas will be adversely affected and our employee recruiting and retention efforts may be curtailed, which would negatively impact our expansion and growth plans. In addition, if certain areas of India pose a significantly higher risk of crime or political strife and instability, our ability to service such areas will be adversely affected and our expansion and growth may be curtailed. In addition, our dependence upon automated systems to record and process transactions may further increase the risk that technical system flaws or employee tampering or manipulation of those systems will result in losses that are difficult to detect.

19. *We require various statutory and regulatory approvals, licenses, registrations and permissions to conduct our business and an inability to obtain or maintain such approvals, licenses, registrations and permissions in a timely manner, or at all, may adversely affect our operations.*

We require various approvals, licenses, registrations and permissions to operate our business, including a registration for our Company as well as various other corporate actions. We are also required to comply with the prescribed requirements, including classification of NPAs and provisioning, KYC requirements, qualifying assets and other internal control mechanisms. For further information, please see section titled “*Regulations and Policies*” on page 139 of the Shelf Prospectus. In future, we will be required to maintain such permits and approvals and obtain new permits and approvals for any proposed expansion strategy or diversification into additional business lines or new financial products. There can be no assurance that the relevant authorities will issue any of such permits or approvals in a timely manner, or at all, and/ or on favourable terms and conditions. Our failure to comply with the terms and conditions of such permits or approvals and/ or to maintain or obtain the required permits or approvals may result in an interruption of our business operations and may have a material adverse effect on our business operations and future financial performance.

In the event that we are unable to comply with the requirements within the specified time limit, or at all, we may be subject to regulatory actions by RBI, including the levy of fines or penalties and/ or the cancellation of our license to operate as an NBFC-MFI. Any levy of fines or penalties or the cancellation of our license to operate as an NBFC-MFI due to any breach of applicable norms may adversely affect our business, prospects, results of operations and financial condition. In addition, we require various registrations to operate our branches in the ordinary course of business. These registrations typically include those required to be obtained or maintained under applicable legislations governing shops and establishments, professional tax, labor related registrations and trade licenses of the particular state in which they operate. Some of these approvals may have expired in the ordinary course, and our Company has either applied, or is in the process of applying for renewals of them. If we fail to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner, or at all, our business may be adversely affected. If we fail to comply, or a regulator claims that we have not complied, with any of these conditions, we may be liable to fines and/ or penalties, and our certificates of registration may be suspended or cancelled, and we would no longer be able to carry on such activities required for our business.

20. *We face the threat of fraud and cyber-attacks targeted at disrupting our services, such as hacking, phishing and Trojans, and/ or theft of sensitive internal data or customer information. This may cause damage to our reputation and adversely impact our business and financial results.*

Our systemic and operational controls may not be adequate to prevent adverse impact from frauds, errors, hacking and system failures. Further, our internet platforms are exposed to being hacked or compromised by third-parties, resulting in thefts and losses to our customers and us. Some of these cyber threats from third-parties include: (i) hacking – wherein attackers seek to hack into our website with the primary intention of causing reputational damage to us by disrupting services; (ii) data theft – wherein cyber criminals may attempt to intrude into our network with the intention of stealing our data or information; and (iii) advanced persistent threat – a network attack in which an unauthorized person gains access to our network and remains undetected for a long period of time with an intention to steal our data or information. While we have faced certain instances of infrastructure outages, in our knowledge there has been no substantial theft or loss of information, or financial loss pursuant to these cyber-attacks. The frequency of such cyber threats may increase in the future with the increased digitization of our services and other external factors. For example, a substantial increase in cyber-attacks across industries in India has been noticed since the outbreak of COVID-19 in March, 2020. Not only are we exposed to such risks from our own actions or those of our employees, but from actions of our third-party service providers, whom we do not control. If we become the target of any of such cyber-attacks, it could materially and adversely affect our business, financial condition and results of operations.

Further, since we review and retain, in our ordinary course of business, sensitive personal data of our customers for diligence and KYC checks (including AADHAAR data), any security breaches in our systems could give rise to regulatory liability or litigation. In addition, any breakdown, breach or hacking of the information technology platforms of key resources used by us in our lending operations, including credit-bureaus, could adversely affect our operations and the quality of our portfolio.


In June 2017, RBI issued master directions on information technology frameworks for NBFCs. These directions prescribe measures to be adopted by NBFCs to minimize cyber risk, including adoption of IT strategy policies (overseen by a strategy committee), information and cyber security protocols and policies, and reporting of cyber-security incidents and breaches to RBI from time to time. Any cyber-security breach could also subject us to additional regulatory scrutiny and expose us to civil litigation and related financial liability.

21. *We depend on our brand recognition, and failure to maintain and enhance awareness of our brand would adversely affect our ability to retain and expand our customer base.*

We believe that any damage to our reputation could substantially impair our reputation and our ability to maintain or grow our business, or have a material adverse effect on our overall business, financial condition and results of operations. If we fail to maintain brand recognition with our target customers due to any issues with our product offerings, a deterioration in service quality, or otherwise, or if any premium in value attributed to our business or to the brands under which our services are provided declines, market perception and customer acceptance of our brands may also decline. Any negative news affecting us might also affect our reputation and brand value. In such an event, we may not be able to compete for customers effectively, and our business, financial condition and results of operations may be adversely affected.

In addition, we also face the risk of our brand name being misused for fraudulent purposes, which may adversely affect our reputation.

22. *If we are unable to protect our trademarks and tradenames, others may be able to use our trademarks and tradenames to compete more effectively. Also, we may breach third-party intellectual property rights.*

Our trademark  is registered with the Trademarks Registry. Any unauthorized or inappropriate use of our brand, trademarks and domain names by others, in their corporate names or product brands or otherwise could harm our brand image, competitive advantages and business and dilute or harm our reputation and brand recognition. If a dispute arises with respect to any of our intellectual property rights or proprietary information, we will be required to produce evidence to defend or enforce our claims, and we may become party to litigation, which may strain our resources and divert the attention of our management. We cannot assure you that any infringement claims that are material will not arise in the future or that we will be successful in defending any such claims when they arise.

Our efforts to protect our intellectual property or proprietary information and the measures we take to identify potential infringement of our intellectual property may not be adequate to detect or prevent infringement, misappropriation or unauthorized use. Any such misappropriation or duplication of our name, registered/ official addresses, corporate logos or other intellectual property or proprietary information may disrupt our business, distract management and employees, reduce revenues and increase expenses. In addition, we may also become subject to infringement claims. Even if claims against us are not meritorious, any legal, arbitral or administrative proceedings that we may be required to initiate or defend in this regard may be time-consuming, costly and harmful to our reputation, and there is no assurance that such proceedings will ultimately be determined in our favor. Furthermore, the application of laws governing intellectual property rights in India is continuously evolving and there may be instances of infringement or passing-off of our brand in Indian markets. Our failure to adequately protect our brand, trademarks and other related intellectual property rights may adversely affect our business, financial condition and results of operations.

We may be subject to claims by third-parties, both inside and outside India, if we breach their intellectual property rights by using slogans, names, trademarks or other such rights that are of a similar nature to the intellectual property these third-parties may have registered or are using. We might also be in breach of such third-party intellectual property rights due to accidental or purposeful actions by our employees where we may also be subjected to claims by such third-parties.

Any legal proceedings that result in a finding that we have breached third-parties' intellectual property rights, or any settlements concerning such claims, may require us to provide financial compensation to such third-parties or stop

using the relevant intellectual property (including by way of temporary or permanent injunction) or make changes to our marketing strategies or to the brand names of our products, any of which may have a material adverse effect on our business, prospects, reputation, results of operations and financial condition.

23. *Our success depends, in large part, upon our management team and skilled personnel and on our ability to attract and retain such persons.*

We are highly dependent on the continued services of our management team. We are also dependent on our experienced members of our Board of Directors, Key Managerial Personnel and senior managerial personnel. Our future performance is dependent on the continued service of these persons. RBI also mandates NBFCs to have in place supervisory standards to ensure that their directors have appropriate qualifications, technical expertise and a soundtrack record, and such requirements will make it more difficult for us to replace our directors if and when we have to. We may not be able to replace our Board of Directors with similarly experienced professionals, which could materially and adversely impact the quality of our management and leadership team.

Further, while certain of our other employment agreements contain non-compete clauses that extend beyond their term, there can be no assurances that we will effectively be able to enforce them or prevent key employees or members of our management team to join competing interests after expiry of employment with us. Further, we do not maintain any “key man” insurance. If one or more of these key personnel are unwilling or unable to continue in their present positions, we may not be able to replace them with persons of comparable skills and expertise.

We also face a continuing challenge to hire and assimilate skilled personnel. Competition for management and other skilled personnel is intense, and we may not be able to attract and retain the personnel we need in the future. The loss of key personnel or our inability to replace key personnel may restrict our ability to grow, to execute our strategy, to raise the profile of our brand, to raise funding, to make strategic decisions and to manage the overall running of our operations, which would have a material adverse impact on our results of operations and financial position.

24. *Our business is subject to seasonality, which may contribute to fluctuations in our results of operations and financial condition.*

Our business is subject to seasonality as we typically see higher borrowings by our customers during the third and fourth quarter of each financial year. We also typically have higher drawdowns under our facilities in the third and fourth quarter of each financial year. Accordingly, our results of operations in one quarter may not accurately reflect the trends for the entire fiscal and may not be comparable with our results of operations for other quarters.

25. *As an NBFC-MFI, our Company is subject to periodic inspections by RBI. Non-compliance with observations made by RBI during these inspections could expose us to penalties and restrictions.*

As RBI-registered NBFC-MFIs, our Company is subject to periodic inspections by RBI to verify the correctness or completeness of our business and operations, internal controls, and any statement, information or particulars furnished to RBI. We will continue to be subject to inspections by RBI, in the course of which RBI may report on divergences (if any) from regulatory requirements applicable to NBFCs. In recent inspection report, RBI has, among other things, identified areas of supervisory concerns including existence of no system based classification adopted by the Company for asset classification, levying of excess charges on the customers by the Company, weak IT system to ensure de duplication of unique identification numbers to the customers etc.

We have responded to the concerns raised by RBI through our letter dated March 21, 2024, addressing the concerns raised by RBI. There can be no assurance that RBI would not make similar or other observations, including divergences, in the future. If we are unable to resolve such deficiencies and other matters to RBI’s satisfaction, we could be exposed to penalties and restrictions, and our ability to conduct our business may be adversely affected.

26. *Some of our Directors may have interest in entities which are in businesses similar to ours. Accordingly, the interests of some of our Directors may conflict with our interests or the best interests of our other shareholders and debenture holders.*

Some of our Directors may have interest in entities, to the extent of their shareholding and/or directorships, which are engaged in a line of business similar to ours and this may result in conflict of interest.

We cannot assure you that our Directors will not provide competing services or otherwise compete in business lines in which we are already present or will enter into in the future. In the event that any conflicts of interest arise, our

Directors may make decisions regarding our operations, financial structure or commercial transactions that may not be in our best interest. It may also enable a competitor to take advantage of a corporate opportunity at our expense. Such decisions could have a material adverse effect on our business, financial condition, results of operations and prospects. Should we face any such conflicts in the future, there is no guarantee that they will get resolved in our favour.

- 27. *We may not be able to detect money-laundering and other illegal or improper activities fully or on a timely basis. Inability to timely detect any such activities could expose us to additional liability and harm our business or reputation.***

We are required to comply with applicable anti-money-laundering and anti-terrorism laws and other regulations in India. We, in the course of our operations, run the risk of failing to comply with the prescribed KYC procedures and the consequent risk of fraud and money laundering by dishonest customers despite putting in place systems and controls customary in India to prevent the occurrence of these risks. Although we believe that we have adequate internal policies, processes and controls in place to prevent and detect any anti-money-laundering activity and ensure KYC compliance, there can be no assurance that we will be able to fully control instances of any potential or attempted violation by other parties and may accordingly be subject to regulatory actions including imposition of fines and other penalties. We, in some of our activities and in pursuit of our business, run the risk of inadvertently offering our financial products and services ignoring customer suitability and appropriateness despite having a KYC and Anti-Money Laundering measures and associated processes in place. Such incidents may adversely affect our business and reputation.

- 28. *We are subject to macro-economic developments and other market factors, and our results of operations may fluctuate or decline from period to period.***

Our business is subject to a number of macro-economic factors that are outside of our control, including GDP growth, inflation, fiscal deficits, pandemics such as the COVID-19 pandemic, international and domestic, political and economic conditions, fiscal and monetary policies of governments and central banks, and changes in interest rates, which may adversely impact us from time to time. As a result of the volatility of these macro-economic factors, including interest rates; and provisions we make from period to period for NPAs and other assets, commitments and contingencies (such as for letters of credit and bank guarantees), our results of operations have varied from period to period in the past and may fluctuate or decline in the future due to these and other factors. Such fluctuations may also adversely affect our liquidity. These factors may also make period-to-period comparisons of our operating results less meaningful than they would be for a business that is not as significantly affected by such factors. Any adverse development in India or global macroeconomic conditions, on account of COVID-19 or otherwise, could have a material adverse effect on our business, financial condition, results of operations or prospects.

- 29. *We may not be able to recover the expected value from the instruments collected from our customers and/ or the sale of collateral security, in the case of defaults in secured loan/facility.***

Our secured loans are typically secured by creating a charge over the assets of our borrowers. We also collect NACH authorization letters from our customers at the time of disbursement of certain loans. However, there can be no assurance that these instruments would be honored when they are submitted to the respective banks for clearance. There can also be no assurance that we would be able to successfully retrieve payments due to us. Further, there can be no assurance that we would be able to sell such assets provided as collateral at prices sufficient to cover the amounts under default. Failure to recover or delay in recovering the expected value from sale of collateral security could expose us to potential losses, which could affect our business prospects, financial condition and results of operations.

- 30. *Our insurance coverage may not be adequate to protect us against all potential losses, which may have a material adverse effect on our business, financial condition and results of operations.***

Our operations are subject to various risks inherent to the finance industry, as well as theft, robbery, acts of terrorism and other force majeure events. We currently maintain general insurance policy for money in transit, money in premises and insurance policies for office and professional establishment covering following risks, fire and allied perils, burglary, fidelity guarantee. Our insurance policies may not be sufficient to cover our economic loss. None of our insurance policies are assigned in favor of any third-party. We may not have identified every risk and further may not be insured against every risk, including operational risk that may occur and the occurrence of an event that causes losses in excess of the limits specified in our policies, or losses arising from events or risks not covered by insurance policies or due to the same being inadequate, could materially harm our financial condition and future results of

operations. There can be no assurance that any claims filed will be honored fully or timely under our insurance policies. Also, our financial condition may be affected to the extent we suffer any loss or damage that is not covered by insurance or which exceeds our insurance coverage. In particular, we do not maintain any direct insurance coverage over our loan portfolio. In addition, we may not be able to renew certain of our insurance policies upon their expiration, either on commercially acceptable terms or at all.

31. *We rely on third-party service providers who may not perform their obligations satisfactorily or in compliance with law.*

We enter into arrangements with third-party vendors, separate employees and independent contractors to provide services that include, among others, telecommunications infrastructure services and software services including for core banking, e-KYC solutions, field-automation of loan transactions, and customer onboarding. We also enter into agreements with credit bureaus for availing credit assessment and other services. We cannot guarantee that there will be no disruptions in the provision of such services or that these third-parties will adhere to their contractual obligations. If there is a disruption in the third-party services, or if the third-party service providers discontinue their service agreements with us, our business, financial condition and results of operations will be adversely affected. In case of any dispute, we cannot assure you that the terms of such agreements will not be breached, and this may result in litigation or other costs. Further, certain of our agreements, including an agreement with a credit bureau, require us to indemnify our counterparties for certain losses, and limit contractual or other liabilities of our counterparties to fees or other amounts received by them from us for a certain period of time. If such indemnities are invoked, or if our counterparties limit their liabilities to an extent that our losses are not fully recovered, we may incur additional costs. Such additional costs, in addition to the cost of entering into agreements with third-parties in the same industry, may materially and adversely affect our business, financial condition and results of operations.

32. *We are subject to the risks associated with all our premises being leased.*

As of March 31, 2024, our Registered and Corporate Office, all our branches and regional offices operate from premises taken on lease and license basis. Termination of or failure to renew lease agreements with a fixed term of lease for these premises on terms and conditions favorable to us or at all, may require us to shift the concerned branch offices to new premises, and we may incur substantial rent escalation and relocation costs as a result. This might adversely affect our business operations and make us incur additional expenses. We may also face the risk of being evicted in the event that our landlords allege a breach on our part of the terms of the lease agreements.

Further, certain lease agreements are not duly registered or adequately stamped. Failure to adequately stamp and register a document does not affect the validity of the underlying transaction but renders the document inadmissible in evidence (unless stamped prior to enforcement with payment of requisite penalties, which may be up to ten times the stamp duty payable, and other such fees that may be levied by the authorities). Further, documents which are insufficiently stamped are capable of being impounded by a public officer. Consequently, should any dispute arise in relation to our use of the relevant properties, we may be unable to, or may incur additional expenses to, enforce our rights in relation to such properties.

33. *Incorrect actuarial valuations of retirement benefits carried out by independent actuaries and/ or changes in our defined benefit gratuity plan's liabilities and obligations could have a materially adverse effect on our financial condition.*

We operate a defined benefit gratuity plan for eligible employees. Under the defined benefit plans, there is an obligation to pay defined future benefits from the time of retirement. The calculation of the net obligation is based on valuations made by external actuaries who are qualified to do such valuations and estimations. These valuations rely on assumptions about a number of variables, including discount rate and mortality rates and salary increases. We rely on the valuations done by actuaries. Actuarial risk arises as the estimated value of the defined benefit scheme liabilities may increase due to changes in actuarial assumptions. While the valuation is done by qualified actuaries with the assumptions validated based on best estimate and judgment, we cannot assure you that the valuation in future would be accurate.

In addition, the defined benefit gratuity plan is administered by a third party and funded by an insurance company in the form of qualifying insurance policy. Should the value of assets to liabilities in respect of the defined benefit scheme operated by us record a deficit, due to either a reduction in the value of the defined benefit gratuity plan's assets (depending on the performance of financial markets) and/ or an increase in the defined benefit gratuity plan's liabilities due to changes in legislation, mortality assumptions, discount rate assumptions, inflation, the expected rate of return on scheme assets, or other factors, this could result in us having to make increased contributions to reduce

or satisfy the deficits which would divert resources from use in other areas of our business and reduce our capital resources.

34. *Our results of operations could be adversely affected as a result of any disputes with our employees.*

Our operations are people-driven, and we place a lot of emphasis on the effective training of our personnel in communication and service orientation skills. However, a failure to train and motivate our employees may lead to an increase in our employee attrition rates, erode the quality of customer service, divert management resources and impose significant costs on us which may have an adverse impact on our business and future financial performance. There is risk of employee attrition due competitive environment. The attrition rate in MFI industry is generally high. Our Company's attrition rate for the financial year ended March 31, 2024 was 54%.

We employed 16,519 full-time employees (including trainees) as of March 31, 2024, and lay significant emphasis on our employees' overall welfare. However, there can be no assurance that there will not be any future disruptions in our operations due to any disputes with our employees, or that such disputes will not adversely affect our business and results of operations. We depend on our branch-level employees for sourcing, disbursements and collections and customer liaison, and significant attrition at any of our branches could adversely impact our operations.

Further, in the event of a labour dispute, protracted negotiations and strike action may impair our ability to carry on our day-to-day operations, which could materially and adversely affect our business, future financial performance and results of operations.

35. *Third party industry and industry-related statistical data in this Tranche II Prospectus may be incomplete, out of date, incorrect or unreliable.*

Neither we, nor the Lead Managers have independently verified the third party and industry related data obtained from Industry Report on CRISIL Market Intelligence & Analytics (CRISIL MI&A) – NBFC Industry Report dated April 2024 and other industry sources referred in this Tranche II Prospectus and therefore, while we believe them to be true, there can be no assurance that they are complete or reliable. Such data may also be produced on different bases from those used in the industry publications we have referenced. Therefore, discussions of matters relating to India, its economy and our industry in this Tranche II Prospectus are subject to the caveat that the statistical and other data upon which such discussions are based may be incomplete or unreliable. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. While industry sources may take due care and caution while preparing their reports, they do not guarantee the accuracy, adequacy or completeness of the data or report and do not take responsibility for any errors or omissions or for the results obtained from using their data or report. Accordingly, investors should not place undue reliance on, or base their investment decision on this information. See “*Industry Overview*” on page 86.

36. *Our Managing Director and Whole Time Director are interested in our Company by virtue of the shares and/ or ESOPs held by them.*

Our Managing Director and Whole Time Director are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding or stock options held by them in our Company.

Our Managing Director and Whole Time Director may also be deemed to be interested to the extent of dividend, if any payable to them and other distributions in respect of the equity shares and/ or equity shares held in the Company. For details of the shareholding of our Directors, see “*Our Management*” on page 135.

37. *We have negative cash flows from operations in recent periods. There is no assurance that such negative cash flows from operations shall not recur in the future.*

We had negative cash flows for operating activities in the past on account of high growth in loans and advances i.e., disbursals as compared with collections for the year and may have negative cash flows in the future.

The following table sets forth our cash flow on consolidated basis for the years indicated below:

(₹ in crore)

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Net cash (used in)/generated from operating activities (A)	(1060.88)	(2,124.33)	(1,690.48)
Net cash (used in)/ generated from investing activities (B)	(233.62)	(284.58)	(95.04)
Net cash (used in)/ generated from financing activities (C)	1889.84	2,183.93	2,090.98
Net (Decrease) / Increase in cash and cash equivalents (A + B + C)	595.34	(224.98)	305.46
Cash and cash equivalents as at the beginning of the year/ period	227.11	452.09	146.63
Cash and cash equivalents as at the end of the year/period	822.45	227.11	452.09

We cannot assure you that our net cash flows will be positive in the future.

For disclosure of cash flows of our Company, for the Fiscal 2024, Fiscal 2023 and Fiscal 2022, as per Ind AS 107, please see section titled “*Our Business – Statement of Key Operational And Financial Parameters*” on page 124.

38. *The microfinance industry in India faces unique risks due to the category of customers that it services, which are generally not associated with other forms of lending.*

The focus customer segment for our microfinance business is low-income families across India with an annual household income of up to ₹ 3,00,000. Our customers generally have limited sources of income, savings and credit histories. In addition, although we are generally able to obtain credit reports from credit bureaus on our customers, to the extent that there is limited financial information available for our focus customer segment and customers do not have any credit history supported by tax returns, bank or credit card statements, statements of previous loan exposures or other related documents, it may be of default than customers with greater financial resources and more established credit histories and customers living in urban areas with better access to education, employment opportunities and social services.

Collections for our microfinance business are primarily in cash, exposing us to certain operational risks. Such cash collections expose us to the risk of theft, fraud, misappropriation or unauthorised transactions by employees responsible for dealing with such cash collections. These risks are exacerbated by the high levels of responsibility we delegate to our employees and the geographically dispersed nature of our network. While we have taken insurance policies, including coverage for cash in safes and in transit, and undertaken measures to detect and prevent unauthorised transactions, fraud or misappropriation, this may not be sufficient to prevent or deter such activities in all cases, which may adversely affect our operations and profitability. Further, we may be subject to regulatory or other proceedings in connection with any unauthorised transactions, fraud or misappropriation by our representatives and employees, which could adversely affect our goodwill. We may also be party to criminal proceedings and civil litigation related to our cash collections. Although we have introduced collection points at banks and with third-party fintech vendors, key safety lockers, accompanying personnel such as senior loan officer and assistant branch manager for physical transportation of cash and conducted period audits, we may be unable to avoid all operational risks. This may adversely affect our business, results of operations and cash flows.

In addition, political and social risks, such as the negative publicity surrounding the growth and profitability of the microfinance industry, public criticism of the microfinance industry, or religious beliefs and convictions regarding the extension of credit and repayment of interest may deter our customers from fulfilling their obligations to us. In addition, the microfinance sector may be susceptible to election cycles. For example, political pressure by incumbents to write off loans or the announcements of debt waiver schemes by state governments ahead of general elections may result in an accretion of NPAs across the microfinance industry. Due to the precarious circumstances of our customers and our non-traditional lending practices, we may, in the future, experience increased levels of NPAs and related provisions and write-offs that may adversely affect our business, financial condition and results of operations. We cannot assure you that our monitoring and risk management procedures will effectively predict and/or prevent such losses or that loan loss reserves will be sufficient to cover actual losses.

39. *We have not entered into any definitive arrangements to utilize the net proceeds of the Issue towards the objects of this Issue.*

We intend to use the Net Proceeds for the purposes described in “*Objects of the Tranche II Issue*” on page 69. Our management will have broad discretion to use the Net Proceeds and you will be relying on the judgment of our management regarding the application of these Net Proceeds. Our funding requirements are based on current conditions and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy. Our management, in response to the competitive and dynamic nature of the industry, will have

the discretion to revise its business plan from time to time. Any such change in our plans may require rescheduling of our current plans or discontinuing existing plans and an increase or decrease in the fund requirements for the objects, at the discretion of the management. Pending utilization for the purposes described above, we intend to temporarily invest the funds in interest bearing liquid instruments including deposits with banks and investments in liquid (not equity) mutual funds. Such investments would be in accordance with the investment policies approved by our Board from time to time.

40. *Our Company's business requires substantial capital and any disruption in the sources of its funding or an increase in its average cost of borrowings could have a material adverse effect on its liquidity and financial condition.*

Our liquidity and ongoing profitability are, to a large extent, dependent upon our timely access to, and the costs associated with, raising capital. Our funding requirements have historically been met through a combination of borrowings from a well-diversified base of domestic lenders. Our finance costs were ₹ 880.39 crore, ₹ 586.98 crore and ₹ 395.10 crore for the Fiscal 2024, Fiscal 2023 and Fiscal 2022 respectively. Our business growth, liquidity and profitability depend and will continue to depend on our ability to access diversified, relatively stable and low-cost funding sources as well as our financial performance, capital adequacy levels, credit ratings and relationships with lenders. As a financial services company, we have to adhere to certain regulatory requirements while obtaining financing. Any adverse developments or changes in applicable laws and regulations, which limit our ability to raise funds through term loans or through private placements of non-convertible debentures, can disrupt our sources of funding and as a consequence, could have a material adverse effect on our liquidity and financial condition.

Our Total Borrowings were ₹ 8,902.90 crore as at March 31, 2024 out of which ₹ 5,159.57 crore were to mature or repaid in less than a year. In order to meet these debt obligations, we will either need to refinance, which may prove to be difficult in the event of volatility in the credit markets, or alternatively, raise additional retained earnings or generate sufficient operating cash flows to retire the debt. There can be no assurance that our business will generate sufficient cash to enable it to service its existing debt or to fund its other liquidity needs.

Our ability to borrow funds and refinance existing debt may also be affected by a variety of factors, including deterioration in our financial performance or profitability, regulatory policies impacting the ability of lenders to lend to certain sectors such as NBFCs, liquidity in the credit markets, the strength of the lenders from which we borrow, the amount of eligible collateral, credit rating downgrade and accounting changes that may impact calculations of covenants in our financing agreements. An event of default, a significant negative ratings action by a rating agency, an adverse action by a regulatory authority or a general deterioration in prevailing economic conditions that constricts the availability of credit may increase our cost of funds and make it difficult for us to access financing in a cost-effective manner. A disruption in sources of funds or increase in cost of funds as a result of any of these factors may have a material adverse effect on our liquidity and financial condition.

Pursuing our growth strategy and introducing new product offerings to our customers will have an impact on our long-term capital requirements. The market for such funds is competitive and our ability to obtain funds at competitive rates will depend on various factors. If we are unable to access funds at an effective cost that is comparable to or lower than our competitors, we may not be able to offer competitive interest rates for our loans. Our ability to raise funds on acceptable terms and at competitive rates continues to depend on various factors, including the regulatory environment and policy initiatives in India, liquidity in the market, developments in international markets affecting the Indian economy, investors' and/or lenders' perception of demand for debt and equity securities of NBFCs, and our current and future results of operations and financial condition. If we are unable to obtain adequate financing or financing on terms satisfactory to us or refinancing and in a timely manner, our ability to grow or support our business and to respond to business challenges could be limited and our business prospects, results of operations, cash flows and financial condition would be materially and adversely affected.

41. *We continue to be controlled by our Promoter and it will continue to have the ability to exercise significant control over us. We cannot assure you that exercise of control by our Promoter will always favor our best interest.*

Our Promoter, IIFL Finance Limited holds 99.56 % of our outstanding Equity Shares as on March 31, 2024. Our Promoter, IIFL Finance Limited exercises significant control over us, including being able to control the composition of our Board and determine matters requiring shareholder approval or approval of our Board. Our Promoter, IIFL Finance Limited may take or block actions with respect to our business, which may conflict with our interests or the interests of our minority shareholders. By exercising their control, our Promoter, IIFL Finance Limited could delay, defer or cause a change of our control or a change in our capital structure, delay, defer or cause a merger, consolidation, takeover or other business combination involving us, discourage or encourage a potential acquirer

from making a tender offer or otherwise attempting to obtain control of us which may not favor our best interest.

42. Our Company may be exposed to fluctuations in the market values of its investment and other asset portfolio.

Financial market turmoil can adversely affect economic activity globally, including India. Deterioration in the credit and capital markets may result in volatility of our investment earnings and impairments to our investment and asset portfolio, including the assets in our Balance Sheet, which are maintained as a part of our liquidity management. Further, the value of our investments depends on several factors beyond our control, including the domestic and international economic and political scenario, inflationary expectations, unforeseen tail events like the COVID-19 pandemic and RBI's monetary policies. Any decline in the value of the investments could negatively impact our financial condition.

43. Our Company may face asset-liability mismatches which could affect its liquidity and consequently may adversely affect our Company's operations and profitability.

Asset-liability mismatch represents a situation when financial terms of an institution's assets and liabilities do not match and is a key financial parameter indicative of an NBFC's performance. Our funding requirements are met through diverse funding sources such as (i) term loans from banks, NBFCs, development financial institutions, (ii) commercial papers, and (iii) non-convertible debentures. The term loans from banks are predominantly co-terminus with the tenor of the loans given to our microfinance customers. The term loans from NBFCs and development financial institutions have tenor more than or equal to the tenor of the loans given to our customers. The non-convertible debentures predominantly have tenor longer than the tenor of the loans given to our customers.

However, we may face potential variation in asset-liability mismatch and liquidity risk due to varying periods over which our assets and liabilities mature. If we are unable to obtain additional credit facilities or renew our existing credit facilities in a timely and cost-effective manner to meet our maturing liabilities, or at all, this may lead to gaps and mismatches between our assets and liabilities, which in turn may adversely affect our liquidity position, and in turn, our operations and financial performance.

The following table describes the standalone ALM of our Company as on March 31, 2024:

(₹ in crore)

Particulars	upto 7 days	8 days to 14 days	15 days to 30/31 days (One month)	Over one month and up to 2 months	Over two months and up to 3 months	Over 3 months and up to 6 months	Over 6 months and up to 1 year	Over 1 year and up to 3 years	Over 3 years and up to 5 years	Over 5 years	Total
A. OUTFLOWS											
Capital	0	0	0	0	0	0	0	0	0	668.4374	668.4374
Reserves & Surplus	0	0	0	0	0	0	0	0	0	1341.2844	1341.2844
Bonds & Notes	0	0	0	0	0	0	0	0	0	0	0
Deposits	0	0	0	0	0	0	0	0	0	0	0
Borrowings	52.4801	151.4254	455.8117	424.3776	598.5224	1343.4384	2130.5081	2971.2244	400.1026	372	8899.8907
Current Liabilities & Provisions	47.5082	62.2893	301.0494	40.6958	9.1538	11.4446	24.9773	302.5817	3.99	0.4269	804.117
Statutory Dues	1.8988	29.6523	19.6897	0	0	0	0	0	0	0	51.2408
Unclaimed Deposits	0	0	0	0	0	0	0	0	0	0	0
Other Outflows	1.67	1.04	1.95	4.03	3.89	12.17	23.66	35.62	0.23	0.14	84.4066
Outflows On Account of Off Balance Sheet (OBS) Exposure	0	0	0	0	0	0	0	0	0	0	0
TOTAL OUTFLOWS	103.5614	244.4065	778.5007	469.1033	611.5616	1367.0579	2179.1469	3309.429	404.3191	2382.2905	11849.3769
Cumulative Outflows	103.5614	347.9679	1126.4686	1595.5719	2207.1335	3574.1914	5753.3383	9062.7673	9467.0864	11849.3769	11849.3769

Particulars	upto 7 days	8 days to 14 days	15 days to 30/31 days (One month)	Over one month and up to 2 months	Over two months and up to 3 months	Over 3 months and up to 6 months	Over 6 months and up to 1 year	Over 1 year and up to 3 years	Over 3 years and up to 5 years	Over 5 years	Total
B. INFLOWS											
Cash (In 1 to 30/31 day time-bucket)	0.773	0	0	0	0	0	0	0	0	0	0.773
Remittance in Transit	0	0	0	0	0	0	0	0	0	0	0
Balances With Banks	440.2337	0.3361	39.7324	402.9427	7.0238	52.9084	143.3797	183.3251	2.5042	0.2644	1272.6505
Investments	199.9432	0	0	0	0	0	0	170.5474	0	0.05	370.5406
Advances (Performing)	192.5883	119.5656	224.286	463.5333	446.9128	1400.3912	2721.6126	3912.2363	26.049	16.3155	9523.4906
Gross Non-Performing Loans (GNPA)	0	0	0	0	0	0	0	185.2116	0	0	185.2116
Inflows From Assets On Lease	0	0	0	0	0	0	0	0	0	0	0
Fixed Assets (Excluding Assets On Lease)	0	0	0	0	0	0	0	0	0	43.1184	43.1184
Other Assets :	36.7983	44.0417	59.0514	25.3587	20.9197	74.8427	78.4342	98.3782	11.2506	4.5167	453.5922
Security Finance Transactions	0	0	0	0	0	0	0	0	0	0	0
Inflows on Account of Off Balance Sheet (OBS) Exposure	0	0	0	0	0	0	0	0	0	0	0
TOTAL INFLOWS	870.3365	163.9434	323.0698	891.8347	474.8563	1528.1423	2943.4265	4549.6986	39.8038	64.265	11849.3769
C. Mismatch (B - A)	766.7751	-80.4631	-455.4309	422.7314	-136.7053	161.0844	764.2796	1240.2696	-364.5153	-2318.0255	0
D. Cumulative Mismatch	766.7751	686.312	230.8811	653.6125	516.9072	677.9916	1442.2712	2682.5408	2318.0255	0	0
E. Mismatch as % of Total Outflows	740.41%	-32.92%	-58.50%	90.11%	-22.35%	11.78%	35.07%	37.48%	-90.16%	-97.30%	0.00%
F. Cumulative Mismatch as % of Cumulative Total Outflows	740.41%	197.23%	20.50%	40.96%	23.42%	18.97%	25.07%	29.60%	24.49%	0.00%	0.00%

44. If we fail to identify, monitor and manage risks and effectively implement our risk management policies, it could have a material adverse effect on our business, financial condition, results of operations and cash flows.

We have devoted resources to develop our risk management policies and procedures and aim to continue to do so in the future. Despite this, our policies and procedures to identify, monitor and manage risks of fraud, money laundering, any other credit, operational or other risks may not be fully effective. Further, some of our methods of managing risks are based upon the use of observed historical market behavior. As a result, these methods may not accurately predict future risk exposures, which could be significantly greater than those indicated by the historical measures. To the extent any of the instruments and strategies we use to hedge or otherwise manage our exposure to market or credit risk are not effective, we may not be able to mitigate effectively our risk exposures in particular market environments or against particular types of risk. Our investment and interest rate risk are dependent upon our

ability to properly identify, and mark-to market changes in the value of financial instruments caused by changes in market prices or rates. Our earnings are dependent upon the effectiveness of our management of changes in credit quality and risk concentrations, the accuracy of our valuation models and our critical accounting estimates and the adequacy of our allowances for loan losses. To the extent our assessments, assumptions or estimates prove inaccurate or not predictive of actual results, we could suffer higher than anticipated losses.

45. *Our Company has entered into related party transactions and may continue to enter into related party transactions which may involve conflict of interest.*

Our Company has entered into related party transactions, within the meaning of Ind AS 24 as issued by the Companies (Indian Accounting Standards) Rules, 2015. Such transactions, in future, may give rise to current or potential conflicts of interest with respect to dealings between our Company and such related parties. While our Company believes that all related party transactions entered into are conducted on an arms' length basis and in the ordinary course of business, there can be no assurance that it could not have achieved more favourable terms if such transactions had not been entered into with related parties. Additionally, there can be no assurance that any dispute that may arise between our Company and related parties will be resolved in our Company's favor. For further details on related party transactions, please see the chapter "Related Party Transactions" on page 152.

46. *We may undertake acquisitions, strategic investments, restructuring in future. Any failure to complete such strategic decisions may adversely affect our reputation or growth prospects.*

We may, depending on our management's view and market conditions, pursue strategic investments, undertake acquisitions and enter into joint ventures. We cannot assure you that we will be able to undertake such strategic investments, acquisitions (including by way of a merger, or share or asset acquisition) or joint ventures in the future, either on terms acceptable to us or at all. Moreover, we require regulatory approval for acquisitions, and we cannot guarantee that we will receive such approvals in a timely manner, or subject to any conditions, or at all. Any inability to identify suitable acquisition targets or investments or failure to complete such transactions may adversely affect our competitiveness or growth prospects.

47. *Climate change and health epidemics could have a negative impact on the Indian economy and could cause our business to suffer.*

Our business could be materially and adversely affected by the outbreak of public health epidemics, pandemic, endemic or the fear of such an outbreak, in India or elsewhere. In January 2020, an outbreak of a strain of coronavirus, COVID-19, which has spread globally, with cases recorded in various parts of the globe including China, Australia, Italy, Iran, Japan, South Korea, UAE, Thailand, the United States and India, among other countries. On January 30, 2020, the World Health Organization declared the COVID-19 outbreak a health emergency of international concern. Governments around the world had to impose a number of measures designed to contain the outbreak, including business closures, travel restrictions, quarantines, lockdown and cancellations of gatherings and events. This in turn has impacted the operation of businesses, reduced regional travels and trade and lowered industrial production and consumption demand. If the outbreak of any of these epidemics, pandemics, endemics or other severe epidemics, continues for an extended period, occurs again and/or increases in severity, it could have an adverse effect on economic activity worldwide, including India, and could materially and adversely affect our business, financial condition, cash flows and results of operations. Similarly, any other future public health epidemics in India could materially and adversely affect our business, financial condition, cash flows, results of operations and prospects.

48. *This Tranche II Prospectus contains certain Non-GAAP measures related to our operations and financial performance that may vary from any standard methodology that is applicable across the industry.*

This Tranche II Prospectus includes certain non-GAAP measures, including Net Worth and Return on Net Worth, which are in a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with Ind AS. We consider these non-GAAP measures useful in evaluating our business and financial performances. However, these non-GAAP measures are not alternatives to any measure of performance or liquidity or as an indicator of our operating performance or liquidity. They should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the year or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS. There are no standard methodologies in the industries for computing such measures, and those non-GAAP measures we included in this Tranche II Prospectus may not be comparable to similarly titled measures presented by other companies. Other companies may calculate similarly titled measures differently, limiting their usefulness as comparative measures to our data. We encourage investors

and others to review our financial information in its entirety and not rely on a single financial measure.

Risks Relating to Regulations

49. We operate in a highly regulated environment.

We operate in a highly regulated environment in which we are regulated by SEBI, RBI, the MCA, the Registrar of Companies and other domestic regulators. Accordingly, legal and regulatory risks are inherent and substantial in our businesses. As we operate under licenses or registrations obtained from appropriate regulators, we are subject to actions that may be taken by such regulators in the event of any non-compliance with any applicable policies, guidelines, circular, notifications and regulations issued by the relevant regulators.

Being regulated, we are subject to regular scrutiny and supervision by their respective regulators, such as regular inspections that may be conducted by RBI. The requirements imposed by regulators are designed to ensure the integrity of the financial markets and to protect investors and depositors. Any non-compliance with regulatory guidelines and directions may result in substantial penalties and reputational impact, which may affect the price of our securities. Among other things, in the event of being found non-compliant, we could be fined or prohibited from engaging in certain business activities.

Any change to the existing legal or regulatory framework will require us to allocate additional resources, which may increase our regulatory compliance costs and direct management attention and consequently affect our business. For e.g., RBI has recently introduced the Master Direction - Reserve Bank of India (Regulatory Framework for Microfinance Loans) Directions, 2022 (“RBI MFI Master Directions”), pursuant to which RBI has *inter alia* increased the annual household income limit of borrowers up to ₹3,00,000, capped the loan repayment obligation of the household to 50% of the monthly household income, regulated the pricing of loans etc. The RBI MFI Directions will require us to put in place additional procedures and processes undertaking comprehensive data checks to determine annual household income for determination of maximum permissible limits and for other compliances under the RBI MFI Directions.

In addition, we are also exposed to the risk of us or any of our employees being non-compliant with insider trading rules or engaging in front running in securities markets. In the event of any such violations, regulators could take regulatory actions, including financial penalties against us and the concerned employees. This could have a materially adverse financial and reputational impact on us.

50. Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws and regulations, across the multiple jurisdictions we operate in may materially adversely affect our business and financial performance.

Our business and financial performance could be materially adversely affected by changes in the laws, rules, regulations or directions applicable to us and our general and microfinance businesses, or the interpretations of such existing laws, rules and regulations, or the promulgation of new laws, rules and regulations, in India.

The governmental and regulatory bodies in India where we operate may notify new regulations and/ or policies, which may require us to obtain approvals and licenses from the government and other regulatory bodies, or impose onerous requirements and conditions on our operations, in addition to those which we are undertaking currently. Any such changes and the related uncertainties with respect to the implementation of new regulations may have a material adverse effect on our business, financial condition and results of operations. See “*Regulations and Policies*” on page 139 of the Shelf Prospectus.

In addition, unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment laws governing our business, operations and investments in our Company by non-residents, could result in us being deemed to be in contravention of such laws and/ or may require us to apply for additional approvals.

Tax and other levies imposed by the central and state governments in India that affect our tax liability include central and state taxes and other levies, income tax, turnover tax, goods and service tax, stamp duty and other special taxes and surcharges which are introduced on a temporary or permanent basis from time to time. The final determination of our tax liabilities involves the interpretation of local tax laws and related regulations in each jurisdiction as well as the significant use of estimates and assumptions regarding the scope of future operations and results achieved and the timing and nature of income earned and expenditures incurred. Moreover, the central and state tax scheme in

India is extensive and subject to change from time to time. For instance:

- The General Anti Avoidance Rules (“GAAR”) came into effect from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement may result in a denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain. GAAR provisions may have an adverse tax impact on us; and
- The Government of India has implemented a comprehensive national goods and services tax (“GST”) regime with effect from July 1, 2017 that combines taxes and levies by the Central and State Governments into a unified rate structure. Any future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. If the tax costs associated with certain transactions because of a particular tax risk materializing are greater than anticipated, it could affect the profitability of such transactions.

Further, as of March 31, 2024, we had a total of 16,519 full-time employees (including trainees). Our full-time employees are employed by us and are entitled to statutory employment benefits, such as a defined benefit gratuity plan, among others.

We are subject to various labour laws and regulations governing our relationships with our employees including in relation to minimum wages, working hours, overtime, working conditions.

A change of law that requires us to increase the benefits to the employees from the benefits now being provided may create potentially liability for us. Such benefits could also include provisions which reduce the number of hours an employee may work for or increase in number of mandatory casual leaves, which all can affect the productivity of the employees.

A change of law that requires us to treat and extend benefits to our outsourced personnel, and personnel retained on a contractual basis, similar to our full-time employees may create potential liability for us. If we fail to comply with current and future health and safety and labour laws and regulations at all times, including obtaining relevant statutory and regulatory approvals, this could materially and adversely affect our business, future financial performance and results of operations.

51. *In order to support and grow our business, we must maintain a minimum capital to risk weighted assets ratio, and a lack of access to the capital markets may prevent us from maintaining an adequate ratio.*

As an NBFC-MFI, RBI requires us to maintain a minimum capital to risk weighted assets ratio (“CRAR”) consisting of Tier I and Tier II capital of 15.00% of our aggregate risk weighted assets. Further, the total of our Tier II capital cannot exceed 100% of our Tier I capital at any point of time. Our ability to support and grow our business would become limited if the CRAR is low. While we may access the capital markets to offset any declines to our CRAR, we may be unable to access the markets at the appropriate time or the terms of any such financing may be unattractive due to various reasons attributable to changes in the general environment, including political, legal and economic conditions. Our CRAR calculated on the basis of RBI norms applicable to NBFC – MFI as at March 31, 2024, 2023 and 2022 were 23.99%, 17.14% and 17.83% respectively, while its Tier I Capital as at March 31, 2024 was 17.67%.

As we continue to grow our loan portfolio and asset base, we will be required to raise additional Tier I and Tier II capital in order to continue to meet applicable CRAR with respect to our business. There can be no assurance that we will be able to raise adequate additional capital in the future on terms favourable to us, and this may adversely affect the growth of our business. In addition, any changes in RBI or other government regulations in relation to securitizations and/ or assignments, by NBFCs in general or MFIs specifically could have an adverse impact on our assignment and securitization plans in the future. This may result in non-compliance with applicable capital requirements, which could have a material adverse effect on our business prospects, financial condition and results of operations.

If we are unable to meet any existing or new and revised requirements, our business, future financial performance and the price of our Equity Shares could be adversely affected.

52. *Any non-compliance with mandatory AML and KYC policy could expose us to additional liability and harm our business and reputation.*

In accordance with the requirements applicable to us, we are mandated to comply with applicable anti-money-laundering (“AML”), combatting terrorism financing and antiterrorism laws and other regulations in India. In the ordinary course of our operations, we run the risk of failing to comply with the prescribed Know Your Customer (“KYC”) procedures and detect fraud and money laundering by dishonest customers. For further details, see “Regulations and Policies” on page 139. While we have adopted policies and procedures aimed at collecting and maintaining all AML and KYC related information from our customers in order to detect and prevent the use of our business networks for illegal money-laundering activities, there may be instances where we may be used by other parties in attempts to engage in money-laundering and other illegal or improper activities.

Although we believe that we have adequate internal policies, processes and controls in place to prevent and detect AML activity and ensure KYC compliance, and have taken necessary corrective measures, there can be no assurance that we will be able to fully control instances of any potential or attempted violation by other parties and may accordingly be subject to regulatory actions including imposition of fines and other penalties by the relevant government agencies to whom we report. Our business and reputation could suffer if any such parties use or attempt to use us for money-laundering or illegal or improper purposes and such attempts are not detected or reported to the appropriate authorities in compliance with applicable regulatory requirements.

Risks Relating to India

53. *Financial difficulty and other problems in certain financial and other non-banking financial institutions in India could materially adversely affect our business.*

We are exposed to the risks of the Indian financial system. The financial difficulties faced by certain Indian financial and non-banking financial institutions could materially and adversely affect our business because the commercial soundness of many financial institutions may be closely related as a result of credit, trading, clearing or other relationships. Such “systemic risk”, may materially adversely affect financial intermediaries, such as clearing agencies, banks, NBFCs, securities firms and exchanges with which we interact on a daily basis. Any such difficulties or instability of the Indian financial system in general could create an adverse market perception about Indian financial institutions and banks and materially adversely affect our business. Our transactions with these financial institutions and other non-banking financial institutions expose us to various risks in the event of default by a counterparty, which can be exacerbated during periods of market illiquidity.

54. *India's existing credit information infrastructure may cause increased risks of loan defaults.*

All of our business is located in India. India's existing credit information infrastructure may pose problems and difficulties in running a robust credit check on our borrowers. We may also face difficulties in the due diligence process relating to our customers or to any security or collateral we take in relation to our loans. We may not be able to run comprehensive searches relating to the security and there are no assurances that any searches we undertake will be accurate or reliable. Hence, our overall credit analysis could be less robust as compared to similar transactions in more developed economies. Any inability to undertake a comprehensive due diligence or credit check might result in an increase in our NPAs and we may have to increase our provisions correspondingly. Any of the foregoing may have a material adverse effect on our business, financial condition, results of operations and cash flows.

55. *Financial or geo-political instability in other countries may cause increased volatility in Indian financial markets.*

The Indian market and the Indian economy are influenced by economic, geo-political and market conditions in other countries, particularly emerging market countries in Asia. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial or geo-political instability could also have a negative impact on the Indian economy. Such worldwide financial instability could arise out of, for example, current developments relating to Ukraine which have prompted many western countries to impose financial and other sanctions on Russia. Financial disruptions may occur again and could harm our business and our future financial performance.

Investors should be aware that there is a recent history of financial crises and boom-bust cycles in multiple markets in both emerging and developed economies which leads to risks for all financial institutions, including the Company.

We remain subject to the indirect economic effect of any potential tightening in global credit conditions, some of which cannot be anticipated and the vast majority of which are not under our control. We also remain subject to counterparty risk arising from financial institutions that can fail or are otherwise unable to meet their obligations under their contractual commitment to us.

56. *If inflation were to rise in India, we might not be able to increase the prices of our services at a proportional rate in order to pass costs on to our customers and our profits might decline.*

Inflation rates could be volatile, and we may face high inflation in the future as India had witnessed in the past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of transportation, salaries, and other expenses relevant to our business. Further, high inflation leading to higher interest rates may also lead to a slowdown in the economy and adversely impact credit growth. Consequently, we may also be affected and fall short of business growth and profitability.

High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our operating expenses, which we may not be able to pass on to our customers, whether entirely or in part, and the same may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or pass the increase in costs on to our customers. In such case, our business, results of operations, cash flows and financial condition may be adversely affected.

While the Government of India through RBI has previously initiated economic measures to combat high inflation rates, it is unclear whether these measures will remain in effect, and there can be no assurance that Indian inflation levels will not rise in the future.

As mentioned in “*Risk Factor - Financial or geo-political instability in other countries may cause increased volatility in Indian financial markets*” above, worldwide financial instability could also have impact on India. For example, the global crude prices have already jumped since the onset of war in Ukraine at end of February 2022 and if the crude prices do not cool down soon, India’s energy imports could lead to higher inflation in India.

57. *Any adverse change in India's credit rating by an international rating agency could materially adversely affect our business and profitability.*

India’s sovereign rating is Baa3 with a “stable” outlook (Moody’s), BBB-with a “stable” outlook (S&P) and BBB-with a “negative” outlook (Fitch). India’s sovereign rating could be downgraded due to various factors, including changes in tax or fiscal policy or a decline in India’s foreign exchange reserves, which are outside our Company’s control. Any adverse change in India’s credit ratings by international rating agencies may adversely impact the Indian economy and consequently our ability to raise additional financing in a timely manner or at all, as well as the interest rates and other commercial terms at which such additional financing is available. Any such adverse development could adversely affect our business, financial condition and results of operations.

58. *Any volatility in exchange rates may lead to a decline in India's foreign exchange reserves and may affect liquidity and interest rates in the Indian economy, which could adversely impact us.*

Foreign inflows into India have remained extremely volatile responding to concerns about the domestic macroeconomic landscape and changes in the global risk environment. The widening current account deficit has been attributed largely to the surge in gold and oil imports.

Further, increased volatility in foreign flows may also affect monetary policy decision making. For instance, a period of net capital outflows might force RBI to keep monetary policy tighter than optimal to guard against any abnormal currency depreciation.

59. *Terrorist attacks, civil unrest and other acts of violence or war involving India and other countries would negatively affect the Indian market where our shares trade and lead to a loss of confidence and impair travel, which could reduce our customers' appetite for our products and services.*

Terrorist attacks, civil unrest and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares are proposed to be listed and traded and could also materially adversely affect the global financial markets. In addition, any deterioration in relations between India and its neighbors might result in investor concern about stability in the region, which could materially adversely affect the price of our Equity Shares.

India has also witnessed civil disturbances in recent years and future civil unrest as well as other adverse social, economic and political events in India could have an adverse impact on us. Such incidents also create a greater perception that investment in Indian companies involves a higher degree of risk, which could have an adverse impact on our business and the price of our Equity Shares.

60. *Companies operating in India are subject to a variety of taxes and surcharges.*

Tax and other levies imposed by the central and state governments in India that affect our tax liability include central and state taxes and other levies, income tax, value added tax, turnover tax, service tax, stamp duty, tax on dividends and other special taxes and surcharges which are introduced on a temporary or permanent basis from time to time. Moreover, the central and state tax scheme in India is extensive and subject to change from time to time. The central or state government may in the future increase the corporate income tax it imposes. Any such future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. Additional tax exposure could adversely affect our business, cash flows and results of operations.

61. *A decline in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy, which could adversely impact us.*

A decline in India's foreign exchange reserves could affect the liquidity and result in higher interest rates in the Indian economy, which could adversely affect our business, future financial performance, results of operations and financial condition.

62. *There may be less information available about the companies listed on the Indian securities markets compared with information that would be available if we were listed on securities markets in certain other countries.*

There may be differences between the level of regulation and monitoring of the Indian securities markets and the activities of investors, brokers and other participants in India and that in the markets in the United States and certain other countries. SEBI is responsible for ensuring and improving disclosure and other regulatory standards for the Indian securities markets. SEBI has issued regulations and guidelines on disclosure requirements, insider trading and other matters. There may, however, be less publicly available information about companies listed on an Indian Stock Exchanges compared with information that would be available if that company was listed on a securities market in certain other countries. As a result, investors may have access to less information about the business, results of operations, cash flows and financial conditions, and those of the competitors that are listed on BSE and NSE and other stock exchanges in India on an on-going basis than you may find in the case of companies subject to reporting requirements of other more developed countries.

Risks relating to the Issue and NCDs.

63. *The NCD Holders may not be able to recover, on a timely basis or at all, the full value of the outstanding amounts and/or the interest accrued thereon in connection with the NCDs. Failure or delay in recovering the expected value from a sale or disposition of the assets charged as security in connection with the NCDs could expose the holders to a potential loss.*

Our ability to pay interest accrued on the NCDs and/or the principal amount outstanding from time to time in connection therewith would be subject to various factors, inter alia, including our financial condition, profitability and the general economic conditions in India and in the global financial markets. We cannot assure you that we would be able to repay the principal amount outstanding from time to time on the NCDs and/or the interest accrued thereon in a timely manner or at all. Although our Company will create appropriate security in favor of the Debenture Trustee for the NCD Holders on the assets adequate to ensure security cover of 1.05 times of the outstanding principal and interest for the NCDs, and it will be the duty of the Debenture Trustee to monitor that the security is maintained, however, the realisable value of the assets charged as security, when liquidated, may be lower than the outstanding principal and/or interest accrued thereon in connection with the NCDs and shall depend on the market scenario prevalent at the time of the enforcement of the security. A failure or delay in recovering the expected value from a sale or disposition of the assets charged as security in connection with the NCDs could expose you to a potential loss.

64. *There may be no active market for the NCDs on the platform of the Stock Exchanges. As a result, the liquidity and market prices of the NCDs may fail to develop and may accordingly be adversely affected.*

There can be no assurance that an active market for the NCDs will develop. If an active market for the NCDs fails to develop or be sustained, the liquidity and market prices of the NCDs may be adversely affected. The market price of the NCDs would depend on various factors, inter alia, including (i) the interest rate on similar securities available in the market and the general interest rate scenario in the country, (ii) the market price of our Equity Shares, (iii) the market for listed debt securities, (iv) general economic conditions, and (v) our financial performance, growth prospects and results of operations. The aforementioned factors may adversely affect the liquidity and market price of the NCDs, which may trade at a discount to the price at which you purchase the NCDs and/or be relatively illiquid.

65. *There may be a delay in making refund/ unblocking of funds to Applicants.*

We cannot assure you that the monies refundable to you, on account of (i) withdrawal of your Applications, (ii) our failure to receive minimum subscription in connection with the Base Issue, (iii) withdrawal of the Issue, or (iv) failure to obtain the final approval from the Stock Exchanges for listing of the NCDs, will be refunded to you in a timely manner. We, however, shall refund / unblock such monies, with the interest due and payable thereon as prescribed under applicable statutory and/or regulatory provisions.

66. *In the event of bankruptcy, liquidation or winding-up, there may not be sufficient assets remaining to pay amounts due on the NCDs.*

The NCDs will be subordinated to certain liabilities preferred by law such as the claims of the Government on account of taxes, and certain liabilities incurred in the ordinary course of our business. In the event of bankruptcy, liquidation or winding-up, our Company's assets will be available to pay obligations on the NCDs only after all of those liabilities that rank senior to these NCDs have been paid as per Section 327 of the Companies Act, 2013. In the event of bankruptcy, liquidation or winding-up, there may not be sufficient assets remaining to pay amounts due on the NCDs.

67. *There is no assurance that the NCDs issued pursuant to the Issue will be listed on Stock Exchanges in a timely manner, or at all.*

In accordance with Indian law and practice, permissions for listing and trading of the NCDs issued pursuant to the Issue will not be granted until after the NCDs have been issued and allotted. Approval for listing and trading will require all relevant documents to be submitted and carrying out of necessary procedures with the stock exchanges. There could be a failure or delay in listing the NCDs on the Stock Exchanges for reasons unforeseen. If permission to deal in and for an official quotation of the NCDs is not granted by the stock exchange, our Company will forthwith repay, with interest, all monies received from the Applicants in accordance with prevailing law in this context, and pursuant to this Tranche II Prospectus. There is no assurance that the NCDs issued pursuant to the Issue will be listed on Stock Exchanges in a timely manner, or at all.

68. *Trading of the NCDs may be limited by temporary exchange closures, broker defaults, settlement delays, strikes by brokerage firm employees and disputes.*

The Indian Stock Exchanges have experienced temporary exchange closures, broker defaults, settlement delays and strikes by brokerage firm employees. In addition, the governing bodies of the Indian Stock Exchanges have from time to time imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Furthermore, from time to time, disputes have occurred between listed companies and Stock Exchanges and other regulatory bodies, which in some cases may have had a negative effect on market sentiment.

69. *Repayment is subject to the credit risk of the Company*

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

On December 14, 2021, RBI issued a circular titled “Prompt Corrective Action (PCA) Framework for Non-Banking Financial Companies (NBFCs)” (“PCA Framework Circular”) to enable supervisory intervention and implement remedial measures of NBFCs, including NBFC-NDs, on the basis of tracking certain indicators such as CRAR, Tier I Capital Ratio and Net NPA Ratio.

70. *You may be subject to taxes arising on the sale of the NCDs.*

Sale of NCDs by any holder may give rise to tax liability, as discussed in section entitled “*Statement of Possible Tax Benefits*” on page 73.

71. *Legal investment considerations may restrict certain investment.*

The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) the NCDs are legal investments for it, (ii) the NCDs can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of the NCDs.

72. *The NCDs are subject to the risk of change in law.*

The terms and conditions of the NCDs are based on Indian law in effect as of the date of issue of the relevant NCDs. No assurance can be given as to the impact of any possible judicial decision or change to Indian law or administrative practice after the date of issue of the relevant NCDs and any such change could materially and adversely impact the value of any NCDs affected by it.

73. *The Issuer, being a NBFC is not required to maintain a debenture redemption reserve (“DRR”)*

Pursuant to a Ministry of Corporate Affairs notification dated August 16, 2019 amending Section 71 of the Companies Act, 2013 and Rule 18 (7) of the Companies (Share Capital and Debentures) Rules, 2014, a NBFC is not required to maintain DRR for debentures issued through a public issue. Hence, investors shall not have the benefit of reserve funds to cover the re-payment of the principal and interest on the NCDs.

SECTION III – INTRODUCTION

GENERAL INFORMATION

Our Company was originally incorporated on August 9, 1995 as a public limited company under the provisions of the Companies Act, 1956 as ‘Colanac Finance Limited’ with registered office in Tamil Nadu *vide* the certification of incorporation granted by Additional Registrar of Companies, Tamil Nadu. The Company changed its name from ‘Colanac Finance Limited’ to ‘Samasta Microfinance Limited’ w.e.f. July 25, 2008 and obtained a fresh certificate of incorporation by Registrar of Companies, Tamil Nadu, Chennai, Andaman and Nicobar Islands on July 25, 2008 consequent to change in name. Subsequently, the registered office of the Company was changed from Tamil Nadu to Karnataka and a fresh certificate of incorporation was issued by Registrar of Companies Bengaluru w.e.f. March 31, 2011. Further the Company changed its name from ‘Samasta Microfinance Limited’ to ‘IIFL Samasta Finance Limited’ w.e.f. September 01, 2021 and a fresh certificate of incorporation was granted by Registrar of Companies Bengaluru on September 01, 2021, consequent to such change in name. The Company obtained a certificate of registration dated May 17, 2011 bearing registration no. B-02.00250 issued by RBI to carry on the activities of a NBFC under section 45 IA of the RBI Act, 1934. Further, pursuant to change of name of our Company to its current name, a revised certificate of registration dated September 20, 2021 bearing registration no. B-02.00250 was issued by RBI.

For further details in relation to the changes in our name, constitution, and registration with RBI, see “*History and Main Objects*” on page 119 of the Shelf Prospectus.

Registration:

CIN: U65191KA1995PLC057884
RBI registration number: B-02.00250
Permanent Account Number: AAACC4577H

Registered Office and Corporate Office

IIFL Samasta Finance Limited

Registered Office

110/3, Lalbagh Main Road,
Krishnappa Layout,
Bengaluru – 560 027, Karnataka
Tel: +91 80 4291 3588

Corporate Office

37A, Sannathi Street,
Theradi, Thiruvottriyur,
Chennai – 600 019, Tamil Nadu

Website: www.iiflsamasta.com

Email: secretarial@iiflsamasta.com

For further details regarding changes to our Registered Office, see “*History and Main Objects*” on page 119 of the Shelf Prospectus.

Liability of the members of the Company

Limited by shares

Chief Financial Officer

Anantha Kumar T.

110/3, Lalbagh Main Road,
Krishnappa Layout,
Bengaluru – 560 027, Karnataka
Tel No: +91 80 4291 3509

Email: anathakumart@iiflsamasta.com

Company Secretary and Compliance Officer

Manoranjan Biswal

110/3, Lalbagh Main Road,
Krishnappa Layout, Bengaluru – 560 027, Karnataka

Tel No: +91 80 4291 3588

Email: manoranjan@iiflsamasta.com

Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer in case of any pre-Issue or post-Issue related issues such as non-receipt of Allotment Advice, demat credit of allotted NCDs, refunds, transfers, etc. as the case may be.

Lead Managers



Trust Investment Advisors Private Limited

109/110, Balarama,
Bandra Kurla Complex,
Bandra East, Mumbai – 400 051

Tel: +91 22 4084 5000

Fax: +91 22 4084 5066

Email: projectpragathi.trust@trustgroup.in

Investor Grievance Email: customercare@trustgroup.in

Website: www.trustgroup.in

Contact person: Hani Jalan

Compliance Officer: Aayushi Mulasi

SEBI Registration Number: INM000011120

CIN: U67190MH2006PTC162464



IIFL Securities Limited*

24th Floor, One Lodha Place,
Senapati Bapat Marg
Lower Parel (West), Mumbai – 400 013

Tel: +91 22 4646 4728

Email: iiflsamasta.ncd@iiflcap.com

Investor Grievance Email: ig.ib@iiflcap.com

Website: www.iiflcap.com

Contact Person: Nishita Mody

Compliance Officer: Pawan Jain

SEBI Registration no.: INM000010940

CIN: L99999MH1996PLC132983



Nuvama Wealth Management Limited

(formerly known as Edelweiss Securities Limited)

801 – 804, Wing A, Building No 3 Inspire BKC,
G Block, Bandra Kurla Complex, Bandra East,
Mumbai – 400 051 Maharashtra, India

Tel : +91 22 4009 4400

Email: iifl.samasta@nuvama.com

Investor Grievance Email:

customerservice.mb@nuvama.com

Website: www.nuvama.com

Contact person: Saili Dave

Compliance Officer: Bhavana Kapadia

SEBI Registration Number: INM000013004

CIN: L67110MH1993PLC344634

** IIFL Securities Limited is deemed to be an associate of the Issuer as per the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended (Merchant Bankers Regulations). Further, in compliance with the provisions of Regulation 21A and explanation to Regulation 21A of the Merchant Bankers Regulations, IIFL Securities Limited would be involved only in marketing of the Issue and as per Regulation 25 (3) of SEBI NCS Regulations shall not issue a due diligence certificate.*

Change in the Lead Managers

The Company filed a Shelf Prospectus dated November 23, 2023 and a Tranche I Prospectus dated November 23, 2023 read with Corrigendum to the Tranche I Prospectus dated November 30, 2023 (“**Tranche I Prospectus**”) with Registrar of Companies, Karnataka at Bengaluru, BSE, NSE and SEBI in relation to the Tranche I Issue. JM Financial Limited, was appointed as lead manager for coordination of due diligence related activities with respect to the proposed Issue by our Company under the Shelf Prospectus along with Trust Investment Advisors Private Limited and Nuvama Wealth Management Limited.

Pursuant to interim directions passed by SEBI in an interim *ex-parte* order dated March 7, 2024 bearing number WTM/AB/DDHS/DDHS-PoD-1/30074/2023-24 issued by SEBI (“**SEBI Order**”), JM Financial Limited is unable to continue to act as a lead manager to the Issue.

The Company, Trust Investment Advisors Private Limited, Nuvama Wealth Management Limited and IIFL Securities have entered into an addendum cum supplemental agreement to the Issue Agreement dated May 14, 2024. Our Company has also issued a second addendum to the shelf prospectus dated May 15, 2024 (“**Addendum**”) updating the Shelf Prospectus to reflect the above changes.

Debenture Trustee



Beacon Trusteeship Limited

7 A & B, Siddhivinayak Chambers,
Opposite MIG Cricket Club, Gandhi Nagar,
Bandra East, Mumbai 400 051

Tel: +91 22 2655 8759

Email: contact@beacontrustee.co.in

Investor Grievance Email: investorgrievances@beacontrustee.co.in

Website: www.beacontrustee.co.in

Contact Person: Kaustubh Kulkarni

SEBI Registration No: IND000000569

CIN: U74999MH2015PLC271288

Beacon Trusteeship Limited under regulation 8 of SEBI NCS Regulations, by its letter dated October 31, 2023 and May 18, 2024 has given its consent for its appointment as Debenture Trustee to the Issue (hereinafter referred to as “**Trustees**”). A copy of letter from Beacon Trusteeship Limited conveying their consent to act as Trustees for the Debenture holders and for its name to be included in the Draft Shelf Prospectus, Shelf Prospectus and this Tranche II Prospectus and in all the subsequent periodical communications sent to the holders of the NCDs issued pursuant to the Issue is annexed as *Annexure B*.

Except as included in the Shelf Prospectus and this Tranche II Prospectus, all the rights and remedies of the Debenture Holders under this Tranche II Issue shall vest in and shall be exercised by the appointed Debenture Trustee for the Issue without having it referred to the Debenture Holders. All investors under this Tranche II Issue are deemed to have irrevocably given their authority and consent to the Debenture Trustee so appointed by our Company for the Issue to act as their trustee and for doing such acts, deeds, matters, and things in respect of or relating to the Debenture Holders as the Debenture Trustee may in his absolute direction deem necessary or require to be done in the interest of Debenture Holders and signing such documents to carry out their duty in such capacity.

Any payment by our Company to the Debenture Holders/Debenture Trustee, as the case maybe, shall, from the time of making such payment, completely and irrevocably discharge our Company from any liability to the Debenture Holders to that extent. For details on the terms of the Debenture Trust Deed, please see “*Issue Related Information*” on page 250.

Registrar to the Issue



Link Intime India Private Limited

C 101, 247 Park, L.B.S Marg, Vikhroli (West)

Mumbai – 400 083, Maharashtra, India

Tel: +91 810 811 4949

Fax: +91 22 4918 6195

Email: iiflsamasta.ncd2024@linkintime.co.in

Investor Grievance mail: iiflsamasta.ncd2024@linkintime.co.in

Website: www.linkintime.co.in

Contact Person: Shanti Gopalakrishnan

Compliance Officer : BN Ramakrishnan

SEBI Registration Number: INR000004058

CIN: U67190MH1999PTC118368

Link Intime India Private Limited, has by its letters dated September 29, 2023 and May 23, 2024 given its consent for its appointment as Registrar to the Issue and for its name to be included in the Draft Shelf Prospectus, Shelf Prospectus and this Tranche II Prospectus and in all the subsequent periodical communications sent to the holders of the Debentures issued pursuant to the Issue.

Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer in case of any pre Tranche II Issue or post Tranche II Issue related issues such as non-receipt of Allotment Advice, demat credit of allotted NCDs, refunds, unblocking, transfers, etc. as the case may be.

All grievances relating to the Tranche II Issue may be addressed to the Registrar to the Issue, giving full details such as name, Application Form number, address of the Applicant, Permanent Account Number, number of NCDs applied for, Series of NCDs applied for, amount paid on application, Depository Participant name and client identification number, and the collection centre of the Members of the Consortium where the Application was submitted and ASBA Account number (for Bidders other than Retail Individual Investors bidding through the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or UPI ID in case of Retail Individual Investors bidding through the UPI mechanism. Further, the Bidder shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to either (a) the relevant Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant, or (b) the concerned Member of the Syndicate and the relevant Designated Branch of the SCSB in the event of an Application submitted by an ASBA Applicant at any of the Syndicate ASBA Centres, giving full details such as name, address of Applicant, Application Form number, series applied for, number of NCDs applied for, amount blocked on Application.

All grievances related to the UPI process may be addressed to the Stock Exchanges, which shall be responsible for addressing investor grievances arising from applications submitted online through the App based/ web interface platform of Stock Exchanges or through their Trading Members. The intermediaries shall be responsible for addressing any investor grievances arising from the applications uploaded by them in respect of quantity, price or any other data entry or other errors made by them.

All grievances arising out of Applications for the NCDs made through the Online Stock Exchanges Mechanism (app based/web interface platform) of the Stock Exchanges or through Trading Members of the Stock Exchanges may be addressed directly to the relevant Stock Exchanges with a copy to the Registrar to the Issue.

Consortium member to the Issue



IIFL Securities Limited

24th Floor, One Lodha Palace, Senapati Bapat Marg,
Lower Parel (West), Mumbai 400013, Maharashtra, India

Telephone No.: +91 22 4646 4728

Fax: + 91 22 2493 1073

Email: iiflsamasta.ncd@iiflcap.com

Website: www.iiflcap.com

Investor Grievance Email: ig.ib@iiflcap.com

Contact Person: Nishita Mody/ Pawan Kumar Jain

Compliance Officer: Pawan Kumar Jain

CIN: L99999MH1996PLC132983

SEBI Registration No.: INM000010940



Nuvama Wealth and Investment Limited

(Formerly known as Edelweiss Broking Limited)

2nd Floor, Office No. 201-203, Zodiac Plaza,

Xavier College Road, Off CG Road,

Ahmedabad – 380 009, Gujarat, India

Telephone No.: +91 22 4009 4400

Fax: NA

Email: amit.dalvi@nuvama.com, prakash.boricha@nuvama.com

Investor Grievance Email: helpdesk@nuvama.com

Website: www.nuvamawealth.com

Contact Person: Amit Dalvi / Prakash Boricha

CIN: U65100GJ2008PLC077462

SEBI Registration No.: INZ000005231



Trust Financial Consultancy Services Private Limited
1101, Naman Centre, 'G' Block,
C-31, Bandra Kurla Complex, Bandra (East),
Mumbai – 400 051, Maharashtra, India
Telephone No.: +91 22 4084 5000
Fax: +91 22 4084 5066
Email: projectpragathi.trust@trustgroup.in,
pranav.inamdar@trustgroup.in
Investor Grievance Email: grievances@trustgroup.in
Website: www.trustgroup.in
Contact Person: Pranav Inamdar
Compliance Officer: Mr. Rajesh Nag
CIN: U67120MH2002PTC135942
SEBI Registration No.: INZ000238639



Trust Securities Services Private Limited
1202, Naman Centre, 'G' Block,
C-31, Bandra Kurla Complex, Bandra (East),
Mumbai – 400 051, Maharashtra, India
Telephone No.: +91 22 2656 7536
Fax: +91 22 2656 6598
Email: projectpragathi.trust@trustgroup.in,
pranav.inamdar@trustgroup.in
Investor Grievance Email: tssgrievances@trustgroup.in
Website: https://trustsecurities.in/
Contact Person: Pranav Inamdar
Compliance Officer: Richa Gandhi
CIN: U65929MH2016PTC287266
SEBI Registration No.: INZ000158031

Banker to the Tranche II Issue

Public Issue Account Bank, Sponsor Bank and Refund Bank



HDFC Bank Limited

FIG- OPS Department- Lodha,
I Think Techno Campus 0-3 Level,
Next to Kanjurmarg Railway Station,
Kanjurmarg (East) Mumbai- 400042,
Maharashtra, India
Tel: +91 22 30752927 /28/2914
Email: siddharth.jadhav@hdfcbank.com, sachin.gawade@hdfcbank.com, eric.bacha@hdfcbank.com,
tushar.gavankar@hdfcbank.com, pravin.teli2@hdfcbank.com
Contact Person: Eric Bacha/ Sachin Gawade / Pravin Teli / Siddharth Jadhav /Tushar Gavankar
Website: www.hdfcbank.com
SEBI Registration No: INBI000000063
CIN: L65920MH1994PLC080618

Statutory Auditor

Brahmayya & Co

Chartered Accountants

Khivraj Mansion

10/2, Kasturba Road

Bengaluru – 560 001

Tel: +91 80 2227 4551

Email: srinivas@brahmayya.in

Website: www.brahmayya.com

Firm Registration Number: 000515S

Contact Person: G. Srinivas, Managing Partner

Peer Review No: 014671

Brahmayya & Co, Chartered Accountants was appointed as the statutory auditor of our Company on July 24, 2021.

For change in statutory auditors in last three financial years and current financial year as on date of this Tranche II Prospectus, please see 'Other Regulatory and Statutory Disclosures' on page 215 of this this Tranche II Prospectus.

Credit Rating Agency

CRISIL
Ratings

CRISIL Ratings Limited

CRISIL House,
Central Avenue, Hiranandani Business Park,
Powai, Mumbai – 400 076

Tel: +91 22 3342 3000 (B)

Fax: +91 22 3342 3050

Email: crisilratingdesk@crisil.com

Website: www.crisil.com

Contact Person: Ajit Velonie

SEBI Registration No: INCRA0011999

Acuite
RATINGS & RESEARCH

Acuite Ratings & Research Limited

708, Lodha Supremus, Lodha iThink Campus

Kanjurmarg (East)

Mumbai – 400 042

Tel: +91 99698 98000

Email: chitra.mohan@acuite.in

Website: www.acuite.in

Contact Person: Chitra Mohan

SEBI Registration No: IN/CRA/006/2011

CIN: U74999MH2005PLC155683

Credit Rating and Rationale

The ratings of NCDs proposed to be issued under the terms of this Tranche II Prospectus have been revalidated to CRISIL AA-/Watch Developing (Continues on 'Rating Watch with Developing Implications') for an amount of ₹ 2,000 crore by CRISIL Ratings Limited vide their rating letter dated May 8, 2024 and 'ACUITE AA | Rating Watch Negative Implications' for an amount of ₹ 2,000 crore by Acuite Ratings & Research Limited vide their rating revalidation letter dated May 10, 2024. The rating by CRISIL Ratings Limited has been revised from CRISIL AA-/ Positive (Pronounced as CRISIL double A minus rating with Positive outlook) assigned vide their rating letter dated November 20, 2023 for an amount of ₹ 2,000 crore and the rating by Acuite Ratings & Research Limited has been revised from 'Acuite AA Stable' for an amount of ₹ 2,000 crore assigned by their rating letter dated October 6, 2023. Securities with these ratings are considered to have high degree of safety regarding timely servicing of financial obligations. Such securities carry very low credit risk. However, the rating by CRISIL Ratings Limited continues to be under Rating Watch with Developing Implications which reflects an emerging situation, which may affect the credit profile of the related entity and the rating by Acuite Ratings and Research Limited is under watch with Negative Implications. The Rating Watch reflects an emerging situation, which may affect the credit profile of the related entity. Rating given by CRISIL Ratings Limited and Acuite Ratings & Research Limited is valid as on the date of this Tranche II Prospectus and shall remain valid on date of issue and allotment of NCDs and the listing of the NCDs on Stock Exchanges unless withdrawn. In case of any change in credit ratings till the listing of NCDs, our Company will inform the investors through public notices/ advertisements in all those newspapers in which pre issue advertisement has been given. The rating is not a recommendation to buy, sell or hold the rated instrument and investors should take their own decisions. The rating may be subject to revision or withdrawal at any time by the assigning rating agency and each rating should be evaluated independently of any other rating. The rating agencies have a right to suspend or withdraw the rating at any time on the basis of factors such as new information. For the rating letter and rating rationale for these ratings, see "Annexure A" of this Tranche II Prospectus. There are no unaccepted ratings and any other ratings other than as specified in this Tranche II Prospectus.

Disclaimer Statement of CRISIL Ratings Limited

CRISIL Ratings Limited (CRISIL Ratings) has taken due care and caution in preparing the Material based on the information provided by its client and / or obtained by CRISIL Ratings from sources which it considers reliable (Information). A rating by CRISIL Ratings reflects its current opinion on the likelihood of timely payment of the obligations under the rated instrument and does not constitute an audit of the rated entity by CRISIL Ratings. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy, sell, or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. The Rating is not a recommendation to invest / disinvest in any entity covered in the Material and no part of the Material should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. CRISIL Ratings especially states that it has no liability whatsoever to the subscribers / users / transmitters/ distributors of the Material. Without limiting the generality of the foregoing, nothing in the Material is to be construed as CRISIL Ratings providing or intending to provide any services in jurisdictions where CRISIL Ratings does not have the necessary permission and/or registration to carry out its business activities in this regard. IIFL Samasta Finance Limited will be responsible for ensuring compliances and consequences of non-compliances for use of the Material or part thereof outside India. Current rating status and CRISIL Ratings rating

criteria are available without charge to the public on the website, www.crisil.com. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please contact Customer Service Helpdesk at 1800-267-1301.

Disclaimer Statement of Acuité Ratings & Research Limited

An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Acuité ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. Acuité ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuité, Acuity's rating scale and its definitions.

Legal Counsel to the Issue



Khaitan & Co

One World Centre
13th & 10th Floor, Tower 1C
Senapati Bapat Marg
Mumbai – 400 013
Maharashtra, India
Tel: +91 22 6636 5000

Impersonation

As a matter of abundant precaution, attention of the investors is specifically drawn to the provisions of sub-Section (1) of Section 38 of the Companies Act, 2013, relating to punishment for fictitious applications. Section 38(1) of the Companies Act, 2013 provides that:

“Any person who —

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

shall be liable for action under Section 447.”

The liability prescribed under Section 447 of the Companies Act 2013 for fraud involving an amount of at least ₹ 0.10 crore or 1.00% of the turnover of our Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than ₹ 0.10 crore or 1.00% of the turnover of our Company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹ 0.50 crore or with both.

Recovery Expense Fund

Our Company has created a recovery expense fund in the manner as specified by SEBI in SEBI Debenture Trustee Master Circular as amended from time to time and Regulation 11 of SEBI NCS Regulations with the Designated Stock Exchange and have informed the Debenture Trustee regarding the creation of such fund. The Recovery expense fund may be utilized by Debenture Trustee, in the event of default by our Company under the terms of the Debenture Trust Deed, and the Applicable Laws, for taking appropriate legal action to enforce the security.

Settlement Guarantee Fund

Our Company will deposit amounts in the settlement guarantee fund, as applicable, in the manner as specified in the SEBI Master Circular. This fund has been created under the SEBI Master Circular to ensure upfront collection of charges from eligible issuers at the time of allotment of debt securities.

Inter-se allocation of Responsibility

The following table sets forth the responsibilities for various activities by the Lead Managers:

No	Activities	Responsibility [#]	Coordinator
1.	Due diligence of Company's operations/ management/ business plans/ legal etc. <ul style="list-style-type: none"> • Drafting of the offering document. • Coordination with the Stock Exchanges for in-principle approval 	Nuvama and Trust Investment Advisors	Trust Investment Advisors
2.	Structuring of various issuance options with relative components and formalities etc.	Trust Investment Advisors and Nuvama	Trust Investment Advisors
3.	Co-ordination with intermediaries for their deliverables and co-ordination with lawyers for legal opinion	Trust Investment Advisors and Nuvama	Trust Investment Advisors
4.	Drafting and approval of statutory advertisement.	Trust Investment Advisors and Nuvama	Trust Investment Advisors
5.	Appointment of other intermediaries viz., Registrar, Debenture Trustee, Consortium Members, printer, advertising agency and Public Issue Bank, Refund Bank and Sponsor Bank.	Trust Investment Advisors and Nuvama	Trust Investment Advisors
6.	Coordination with the printer for designing and finalization of Issue Documents, Application Form including memorandum containing salient features of the Issue Documents.	Trust Investment Advisors and Nuvama	Nuvama
7.	Drafting and approval of all publicity material (excluding statutory advertisement as mentioned in point 4 above) including print and online advertisement, outdoor advertisement including brochures, banners, hoardings etc.	Trust Investment Advisors and Nuvama	Trust Investment Advisors
8.	Preparation of road show presentation, FAQs.	Trust Investment Advisors and Nuvama	IIFL Securities
9.	Marketing strategy which will cover, inter alia: <ul style="list-style-type: none"> • Deciding on the quantum of the Issue material and follow-up on distribution of publicity and Issue material including Application Forms, Issue Documents, posters, banners, etc. • Finalise collection centres; • Finalisation of list and allocation of institutional investors for one on one meetings. 	Trust Investment Advisors and Nuvama and IIFL Securities	Trust Investment Advisors
10.	Domestic institutions/banks/mutual funds marketing strategy: <ul style="list-style-type: none"> • Finalize the list and division of investors for one on one meetings, institutional allocation 	Trust Investment Advisors and Nuvama and IIFL Securities	Trust Investment Advisors and IIFL Securities
11.	Non-institutional marketing strategy which will cover, inter alia: <ul style="list-style-type: none"> • Finalize media, marketing and public relation strategy and publicity budget; • Finalize centers for holding conferences for brokers, etc. 	Trust Investment Advisors and Nuvama and IIFL Securities	Trust Investment Advisors and IIFL Securities
12.	Coordination with the Stock Exchange for use of the bidding software	Trust Investment Advisors and Nuvama	Nuvama
13.	Coordination for security creation by way of execution of Debenture Trust Deed	Trust Investment Advisors and Nuvama	Trust Investment Advisors

No	Activities	Responsibility [#]	Coordinator
14.	Post-issue activities including: <ul style="list-style-type: none"> • Co-ordination with Banker to the Issue for management of Public Issue Account(s), Refund Account and any other account • Coordinate with Registrar for collection of Application Forms by ASBA banks; and • Allotment resolution 	Trust Investment Advisors and Nuvama	Nuvama
15.	<ul style="list-style-type: none"> • Drafting and finalization of post issue stationery items like, allotment and refund advice, etc.; • Coordination for generation of ISINs; • Corporate action for dematerialized credit /delivery of securities; • Coordinating approval for listing and trading of securities; and • Redressal of investor grievances in relation to post issue activities. 	Trust Investment Advisors and Nuvama	Nuvama

[#] IIFL Securities Limited is deemed to be an associate of the Issuer as per the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended (Merchant Bankers Regulations). Further, in compliance with the provisions of Regulation 21A and explanation to Regulation 21A of the Merchant Bankers Regulations, IIFL Securities Limited would be involved only in marketing of the Issue and as per Regulation 25 (3) of SEBI NCS Regulations shall not issue a due diligence certificate.

Underwriting

This Tranche II Issue is not underwritten.

Arrangers to the Issue

There are no arrangers to the Tranche II Issue.

Guarantor to the Issue

There are no guarantors to the Tranche II Issue.

Minimum subscription

In terms of the SEBI NCS Regulations, for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue Size i.e., ₹150 crores. If our Company does not receive the minimum subscription of 75% of Base Issue Size, prior to the Tranche II Issue Closing Date of the Tranche II Issue, the entire Application Amount shall be unblocked in the relevant ASBA Account(s) of the Applicants within 8 Working Days from the Tranche II Issue Closing Date or such time as may be specified by SEBI. In the event, there is a delay by our Company in unblocking the aforesaid ASBA Account within the prescribed time limit our Company will become liable to refund the Application Amount along with interest at the rate of 15 (fifteen) percent per annum for the delayed period.

Under Section 39(3) of the Companies Act, 2013 and Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription amount was remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar does not have the necessary information for making such refunds, our Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard included in the SEBI Master Circular.

Designated Intermediaries

Self-Certified Syndicate Bank

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA and UPI Mechanism process is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=45> and <https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40> respectively, as updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms and UPI Mechanism through app/web interface from the Designated Intermediaries, refer to the above-mentioned links.

In relation to Bids submitted under the ASBA process to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of the ASBA Forms from the Members of the Syndicate is available on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=45> and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of SEBI at < <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>> or any such other website as may be prescribed by SEBI from time to time.

Syndicate SCSB Branches

In relation to Applications submitted to a member of the Syndicate or the Trading Members of the Stock Exchanges only in the Specified Cities (Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bengaluru, Hyderabad, Pune, Vadodara and Surat), the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Application Forms from the Members of the Syndicate is available on the website of SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=45>) and updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Application Forms from the Syndicate at Specified Locations, see the website of SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=45>) as updated from time to time or any such other website as may be prescribed by SEBI from time to time.

Broker Centres/ Designated CDP Locations/ Designated RTA Locations

In accordance with SEBI Circular No. CIR/CFD/14/2012 dated October 4, 2012 and RTA Master Circular and the SEBI Master Circular, Applicants can submit the Application Forms with the Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone number, are available at the website of the Stock Exchanges at www.bseindia.com and www.nseindia.com.

The list of the Registered Brokers, RTAs and CDPs, eligible to accept Applications in the Issue, including details such as postal address, telephone number and email address, are provided on the websites of BSE at http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3 for Registered Brokers and <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6> for RTAs and CDPs, as updated from time to time and of the website of NSE at <https://www.nseindia.com/nse-clearing/transfer-agent>.

The list of branches of the SCSBs at the Broker Centres, named by the respective SCSBs to receive deposits of the Application Forms from the Registered Brokers will be available on the website of SEBI (www.sebi.gov.in) and updated from time to time.

Utilisation of Issue proceeds

For details on utilisation of Tranche II Issue proceeds please see, “*Objects of the Tranche II Issue*” beginning on page 69.

Issue Programme*

TRANCHE II ISSUE OPENS ON	Monday, June 3, 2024
TRANCHE II ISSUE CLOSES ON	Friday, June 14, 2024
PAY IN DATE	Application Date. The entire Application Amount is payable on Application.
DEEMED DATE OF ALLOTMENT	The date on which the Board of Directors or the Issuance and Allotment Committee approves the Allotment of the NCDs for Tranche II Issue or such date as may be determined by the Board of Directors/ or the Issuance and Allotment Committee thereof and notified to the Designated Stock Exchange. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the Debenture Holders from the Deemed Date of Allotment.

* *The Tranche II Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m. (Indian Standard Time) during the period as indicated in this Tranche II Prospectus. Our Company may, in consultation with the Lead Managers, consider closing the Tranche II Issue on such earlier date or extended date (subject to a minimum period of three working days and a maximum period of 10 working days from the date of opening of the Tranche II Issue and subject to not exceeding thirty days from filing of the*

Tranche II Prospectus with ROC including any extensions), as may be decided by the Board of Directors of our Company or Issuance and Allotment Committee, subject to relevant approvals, in accordance with Regulation 33A of the SEBI NCS Regulations. In the event of an early closure or extension of the Tranche II Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in all the newspapers in which pre-issue advertisement for opening of this Tranche II Issue has been given on or before such earlier or initial date of Tranche II Issue closure. On the Tranche II Issue Closing Date, the Application Forms will be accepted only between 10:00 a.m. and 3:00 p.m. (Indian Standard Time) and uploaded until 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchanges. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5:00 p.m. (Indian Standard Time). On one Working Day post the Tranche II Issue Closing Date.

Applications Forms for the Tranche II Issue will be accepted only from 10:00 a.m. to 5:00 p.m. (Indian Standard Time) (“Bidding Period”), during the Tranche II Issue Period as mentioned above on all days between Monday and Friday (both inclusive barring public holiday) (a) by the Designated Intermediaries at the Bidding Centres, or (b) by the SCSBs directly at the Designated Branches of the SCSBs. On the Tranche II Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. to 3:00 p.m. (Indian Standard Time) and uploaded until 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchanges. It is clarified that the Applications not uploaded on the Stock Exchanges Platform would be rejected. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5:00 p.m. (Indian Standard Time) on one Working Day after the Tranche II Issue Closing Date.

Due to limitation of time available for uploading the Applications on the Tranche II Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Tranche II Issue Closing Date and, no later than 3.00 p.m. (Indian Standard Time) on the Tranche II Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Tranche II Issue Closing Date, there may be some Applications which are not uploaded due to lack of sufficient time to upload. Such Applications that cannot be uploaded will not be considered for allocation under the Tranche II Issue. Neither our Company, nor the Lead Managers, nor any Consortium Member, Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations or designated branches of SCSBs are liable for any failure in uploading the Applications due to failure in any software/ hardware systems or otherwise. As per the SEBI Master Circular, the allotment in this Tranche II Issue is required to be made on the basis of date of upload of each application into the electronic book of the Stock Exchanges. However, from the date of oversubscription and thereafter, the allotments will be made to the applicants on proportionate basis.

CAPITAL STRUCTURE

Details of share capital

The share capital of our Company as on March 31, 2024, is set forth below:

Share Capital	(In ₹)
AUTHORISED SHARE CAPITAL	
99,80,00,000 Equity Shares of ₹ 10 each	9,98,00,00,000
20,00,000 Preference Shares of ₹ 10 each	2,00,00,000
Total Authorised Share Capital	10,00,00,00,000
ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL	
66,84,37,352 Equity Shares of ₹ 10 each fully paid up	668,43,73,520
Total	668,43,73,520
Securities Premium Account	484,05,68,715

Note: There will be no change in the capital structure and securities premium account due to the issue and allotment of the NCDs.

Changes in capital structure as of cutoff date and for the preceding three financial years and current financial year up to March 31, 2024

Other than specified below, there has been no change in capital structure of our Company for the current financial year up to March 31, 2024 and preceding three financial years:

Date of Change (AGM/ EGM)	Particulars
EGM dated December 14, 2020	Increase of Authorised Share Capital, from ₹ 300 crore comprising of 29,80,00,000 Equity shares of ₹ 10 each aggregating and 20,00,000 Preference Shares of ₹ 10 each comprising of 1,45,000 Redeemable Non-Convertible Cumulative Preference Shares of ₹ 10 each and 18,55,000 Preference Shares of ₹ 10 each to ₹ 400 crore comprising of 39,80,00,000 Equity shares of ₹ 10 each and 20,00,000 Preference Shares of ₹ 10 aggregating to ₹ 2,00,00,000.
EGM dated May 24, 2021	Increase of Authorised Share Capital, by creation of 20,00,00,000 new Equity Shares of ₹ 10 each. The revised Authorised Share Capital stood at ₹ 600 crores comprising of 59,80,00,000 Equity Shares of ₹ 10 each and 20,00,000 Preference Shares of ₹ 10 each comprising of 1,45,000 Redeemable Non-Convertible Cumulative Preference Shares of ₹ 10 each and 18,55,000 Preference Shares of ₹ 10 each.
EGM dated January 30, 2023	Increase of Authorised Share Capital, by creation of 10,00,00,000 new Equity Shares of ₹ 10 each. The revised Authorised Share Capital stood at ₹ 700,00,00,000 consisting of Equity share Capital divided into 69,80,00,000 Equity shares of ₹10 each and 20,00,000 Preference shares of ₹ 10 each which is further divided into 1,45,000 Redeemable Non-Convertible Cumulative Preference Shares of ₹ 10 each aggregating to ₹ 14,50,000 and 18,55,000 Preference Shares of ₹ 10 each aggregating to ₹ 1,85,50,000.
EGM dated January 24, 2024	Increase of Authorised Share Capital, by creation of 30,00,00,000 new Equity Shares of ₹ 10 each. The revised Authorised Share Capital stood at ₹ 1000,00,00,000 consisting of Equity share Capital divided into 99,80,00,000 Equity shares of ₹10 each and 20,00,000 Preference shares of ₹ 10 each which is further divided into 1,45,000 Redeemable Non-Convertible Cumulative Preference Shares of ₹ 10 each aggregating to ₹ 14,50,000 and 18,55,000 Preference Shares of ₹ 10 each aggregating to ₹ 1,85,50,000.

Details of the equity share capital for the preceding three financial years and current financial year:

Other than specified below, there has been no change in changes in the Equity Share capital of our Company in the preceding three financial years and the current year:

Date of Allotment	No of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (Cash, other than cash, etc.)	Nature of Allotment	Cumulative		
						No. of Equity Shares	Equity Share Capital (₹ in crores)	Equity Share Premium (₹ in crores)
June 28, 2021	12,21,00,121	10	16.38	Cash	Rights Issue	44,29,13,457	442.91	209.58
March 30, 2022	4,14,82,300	10	18.08	Cash	Rights Issue	48,43,95,757	484.40	243.10
March 31, 2022	1,38,27,433	10	18.08	Cash	Rights Issue	49,82,23,190	498.22	254.27
February 8, 2023	9,54,19,847	10	20.96	Cash	Rights Issue	59,36,43,037	593.64	358.85
November 15, 2023	7,47,94,315	10	26.74	Cash	Right Issue	66,84,37,352	668.43	484.06

Shareholding pattern of our Company as on March 31, 2024

Table I - Summary Statement holding of specified securities

Category	Category of shareholder	Nos. of share holders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Share holding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	No. of Locked in shares		No. of Shares pledged or otherwise encumbered		No. of equity shares held in dematerialised form
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No.	As a % of total Shares held	
								Class eg: x	Class eg: y	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
(A)	Promoter & Promoter Group	7	66,84,37,352	Nil	Nil	66,84,37,352	100.00	66,84,37,352	Nil	66,84,37,352	100	Nil	100.00	Nil	Nil	Nil	Nil	66,84,37,352
(B)	Public		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(C)	Non-Promoter – Non-Public																	
(C1)	Shares underlying DRs		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(C2)	Shares held by Employees Trusts		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total:		66,84,37,352	Nil	Nil	66,84,37,352	100.00	66,84,37,352	Nil	66,84,37,352	100	Nil	Nil	Nil	Nil	Nil	Nil	66,84,37,352

Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Category	Category & Name of the Shareholder	PAN	No of Share holders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (calculated as per SCRR, 1957 (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No of Shares Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)+(X) As a % of (A+B+C2)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class X	Class Y	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)	
(1)	Indian																		
(a)	Individuals/ Hindu undivided Family																		

Category	Category & Name of the Shareholder	PAN	No of Share holders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (calculated as per SCRR, 1957 (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)+(X) As a % of (A+B+C2)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class X	Class Y	Total								
1	Narayanaswamy Venkatesh (Promoter)	AAJPV 2474Q		23,88,777	Nil	Nil	23,88,777	0.36	23,88,777	Nil	23,88,777	0.36	NA	NA	Nil	0.36	Nil	Nil	23,88,777
2	Shivaprakash Deviah (Promoter)	AELPS 6775B		3,45,000	Nil	Nil	3,45,000	0.05	3,45,000	Nil	3,45,000	0.05	NA	NA	Nil	0.05	Nil	Nil	3,45,000
3	Venkatakrishnama Appanaidu Narayanaswamy (Relative of Promoter)	AAIPN 1977B		1	Nil	Nil	1	0.00	1	Nil	1	0.00	NA	NA	Nil	0.00	Nil	Nil	1
4	Anitha Shivanna (Relative of Promoter)	ADKP A4594L		1,93,200	Nil	Nil	1,93,200	0.03	1,93,200	Nil	1,93,200	0.03	NA	NA	Nil	0.03	Nil	Nil	1,93,200
5	Prema Narayanaswamy (Relative of Promoter)	AAIPN 1978Q		1	Nil	Nil	1	0.00	1	Nil	1	0.00	NA	NA	Nil	0.00	Nil	Nil	0
6	Vidhya Anand (Relative of Promoter)	AAJPV 2475R		1	Nil	Nil	1	0.00	1	Nil	1	0.00	NA	NA	Nil	0.00	Nil	Nil	0
(b)	Central Government/ State Government(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(c)	Financial Institutions/ Banks	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
1	IIFL Finance Limited (Promoter)	AABCI 0745G		66,55,10,372	Nil	Nil	66,55,10,372	99.56	66,55,10,372	Nil	66,55,10,372	99.56	NA	NA	Nil	Nil	Nil	Nil	66,55,10,372
(d)	Any Other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Sub-Total (A)(1)			66,84,37,352	Nil	Nil	66,84,37,352	100	66,84,37,352		66,84,37,352	100							66,84,37,352
(2)	Foreign	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(a)	Individuals (Non-Resident)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Category	Category & Name of the Shareholder	PAN	No of Share holders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (calculated as per SCRR, 1957 (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)+(X) As a % of (A+B+C2)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form	
									No of Voting Rights					Total as a % of (A+B+C)	No.	As a % of total Shares held	No.		As a % of total Shares held
									Class X	Class Y	Total								
	Individuals/ Foreign Individuals																		
(b)	Government	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(c)	Institutions	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(d)	Foreign Portfolio Investor	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(e)	Any Other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Sub-Total (A)(2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Table III- Statement showing shareholding pattern of the Public shareholder

Category	Category & Name of the Shareholder	PAN	No of Share holders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form	
									No of Voting Rights					Total as a % of (A+B+C)	No.	As a % of total Shares held	No.		As a % of total Shares held
									Class X	Class Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)			(X)	(XI)	(XII)		(XIII)	(XIV)		
(1)	Institutions (Domestic)																		
(a)	Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
(b)	Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
(c)	Alternate Investment Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
(d)	Banks	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
(e)	Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
(f)	Provident Funds/ Pension Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
(g)	Asset Reconstruction Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
(h)	Sovereign Wealth Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
(i)	NBFC Registered with RBI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	

Category	Category & Name of the Shareholder	PAN	No of Share holders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class X	Class Y	Total								
(j)	Other Financial Institutions	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(k)	Any Other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Sub Total (B)(1)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(2)	Institutions (Foreign)																		
(a)	Foreign Direct Investment	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(b)	Foreign Venture Capital	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(c)	Sovereign Wealth Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(d)	Foreign Portfolio Investors Category I	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(e)	Foreign Portfolio Investors Category II	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(f)	Overseas Depositories (holding DRs) (balancing figure)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(g)	Any Other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Sub Total (B)(2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(3)	Central Government/State Government(s)/President of India																		
(a)	Central Government / President of India	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(b)	State Government / Governor	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(c)	Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Sub Total (B)(3)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(4)	Non-Institutions																		
(a)	Associate companies / Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(b)	Directors and their relatives (excluding independent directors and nominee directors)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(c)	Key Managerial Personnel	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(d)	Relatives of promoters (other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Category	Category & Name of the Shareholder	PAN	No of Share holders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form	
									No of Voting Rights					Total as a % of (A+B+C)	No.	As a % of total Shares held	No.		As a % of total Shares held
									Class X	Class Y	Total								
	than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category)																		
(e)	Trusts where any person belonging to 'Promoter and Promoter Group' category is 'trustee', 'beneficiary', or 'author of the trust'	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(f)	Investor Education and Protection Fund (IEPF)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(g)	Resident Individuals holding nominal share capital up to ₹ 2 lakhs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(h)	Resident Individuals holding nominal share capital in excess of ₹ 2 lakhs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(i)	Non-Resident Indians (NRIs)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(j)	Foreign Nationals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(k)	Foreign Companies)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(l)	Bodies Corporate	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(m)	Any Other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Sub Total (B)(4)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total Public Shareholding (B) = (B)(1)+(B)(2)+B(3)+(B)(4)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

List of top 10 holders of Equity Shares of our Company as on March 31, 2024:

Sr. No.	Name of the Shareholder	Total number of Equity Shares (of Face Value ₹ 10)	Number of Equity Shares held in dematerialized form	Total shareholding as a % of total number of Equity Shares
1.	IIFL Finance Limited	66,55,10,372	66,55,10,372	99.56
2.	Narayanaswamy Venkatesh	23,88,777	23,88,777	0.36
3.	Shivaprakash Deviah	3,45,000	3,45,000	0.05
4.	Anitha Shivanna	1,93,200	1,93,200	0.03
5.	Venkatakrishnama Appanaidu Narayanaswamy	1	1	0.00
6.	Prema Narayanaswamy	1	0	0.00
7.	Vidhya Anand	1	0	0.00
	Total	66,84,37,352	66,84,37,350	100.00

List of top 10 holders of non-convertible securities as on March 31, 2024 (on cumulative basis):

Sr. No.	Name of the holder of non-convertible securities	Category of Holder	Debentures having face value of ₹1,000	Debentures having face value of ₹ 1,00,000	Debentures having face value of ₹10,00,000	Debentures having face value of ₹ 1,00,00,000	Total Amount (in ₹ crore)	Holding as a % of outstanding non-convertible securities
1.	The South Indian Bank Ltd	Bank	-	98.0	-	97.0	195.0	12.78%
2.	Sporta Technologies Private Limited	Corporate	-	100.0	5.0	-	105.0	6.88%
3.	Go Digit General Insurance Limited	Corporate	100.0	-	-	-	100.0	6.56%
4.	Global Access Fund Iv Lp	Corporate	-	97.0	-	-	97.0	6.36%
5.	The Karnataka Bank Ltd	Bank	-	-	-	75.0	75.0	4.92%
6.	Alpha Alternatives Equity Absolute Return Fund .	Corporate	-	73.0	-	-	73.0	4.79%
7.	Aditya Birla Money Limited	Corporate	-	60.0	-	-	60.0	3.93%
8.	HDFC Life Insurance Company Limited	Corporate	50.0	-	-	-	50.0	3.28%
9.	Northern Arc Capital Limited	Financial Institution	-	-	36.2	-	36.2	2.37%
10.	Kotak Mahindra Life Insurance Company Ltd.	Corporate	35.0	-	-	-	35.0	2.29%

List of top 10 holders of commercial paper as on March 31, 2024, in terms of value (on cumulative basis):

S. No.	Name of the holder of commercial paper	Category of Holder	Amount (in ₹ crore) Face Value of holding	Holding as a % of total commercial paper outstanding
1.	Mirae Assets	Mutual Fund	75.00	31.91%
2.	Northern Arc Money Market Alpha Trust	Financial Institution	60.00	25.53%
3.	Quant Mutual Fund – A/C Quant Liquidd Plan	Mutual Fund	50.00	21.28%
4.	Sundaram Finance Limited	NBFC	50.00	21.28%

Statement of the aggregate number of securities of our Company and our Subsidiary purchased or sold by our Promoters, Promoter Group, our Directors and the directors of our Promoters and/or their relatives within six months immediately preceding the date of filing of this Tranche II Prospectus.

As on date of this Tranche II Prospectus, our Company does not have any Subsidiary company. Further, except for the details as set out in the table below, no securities of our Company have been purchased or sold by our Promoters, promoter group, our Directors, directors of our Promoters and/or their relatives within six months immediately preceding the date of filing of this Tranche II Prospectus.

Sr. No.	Name of the Transferor	Name of the Transferee	Date of purchase/ transfer	Whether purchase/ transfer	Number of Equity Shares
Nil					

Shareholding of Directors in our Company

The shareholding of the Directors in our Company as on May 21, 2024 is mentioned below:

Sr. No.	Name of Director	Number of Equity Shares	% of holding (on fully diluted basis)
1.	Narayanaswamy Venkatesh	23,88,777	0.36%
2.	Shivaprakash Deviah	3,45,000	0.05%

Statement of Capitalization

Statement of capitalization (Debt to Equity Ratio) of our Company:

(₹ in crores, except Debt/Equity ratio)

Particulars	Pre-Issue as at March 31, 2024	Post Issue as Adjusted
Debt		
Debt Securities & Subordinated Liabilities	1,760.32	2,760.32
Borrowings (Other than Debt Securities)	7,142.58	7,142.58
Total Debt (A)	8,902.90	9,902.90
Equity		
Equity Share Capital	668.44	668.44
Other Equity	1,348.28	1,348.28
Total Equity (B)	2,009.72	2,009.72
Debt/ Equity (C= A/B)* (No. of times)	4.43	4.93

**The debt-equity ratio post Issue is indicative on account of the assumed inflow of ₹ 1,000 crore from the proposed Tranche II Issue. The actual debt-equity ratio post the Tranche II Issue would depend on the actual position of debt and equity on the Deemed Date of Allotment.*

Details of Promoter's shareholding in our Company's Subsidiary

As on date of this Tranche II Prospectus, our Company does not have any subsidiary company.

Details of Promoter's shareholding in our Joint Venture and Associate Companies

As on date of this Tranche II Prospectus, our Company does not have any joint venture or associate company.

Details of any acquisition or amalgamation in the last one year

Our Company has not made any acquisition or amalgamation in the last one year prior to the date of this Tranche II Prospectus.

Details of any reorganization or reconstruction in the last one year

Our Company has not made any reorganisation or reconstruction in the last one year prior to the date of this Tranche II

Prospectus.

Details of debt securities were issued at a premium or a discount by the Company

Other than as disclosed in the section “*Financial Indebtedness*” on page 155, no debt securities were issued at a premium or a discount by the Company.

Details of shareholding of our Directors in our Subsidiary, Associate or Joint Ventures

As on the date of this Tranche II Prospectus, our Company does not have any Subsidiary, joint venture or associate company.

Details of change in the promoters holding in our Company during the last financial year beyond 26 % (as prescribed by RBI)

There has been no change in the promoters holding in our Company during the last financial year beyond 26%.

Employee Stock Option Scheme

Our Company has adopted IIFL Samasta Finance Limited employee stock option plan – 2021 vide extra-ordinary general meeting held on October 27, 2021 (“**ESOP Plan-2021**”). There was no vesting or allotment of Equity Shares of the Company under ESOP Plan-2021.

In year 2023, the Company’s employee stock option plan - 2023 (“**ESOP Plan-2023**”) provide for the grant of stock options to eligible employees. The employee stock option plans (“**ESOPs**”) are administered through direct route by the Company. The Company transfers share to the eligible employees upon exercise of the options by such employees. The ESOP Plan-2023 came into force on March 24, 2023. The grant price is as decided by the Nomination and Remuneration Committee (“**N&RC**”) of our Company. The number of options and terms could vary at the discretion of the N&RC. Till March 31, 2024, the Company has not granted any option under ESOPs.

The total number of ESOPs to be granted, shall not exceed 5% of the paid-up share capital of the Company, as expanded from time to time, comprising of 3,34,21,867 ESOPs which shall be convertible into equal number of Equity Shares. The Company has provided various equity settled share-based payment schemes to its employees. The details of ESOPs as on March 31, 2024 are as follows:

Sr. No.	Particulars	Total Number								
1.	Stock options granted	1,52,96,920								
2.	Stock options vested	Nil								
3.	Stock options exercised	Nil								
4.	Total number of shares arising out of exercise of Stock options	NA								
5.	Stock options lapsed	NA								
6.	Exercise price (in ₹)	<table border="1"><thead><tr><th>Tranche</th><th>Exercise Price</th></tr></thead><tbody><tr><td>I</td><td>₹ 20.96 per share</td></tr><tr><td>II</td><td>₹ 23.38 per share</td></tr><tr><td>III</td><td>₹ 26.74 per share</td></tr></tbody></table>	Tranche	Exercise Price	I	₹ 20.96 per share	II	₹ 23.38 per share	III	₹ 26.74 per share
Tranche	Exercise Price									
I	₹ 20.96 per share									
II	₹ 23.38 per share									
III	₹ 26.74 per share									

None of the Equity Shares held by the Promoters in our Company are pledged or encumbered otherwise by our Promoters and Promoter Group.

OBJECTS OF THE TRANCHE II ISSUE

Our Company has filed the Shelf Prospectus for a public issue of secured, rated, listed, redeemable, NCDs for an amount up to ₹ 2,000 crore (the “**Shelf Limit**”) to be issued in one or more tranches. The NCDs under this Tranche II Issue are within the Shelf Limit, on the terms and conditions as set out in this Tranche II Prospectus for Tranche II Issue, which should be read together with the Draft Shelf Prospectus, the Shelf Prospectus and this Tranche II Prospectus.

The Tranche II Issue is being made pursuant to the provisions of the SEBI NCS Regulations and the Companies Act and the rules made there under. Our Company proposes to utilize the proceeds raised through the Issue, after deducting the Tranche II Issue related expenses to the extent payable by our Company (“**Net Proceeds**”) towards funding the objects listed under this section.

The details of the proceeds of the Tranche II Issue are summarized below:

Particulars	Estimated amount (₹ in crore)
Gross proceeds of the Issue	1,000.00
Less: Tranche II Issue related expenses*	15.71
Net proceeds	984.29

**The above Tranche II Issue related expenses are indicative and are subject to change depending on the actual level of subscription to the Issue, the number of allottees, market conditions and other relevant factors.*

Requirement of Funds and Utilization of Net Proceeds

The following table details the objects of the Tranche II Issue (collectively, referred to herein as the “**Objects**”) and the amount proposed to be financed from Net Proceeds:

Sr. No.	Objects of the Tranche II Issue	Percentage of amount proposed to be financed from Net Proceeds
a.	For the purpose of onward lending, financing / refinancing the existing indebtedness of our Company, and/or debt servicing (payment of interest and/or repayment / prepayment of interest and principal of existing borrowings of our Company)*	At least 75%
b.	General Corporate Purposes**	Maximum up to 25%
	Total	100%

**Our Company will not utilise the proceeds of this Tranche II Issue towards payment of prepayment penalty, if any.*

***The Net Proceeds will be first utilized towards the Objects mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the amount raised in the Tranche II Issue, in compliance with the SEBI NCS Regulations.*

The main objects clause of the Memorandum of Association of the Company permits the Company to undertake its existing activities as well as the activities for which the funds are being raised through the Issue.

Issue related expenses break-up

The expenses for this Tranche II Issue include, inter alia, lead management fees and selling commission to the Lead Managers, Consortium Members and intermediaries as provided for in the SEBI Master Circular, fees payable to debenture trustees, the Registrar to the Issue, SCSBs’ commission/ fees, printing and distribution expenses, legal fees, advertisement expenses, listing fees and any other expense directly related to the Issue. The Tranche II Issue expenses and listing fees will be paid by our Company.

The estimated breakdown of the total expenses for this Tranche II Issue is as below.

Particulars	Amount (₹ in crore)	As percentage of Tranche II Issue proceeds (in %)	As percentage of total expenses of the Tranche II Issue (in %)
Lead manager fees	0.12	0.01%	0.76%
Underwriting commission	-	0.00%	0.00%
Brokerage, selling commission and upload fees	13.62	1.36%	86.71%
Fee Payable to the registrar to the issue	0.04	0.00%	0.25%

Particulars	Amount (₹ in crore)	As percentage of Tranche II Issue proceeds (in %)	As percentage of total expenses of the Tranche II Issue (in %)
Fees payable to the legal advisor	0.15	0.02%	0.96%
Advertising and marketing expenses	0.90	0.09%	5.73%
Fees payable to the regulators including stock exchange.	0.38	0.04%	2.42%
Expenses incurred on printing and distribution of issue stationary	0.09	0.01%	0.57%
Any other fees, commission or payments under whatever nomenclature.	0.41	0.04%	2.59%
Grand Total	15.71	1.57%	100.00%

Note: The above expenses are subject to applicable taxes as per the agreed terms of engagement with respective agency.

** Assuming the Tranche II Issue is fully subscribed, and our Company retains oversubscription as per the Issue Documents.*

The above expenses are indicative and are subject to change depending on the actual level of subscription to the Tranche II Issue and the number of Allottees, market conditions and other relevant factors.

Our Company shall pay processing fees to the SCSBs for ASBA forms procured by Lead Managers/ Consortium Members/Members of the Syndicate/Brokers/Trading Members and submitted to the SCSBs for blocking the Application Amount of the Applicant, at the rate of ₹ 15 per Application Form procured. However, it is clarified that in case of ASBA Application Forms procured directly by the SCSBs, the relevant SCSBs shall not be entitled to any ASBA Processing Fee. The payment will be made on the basis of valid invoices within such timelines mutually agreed to/prescribed by the Company with the Designated Intermediaries. Our Company shall not pay any fees to the Sponsor Bank.

Purpose for which there is a requirement of funds

As stated in this section.

Funding Plan

NA

Summary of the project appraisal report

NA

Schedule of implementation of the project

NA

Monitoring and reporting of utilization of funds

There is no requirement for appointment of a monitoring agency in terms of the SEBI NCS Regulations. The Audit Committee of our Company shall monitor the utilisation of the proceeds of the Tranche II Issue. Our Company will disclose in our Company's financial statements for the relevant financial year commencing from Fiscal 2025, the utilisation of the proceeds of the Tranche II Issue under a separate head along with details, if any, in relation to all such proceeds of the Tranche II Issue that have not been utilised thereby also indicating investments, if any, of such unutilized proceeds of the Tranche II Issue. Our Company shall utilize the proceeds of the Tranche II Issue only upon receipt of minimum subscription, i.e., 75% of base issue size for Tranche II Issue, the execution of the documents for creation of security and the Debenture Trust Deed and receipt of final listing and trading approval from the Stock Exchanges. Our Company, in accordance with the timeline prescribed in SEBI Listing Regulations, shall submit to the stock exchange, a statement indicating the utilization of issue proceeds of non-convertible securities, which shall be continued to be given till such time the issue proceeds have been fully utilised or the purpose for which these proceeds were raised has been achieved. Our Company shall utilise the proceeds of the Tranche II Issue only upon execution of the documents for creation of Security and the Debenture Trust Deed and receipt of listing and trading approval from the Stock Exchanges as stated in the section titled "Terms of the Issue" on page 260.

Interim use of proceeds

Our Management, in accordance with the policies formulated by it from time to time, will have the flexibility in deploying the proceeds received from the Tranche II Issue. Pending utilization of the proceeds out of the Tranche II Issue for the purposes described above, our Company intends to temporarily invest funds in high quality interest/ non- interest bearing liquid instruments including money market mutual funds, deposits with banks, current account of banks or temporarily deploy the funds in investment grade interest bearing securities as may be approved by the Board of Directors. Such investment would be in accordance with applicable law and the investment policies approved by the Board of Directors or any committee thereof from time to time.

General Corporate Purposes

Our Company intends to deploy up to 25% of the amount raised and allotted in the Tranche II Issue for general corporate purposes, including but not restricted to routine capital expenditure, renovations, strategic initiatives, meeting any expenditure in relation to our Company as well as meeting exigencies which our Company may face in the ordinary course of business, or any other purposes as may be approved by our Board of Directors or duly authorized committee thereof.

Other Confirmations

In accordance with the SEBI NCS Regulations, our Company will not utilize the proceeds of the Tranche II Issue for providing loans to or acquisition of shares of any person or company who is a part of the Promoter Group or Group Companies.

In accordance with the SEBI NCS Regulations, our Company will not utilize the proceeds of the Tranche II Issue towards full or part consideration for the purchase or any other acquisition, inter alia by way of a lease, of any immovable property.

No part of the proceeds from the Tranche II Issue will be paid by us as consideration to our Promoter, the Directors, Key Managerial Personnel, Senior Management Personnel or companies promoted by our Promoters except in ordinary course of business.

No part of the proceeds from the Tranche II Issue will be utilized for buying, trading or otherwise dealing in equity shares of any listed company. Further our Company undertakes that Tranche II Issue proceeds from NCDs allotted to banks shall not be used for any purpose, which may be in contravention of RBI guidelines including those relating to classification as capital market exposure or any other sectors that are prohibited under RBI Regulations.

All monies received out of the Tranche II Issue shall be credited/ transferred to a separate bank account maintained with a Scheduled Bank as referred to in section 40(3) of the Companies Act 2013.

Details of all monies utilised out of the Tranche II Issue referred above shall be disclosed under an appropriate separate head in our balance sheet indicating the purpose for which such monies have been utilised along with details, if any, in relation to all such proceeds of the Tranche II Issue that have not been utilized thereby also indicating investments, if any, of such unutilized proceeds of the Tranche II Issue.

Details of all unutilised monies out of the Tranche II Issue, if any, shall be disclosed under an appropriate separate head in our balance sheet indicating the form in which such unutilised monies have been invested.

Our Company confirms that it will not use the proceeds from the Tranche II Issue, directly or indirectly, for the purchase of any business or in the purchase of any interest in any business whereby our Company shall become entitled to an interest in either the capital or profit or losses or both in such business exceeding 50% thereof, the purchase or acquisition of any immovable property (direct or indirect) or acquisition of securities of any other body corporate.

The fund requirement as above is based on our current business plan and is subject to change in light of variations in external circumstances or costs, or in our financial condition, business or strategy. Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirements and deployment of funds may also change.

There is no contribution being made or intended to be made by the Directors as part of the Tranche II Issue or separately in furtherance of the Objects of the Tranche II Issue, except to the extent of NCDs subscribed by the Director (if subscribed).

Variation in terms of contract or objects in the Shelf Prospectus and Tranche II Prospectus

Our Company shall not, in terms of Section 27 of the Companies Act, 2013, at any time, vary the terms of the objects for which the Shelf Prospectus and this Tranche II Issue are issued, except as may be prescribed under the applicable laws and specifically under Section 27 of the Companies Act, 2013. Further, in accordance with the SEBI Listing Regulations, in case of any material deviation in the use of proceeds as compared to the objects of the issue, the same shall be indicated in the format as specified by SEBI from time to time.

Benefit / interest accruing to Promoter/Directors/ Key Managerial Person/ Senior Management Personnel out of the object of the Issue

Neither our Promoters nor the Directors or Key Managerial Person or Senior Management Personnel of our Company are interested in the Objects of the Tranche II Issue.

STATEMENT OF POSSIBLE TAX BENEFITS

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE DEBENTURES HOLDERS

Board of Directors

IIFL Samasta Finance Limited

110/3, Lalbagh Main Road

Krishnappa Layout

Bengaluru – 560 027

Karnataka, India

Dear Ma'am/Sir,

Sub: Proposed public offering of Secured, Rated, Listed, Redeemable, Non-Convertible Debentures (“NCDs”) of face value of ₹ 1,000 each for an amount aggregating up to ₹1,000 crore (herein after referred to as the “Tranche II Issue”) which is within the shelf limit of ₹ 2,000 crore (“Shelf Limit” or “Issue”) by IIFL Samasta Finance Limited (“Company” or “Issuer”).

This certificate is issued in accordance with the terms of our engagement letter dated 27.10.2023.

The accompanying Statement of Possible Tax Benefits prepared by the management of the Company, discusses the tax provisions applicable to the Potential Debenture holders (“Investors”) subscribing in the Public Issue of NCDs of **IIFL Samasta Finance Limited** in Annexure A (hereinafter referred to as “**Statement of Possible Tax Benefits**” / “**Statement**”), under the Income-tax Act, 1961 (read with Income Tax Rules, circulars, notifications) as amended by the Finance Act, 2024 (hereinafter referred to as the “**IT Act**”) in connection with the proposed Tranche II Issue.

Management’s Responsibility

The preparation of this Statement as of the date of our certificate which is to be included in the Tranche II Prospectus (the “**Offering Documents**”) is the responsibility of the management of the Company.

This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

Our Responsibility

Our work has been carried out in accordance with Standards on Auditing, the ‘Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)’ and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India.

Pursuant to the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended (the “**SEBI NCS Regulations**”) and the Companies Act 2013 (“**Act**”), it is our responsibility to examine whether the Statement prepared by the Company, in all material respects, reflects the current position of possible tax benefits available to the debenture holders of the Company. For this purpose, we have read the Statement as given in **Annexure I** and evaluated with reference to the provisions of the IT Act to confirm that statements made are correct in all material respect.

We draw attention to the fact that the Statement includes certain inherent limitations that can influence the reliability of the information. The benefits discussed in the enclosed Annexure I are not exhaustive. Several of these benefits are dependent on the Investors fulfilling the conditions prescribed under the relevant tax laws. Therefore, the ability of Investors to derive the tax benefits is dependent on fulfilling such conditions.

The Statement is only intended to provide general information and is neither designed nor intended to be a substitute for the professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to specific tax implications arising out of their participation. Neither are we suggesting nor advising the investor to invest money based on this Statement.

We do not express any opinion or provide any assurance as to whether:

- i) debenture holders of the Company will continue to obtain the benefits as per the Statement in future;
- ii) the conditions prescribed for availing the benefits as per the Statement have been/would be met with; or
- iii) the revenue authorities/ courts will concur with the views expressed herein.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. We have relied upon the information and documents of the Company being true, correct and complete and have not audited or tested them. Our view, under no circumstances, is to be considered as an audit opinion under any regulation or law. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein.

Our views are based on existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume any responsibility to update the views consequent to such changes.

In our opinion, the Statement of Tax Benefits prepared by the Company as set out in Annexure - I materially covers all tax benefits available as at the date of our report to Debenture Holders, in accordance with provisions of the IT Act as amended.

Restriction on Use

We hereby consent to inclusion of the extracts of this certificate in the Offering Documents and/or any other document in relation to the Tranche II Issue, and for the submission of this certificate as may be necessary, to any regulatory / statutory authority including SEBI and the Registrar of Companies, Karnataka at Bengaluru, stock exchanges, any other authority as may be required and/or for the records to be maintained by the lead managers appointed in connection with the Tranche II Issue (the “**Lead Managers**”) and in accordance with applicable law, and for the purpose of any defense the Lead Managers may wish to advance in any claim or proceeding in connection with the contents of the Offer Documents. Accordingly, this certificate is not to be used, referred to or distributed for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. Any subsequent amendment / modification to provisions of the applicable laws may have an impact on the views contained in our statement. While reasonable care has been taken in the preparation of this certificate, we accept no responsibility for any errors or omissions therein or for any loss sustained by any person who relies on it.

This certificate may be relied on by Lead Managers, namely Trust Investment Advisors Private Limited, IIFL Securities Limited and Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited), their affiliates and legal counsel in relation to the Tranche II Issue.

Sincerely,

**For Gowthama & Company,
Chartered Accountants,
Firm No. 005917S**

**Pundarikaksha
Partner**

**M.No.214283
UDIN: 24265601BKFPCL6015**

**Place: Bangalore
Date: May 24, 2024**

ANNEXURE A

ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE IIFL SAMASTA FINANCE LIMITED (“THE COMPANY”) AND THE COMPANY’S DEBENTUREHOLDERS

The following tax benefits will be available to the debenture holders of the Company (“**Debenture Holder**”) as per the existing provisions of law. The tax benefits are given as per the prevailing tax laws under the provisions of the IT Act, as on date, taking into account the amendments made by the Finance Act, 2024, and may vary from time to time in accordance with amendments to the law or enactments thereto. The Debenture Holder is advised to consider the tax implications in respect of subscription to Debentures after consulting his tax advisor as alternative views are possible.

This Annexure intends to provide general information on the applicable provisions of the IT Act. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Several of these benefits are dependent on the Company or its Debenture Holders fulfilling the conditions prescribed under the relevant provisions of the Income-tax Act, 1961. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Tranche II Issue, particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail. Neither are we suggesting nor advising the investor to invest money based on this Statement.

Implications under Income Tax Act, 1961

I. TO RESIDENT DEBENTURE HOLDERS (RESIDENT AS DEFINED UNDER SECTION 6 OF THE INCOME TAX ACT, 1961)

A. In respect of Interest on Debentures (NCD)

1. Interest on NCD received by Debenture Holders would be subject to income tax at the normal rates of tax in accordance with and subject to the provisions of the Income Tax Act, 1961 (Refer Note 1 below). Interest will be assessed to Income tax on receipt basis or mercantile basis (accrual basis) depending on the method of accounting regularly employed by the NCD holder under Section 145 of the Income Tax Act, 1961.

Income Tax is deductible at source at the rate of 10% on interest on debentures held by resident Indians as per the provisions of Section 193 of the IT Act

2. Further, Tax will be deducted at source at reduced rate, or no tax will be deducted at source in the following cases:
 - a. When the Assessing Officer issues a certificate on an application by a Debenture Holder on satisfaction that the total income of the Debenture holder justifies no/lower deduction of tax at source as per the provisions of Section 197(1) of the IT Act; and that a valid certificate is filed with the Company before the prescribed date of closure of books for payment of debenture interest;
 - b. When the resident Debenture Holder with Permanent Account Number (‘PAN’) (not being a company or a firm) submits a declaration as per the provisions of section 197A(1A) of the IT Act in the prescribed Form 15G verified in the prescribed manner to the effect that the tax on his estimated total income of the financial year in which such income is to be included in computing his total income will be NIL. However, under section 197A(1B) of the IT Act, Form 15G cannot be submitted nor considered for exemption from tax deduction at source if the dividend income referred to in section 194, interest on securities, interest, withdrawal from NSS and income from units of mutual fund or of Unit Trust of India as the case may be or the aggregate of the amounts of such incomes credited or paid or likely to be credited or paid during the financial year in which such income is to be included exceeds the maximum amount which is not chargeable to income tax;
 - c. Senior citizens, who are 60 or more years of age at any time during the financial year, enjoy the special privilege to submit a self-declaration in the prescribed Form 15H for non-deduction of tax at source in accordance with the provisions of section 197A(1C) of the Act even if the aggregate income credited or paid or likely to be credited or paid exceeds the maximum amount not chargeable to tax, provided that the tax due on the estimated total income of the year concerned will be NIL; and
 - d. In all other situations, tax would be deducted at source as per prevailing provisions of the IT Act. Please find below the class of resident investors and respective documents that would be required for granting TDS

exemption:

Sl. No.	Class of Investors	Relevant section which grants TDS exemption	Documents to be taken on record from Investors
1.	Residential individual or resident HUF	Claiming non-deduction or lower deduction of tax at source under section 197 of the IT Act.	Form No.15G with PAN / Form No.15H with PAN / Certificate issued u/s 197(1) has to be filed with the Company. However in case of NCD Holders claiming non-deduction or lower deduction of tax at source, as the case may be, the NCD Holder should furnish either: Provide a declaration (in duplicate) in the Forms prescribed viz.: - Form 15H which can be given by individuals who are of the age of 60 years or more - Form 15G which can be given by all applicants (other than companies, and firms), or - A certificate, from the Assessing Officer which can be obtained by all applicants (including companies and firms) by making an application in the prescribed form i.e., Form No.13.
2.	Non-residents- (Other than FIIs/FPIs)	For Non-deduction or lower deduction of tax at source u/s 195 of the IT Act	A certificate under section 197 of the IT Act from the Indian Assessing Officer for nil / lower deduction of tax at source by making an application in the prescribed form (i.e. Form No.13.)
3.	Life insurance Corporation of India	Clause vi of Proviso to Section 193	Copy of Registration Certificate
4.	a. General Insurance Corporation of India, b. Companies formed under section 16(1) of General Insurance Business Act, 1972 and, c. any company in which GIC and aforesaid 4 companies has full beneficial interest (100% shareholding)	Clause vii of Proviso to Section 193	a. Copy of Registration Certificate b. Copy of shareholding pattern
5.	Any Insurer other than mentioned above in Sr No. 3 and 4 (like SBI Life Insurance, Max Life Insurance etc.)	Clause viii of Proviso to Section 193	Copy of Registration certificate issued by IRDA
6.	Mutual Funds	Section 196(iv) read with Section 10(23D)	Copy of Registration certificate issued by SEBI / RBI and notification issued by Central Government. Declaration from the Mutual Fund with respect to income being exempt u/s 10(23D) of the IT Act.
7.	Government, RBI and corporation established under Central / State Act whose income is exempt from tax	Section 196(i),(ii) and (iii)	In case of Corporation, Documentary evidence to establish that Corporation is established under Central / State Act, and Declaration that their income is

Sl. No.	Class of Investors	Relevant section which grants TDS exemption	Documents to be taken on record from Investors
			exempt from tax with applicable provisions
8.	Recognized Provident Funds, Recognized Gratuity Funds, Approved Superannuation Funds, Employees' State Insurance Fund etc.	Section 10(25) and Section 10(25A) and CBDT Circular - 18/2017	Copy of Registration and Recognition certificate issued by relevant statutory authorities and income-tax authorities and Declaration from the funds that there income is exempt u/s 10(25) and 10(25A)
9.	New Pension System Trust	Section 10(44) read with Section 196(iii) and CBDT Circular - 18/2017	Relevant Registration certificate issued to NPS Trust under section Indian Trusts Act, 1882 Declaration from the trust with respect to income being exempt u/s 10(44) of the IT Act
10.	Other entities like Local authority, Regimental Funds, IRDA etc.	Section 10(20) etc. read with CBDT Circular - 18/2017	Relevant Registration certificate Declaration that they fall within the relevant income-tax section and eligible for income-tax exemption on their income
11.	Alternative Investment Funds (Category I and II)	Section 197A(1F)	Copy of Registration certificate issued by SEBI

B. In respect of Capital Gains

1. Long Term Capital Gains

Under Section 2(29AA) read with section 2(42A) of the IT Act, listed Debentures held as Capital Asset as defined under section 2(14) of the IT Act is treated as long term capital asset if it is held for more than 12 Months. Debentures held as capital asset for a period of 12 Months or less will be treated as short term capital asset.

Long Term Capital Gain will be chargeable to tax under Section 112 of the IT Act at the rate of 20% (plus applicable surcharge and education cess). However, in the case of listed debentures, as per first proviso to section 112(1) of the IT Act, tax payable is only 10% (plus applicable surcharge and education cess). No indexation benefit is available for debentures. Hence, the tax payable on long term capital gains on transfer of NCD will be 10% (plus applicable surcharge and education cess) and the capital gains have to be computed without indexation.

In case of an individual or HUF, being a resident, where the total income as reduced by such long-term capital gains is below the maximum amount which is not chargeable to income-tax, then, such long-term capital gains shall be reduced by the amount by which the total income as so reduced falls short of the maximum amount which is not chargeable to income-tax and the tax on the balance of such long-term capital gains shall be computed at the rate mentioned above.

2. Short Term Capital Gains

Listed Debentures held as capital asset under Section 2(14) of the IT Act for a period of not more than 12 months would be treated as Short term capital asset under Section 2(42A) of the IT Act. Short Term Capital Gains on transfer of NCD will be taxed at the normal rates of tax. As per Section 74 of the IT Act, short-term capital loss on transfer of debentures suffered during the year is allowed to be set-off against short-term as well as long-term capital gains of the said year. Balance loss, if any could be carried forward for eight years for claiming set-off against subsequent years' short term as well as long-term capital gains. Long-term capital loss on debentures suffered during the year is allowed to be set-off only against long-term capital gains.

Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent year's long-term capital gains. The provisions of the IT Act. The provisions relating to maximum amount not chargeable to tax would apply to short term capital gains.

3. Capital Loss on transfer of Debentures

As per Section 74 of the IT Act, short-term capital loss on transfer of debentures suffered during the year is allowed to be set-off against short-term as well as long-term capital gains of the said year. Balance loss, if any could be carried forward for eight years for claiming set-off against subsequent years' short term as well as long-term capital gains. Long-term capital loss on debentures suffered during the year is allowed to be set-off only against long-term capital gains.

Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent year's long-term capital gains.

4. *Exemption available for Individuals and HUF for Long Term Capital gains U/s 54F of the IT Act*

As per the provisions of Section 54F of the IT Act, any long-term capital gains on transfer of a long term capital asset arising to a Debenture Holder who is an individual or Hindu Undivided Family, is exempt from tax if the entire net sales consideration is utilized, within a period of one year before, or two years after the date of transfer, in purchase of a new residential house in India, or for construction of residential house in India within three years from the date of transfer subject to conditions. If part of such net sales consideration is invested within the prescribed period in a residential house, then such gains would be chargeable to tax on a proportionate basis. This exemption is available, subject to the conditions stated therein.

Under section 54EE of the IT Act, long term capital gains arising to the Debenture Holder(s) on transfer of debentures in the company shall not be chargeable to tax to the extent such capital gains are invested in long term specified asset (a unit or units issued before 01.04.2019) as notified by Central Government within six months after the date of transfer. If only part of the capital gain is so invested, the exemption shall be proportionately reduced. However, if the said notified bonds are transferred or converted into money within a period of three years from their date of acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the bonds are transferred or converted into money. However, the exemption is subject to a limit of investment of INR 50 lacs during any financial year in the notified bonds. Where the benefit of Section 54EE of the IT Act has been availed of on investments in the notified bonds, a deduction from the income with reference to such cost shall not be allowed under section 80C of the Act.

As per provisions of section 54EE of the IT Act, capital gain on the transfer of a long-term capital asset, arising to a debenture holder is exempt from tax, if the assessee / debenture holder invested the whole or any part of capital gains in the long-term specified asset at any time within a period of six months. If the cost of the long-term specified asset is less than the capital gain arising from the transfer of the original asset, then such gains would be chargeable to tax on a proportionate basis. This exemption is available, subject to the condition that the investment in the long-term specified asset by an assessee during any financial year does not exceed fifty lakh rupees: If the long term specified asset in which the investment has been made is transferred within a period of three years from the date of its acquisition, the amount of capital gains tax claimed earlier would become chargeable to tax as capital gains in the year in which such long term specified asset is transferred. Specified Asset means a unit or units, issued before the 1st day of April, 2019, of such fund as may be notified by the Central Government in this behalf.

C. In respect of Business Income

In case the Debentures are held as stock in trade by the debenture holder, the income/loss from transfer of debentures would be taxed as Income from Business. Such income is to be computed in accordance with the Income Computation and Disclosure Standard VIII, which is notified by the Ministry of Finance, Government of India under Section 145(2) of the IT Act. Where debentures are held as stock in trade and unpaid interest has accrued before acquisition of Debentures and is included in the price paid for the Debentures, subsequent receipt of interest is to be allocated between pre-acquisition and post-acquisition periods, the pre-acquisition portion of the interest is reduced from the actual cost and is to be treated as interest. In the case of Debentures held by Scheduled Bank and Public Financial Institutions, income is to be recognized in accordance with the guidelines issued by the Reserve Bank of India in this regard.

D. Debentures received as gift without consideration or inadequate consideration

As per section 56(2)(x) of the IT Act, except in cases which are specifically exempted under this clause (such as gift received from relative as defined under the section), where the debentures are received without consideration where the aggregate market value of all gifts received exceeds Rs. 50,000 the aggregate market value of the debentures shall

be taxable as income in the hands of the recipient. Similarly, if debentures are received for inadequate consideration, the shortfall in the consideration will be treated as income of the recipient subject to the provisions contained in section 56(2)(x) of the IT Act. There is no gift tax for the Donor of the Debentures.

II. TO THE NON-RESIDENT DEBENTURE HOLDERS

1. A Non – Resident Indian has an option to be governed by Chapter XII – A of the IT Act, subject to the provisions contained therein which are given in brief as under:
 - a. As per Section 115E of the IT Act, interest income from debentures acquired or purchased with or subscribed to in convertible foreign exchange will be taxable at 20%, whereas long term capital gains on transfer of such Debentures will be taxable at 10% of such capital gains without indexation of cost of acquisition. Short-term capital gains will be taxable at the normal rates of tax in accordance with and subject to the provisions contained therein.
 - b. As per Section 115G of the IT Act, it shall not be necessary for a non-resident Indian to file a return of income under Section 139(1) of the IT Act, if his total income consists only of investment income as defined under Section 115C and/or long term capital gains earned on transfer of such investment acquired out of convertible foreign exchange, and the tax has been deducted at source from such income under the provisions of Chapter XVII- B of the IT Act in accordance with and subject to the provisions contained therein.
 - c. As per Section 115D (1) of the IT Act no deduction in respect of any expenditure or allowance shall be allowed under any provisions of the IT Act in the computation of income of a non-resident Indian under Chapter XII – A of the IT Act.
 - d. In accordance with and subject to the provisions of Section 115-I of the IT Act, a Non-Resident Indian may opt not to be governed by the provisions of Chapter XII – A of the IT Act.
 - e. Long Term capital gains on transfer of listed debentures would be subject to tax at the rate of 10% computed without indexation.
 - f. Interest income and Short – term capital gains on the transfer of listed debentures, where debentures are held for a period of not more than 12 months preceding the date of transfer, would be taxed at the normal rates of tax in accordance with and subject to the provisions of the IT Act.
 - g. Where debentures are held as stock in trade, the income on transfer of debentures would be taxed as business income or loss in accordance with and subject to the provisions of the IT Act.
 - h. Under Section 195 of the IT Act, the applicable rate of tax deduction at source is 20% on investment income and 10% on any long-term capital gains as per Section 115E, and 30% for Short Term Capital Gains if the payee debenture Holder is a Non-Resident Indian.
 - i. The income tax deducted shall be increased by applicable surcharge and health and education cess.
 - j. As per Section 90(2) of the IT Act read with the Circular No. 728 dated October 30, 1995 issued by the Central Board of Direct Taxes, in the case of a remittance to a country with which a Double Tax Avoidance Agreement (DTAA) is in force, the tax should be deducted at the rate provided in the Finance Act of the relevant year or at the rate provided in the DTAA, whichever is more beneficial to the assessee. However, submission of tax residency certificate (TRC), is a mandatory condition for availing benefits under any DTAA. If the tax residency certificate does not contain the prescribed particulars as per CBDT Notification 57/2013 dated August 1, 2013, a self-declaration in Form 10F would need to be provided by the assessee along with TRC.
 - k. Alternatively, to avail non deduction or lower deduction of tax at source, as the case may be, the Debenture Holder should furnish a certificate under Section 195(2) and 195(3) of the IT Act, from the Assessing Officer before the prescribed date of closure of books for payment of debenture interest.
 - l. As per Section 74 of the IT Act, short-term capital loss on transfer of debentures suffered during the year is allowed to be set-off against short-term as well as long-term capital gains of the said year. Balance loss, if any could be carried forward for eight years for claiming set-off against subsequent years' short-term as well as long-term capital gains. Long-term capital loss on debentures suffered during the year is allowed to be set-off

only against long-term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent year's long-term capital gains.

- m. In case the Debentures are held as stock in trade by the debenture holder, the income/loss from transfer of debentures would be taxed as Income from Business. Such income is to be computed in accordance with the Income Computation and Disclosure Standard VIII which is notified by the Ministry of Finance, Government of India under Section 145(2) of the IT Act. Where debentures are held as stock in trade and unpaid interest has accrued before acquisition of Debentures and is included in the price paid for the Debentures, subsequent receipt of interest is to be allocated between pre-acquisition and post-acquisition periods, the pre-acquisition portion of the interest is reduced from the actual cost and is to be treated as interest. In the case of Debentures held by Scheduled Bank, income is to be recognized in accordance with the guidelines issued by the Reserve Bank of India in this regard.
- n. As per section 56(2)(x) of the IT Act, except in cases which are specifically exempted under this clause (such as gift received from relative as defined under the section), where the debentures are received without consideration where the aggregate market value of all gifts received exceeds Rs. 50,000 the aggregate market value of the debentures shall be taxable as income in the hands of the recipient. Similarly, if debentures are received for inadequate consideration, the shortfall in the consideration will be treated as income of the recipient subject to the provisions contained in section 56(2)(x) of the IT Act. There is no gift tax for the Donor of the Debentures.
- o. As per the provisions of Section 54F of the IT Act, any long-term capital gains on transfer of a long term capital asset arising to a Debenture Holder who is an individual or Hindu Undivided Family, is exempt from tax if the entire net sales consideration is utilized, within a period of one year before, or two years after the date of transfer, in purchase of a new residential house in India, or for construction of residential house in India within three years from the date of transfer subject to conditions. If part of such net sales consideration is invested within the prescribed period in a residential house, then such gains would be chargeable to tax on a proportionate basis. This exemption is available, subject to the conditions stated therein.

III. TO THE FOREIGN INSTITUTIONAL INVESTORS/ FOREIGN PORTFOLIO INVESTORS (FIIs/ FPIs)

- 1. As per Section 2(14)(b) of the IT Act, any securities held by FIIs which has invested in such securities in accordance with the regulations made under the Securities and Exchange Board of India Act, 1992, shall be treated as capital assets. Accordingly, any gains arising from transfer of such securities shall be chargeable to tax in the hands of FIIs as capital gains.
- 2. In accordance with and subject to the provisions of Section 115AD of the IT Act, long term capital gains on transfer of debentures by FIIs are taxable at 10% (plus applicable surcharge and cess) and short-term capital gains are taxable at 30% (plus applicable surcharge and cess). The benefit of cost indexation will not be available. Further, benefit of provisions of the first proviso of Section 48 of the IT Act will not apply.
- 3. Interest on NCD may be eligible for concessional tax rate of 5% (plus applicable surcharge and health and education cess) for interest referred under Section 194LD.
- 4. Further, in case where section 194LD is not applicable, the interest income earned by FIIs/FPIs should be chargeable to tax at the rate of 20% under section 115AD of the IT Act. Tax shall be deducted u/s. 196D of the IT Act on such income at 20%. Where DTAA is applicable to the payee, the rate of tax deduction shall be lower of rate as per DTAA or 20%, subject to the conditions prescribed therein.
- 5. Section 194LD in the IT Act provides for lower rate of withholding tax at the rate of 5% on payment by way of interest paid by an Indian Company to FIIs and Qualified Foreign Investor in respect of rupee denominated bond of an Indian Company between June 1, 2013 and July 1, 2023 provided such rate does not exceed the rate as may be notified by the Government.
- 6. The income tax deducted shall be increased by applicable surcharge and health and education cess.
- 7. In accordance with and subject to the provisions of Section 196D(2) of the IT Act, no deduction of tax at source is applicable in respect of capital gains arising on the transfer of debentures by FIIs referred to in section 115AD.
- 8. The CBDT has issued a Notification No. 9 dated 22 January 2014 which provides that Foreign Portfolio

Investors (FPI) registered under SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be treated as FII for the purpose of Section 115AD of the IT Act.

IV. TO MUTUAL FUNDS

All mutual funds registered under Securities and Exchange Board of India or set up by public sector banks or public financial institutions or authorized by the Reserve Bank of India are exempt from tax on all their income, including income from investment in Debentures under the provisions of Section 10 (23D) of the IT Act in accordance with the provisions contained therein. Further, as per the provisions of section 196 of the IT Act, no deduction of tax shall be made by any person from any sums payable to mutual funds specified under Section 10(23D) of the IT Act, where such sum is payable to it by way of interest or dividend in respect of any securities or shares owned by it or in which it has full beneficial interest, or any other income accruing or arising to it.

V. TO SPECIFIED FUNDS (“SPECIFIED FUND” AS DEFINED UNDER SECTION 10(4D) OF THE IT ACT)

The income of Specified Funds is taxable for the year beginning April 1, 2020, to the extent attributable to units held by non-resident (not being a permanent establishment of a non-resident in India), and in accordance with and subject to the provisions of Section 115AD of the IT Act, as under:

- a) The interest income earned are chargeable to tax at the rate of 10%;
- b) Long term capital gains on transfer of debentures to the specified extent are taxable at 10% (benefit of provisions of the first proviso of section 48 of the IT Act will not apply); and
- c) Short-term capital gains are taxable at 30%.

Further, where any income in respect of NCD is payable to Specified Funds, tax shall be deducted at the rate of 10% on the income other than exempt under section 10(4D) with effect from November 1, 2020 as per Section 196D of the IT Act.

The income tax deducted shall be increased by applicable surcharge and health and education cess.

VI. REQUIREMENTS TO FURNISH PAN/FILING OF RETURNS UNDER THE INCOME TAX ACT, 1961

1. SEC. 139A (5A)

Section 139A (5A) requires every person from whom income tax has been deducted at source under chapter XVII – B of the IT Act to furnish his PAN to the person responsible for deduction of tax at source.

2. SEC. 206AA

- a. Section 206AA of the IT Act requires every person entitled to receive any sum, on which tax is deductible under Chapter XVII B (“DEDUCTEE”) to furnish his PAN to the Deductor, failing which tax shall be deducted at the higher of the following rates:
 - i. at the rate specified in the relevant provision of the IT Act; or
 - ii. at the rate or rates in force; or
 - iii. at the rate of twenty per cent.
- b. A declaration under Section 197A (1) or 197A (1A) or 197A (1C) shall not be valid unless the person furnishes his PAN in such declaration and the Deductor is required to deduct tax as per Para (a) above in such a case.
- c. Where a wrong PAN is provided, it will be regarded as non-furnishing of PAN and Para (a) above will apply.
- d. As per Rule 37BC, the higher rate under section 206AA shall not apply to a non-resident, not being a company, or to a foreign company, in respect of payment of interest, if the non-resident Deductee furnishes the prescribed details *inter alia* TRC and Tax Identification Number (TIN).

3. SEC. 206AB

Further, the Finance Act, 2021 inserted new section for punitive withholding tax rate for non-filers of return of income with effect from 1 July 2021 as per which payments made to the specified persons will be subject to TDS at higher of twice the applicable rate or 5% in respect of all TDS/TCS provisions except for specific exclusions.

Note 1 Tax Rates

Resident Individuals and Hindu Undivided Families:

The [FA, 2023] has amended section 115BAC of the IT Act by, inter alia, inserting sub-section (1A) thereto to provide that the tax regime provided under section 115BAC of the IT Act shall be the default tax regime applicable in case of an individual, HUF, AOP (other than a co-operative society), body of individual or artificial juridical, beginning with the financial year [2023-24], except where the assessee specifically opts to be governed by the erstwhile regime.

In such cases, the following shall be the rate of tax applicable:

Slab	Tax Rate
Total income up to INR 3,00,000	Nil
More than INR 3,00,000 but up to INR 6,00,000	5 per cent of excess over INR 3,00,000
More than INR 6,00,000 but up to INR 9,00,000	10 per cent of excess over INR 6,00,000 + INR 15,000
More than INR 9,00,000 but up to INR 12,00,000	15 per cent of excess over INR 9,00,000 + INR 45,000
More than INR 12,00,000 but up to INR 15,00,000	20 per cent of excess over INR 12,00,000 + INR 90,000
More than INR 15,00,000	30 per cent of excess over INR 15,00,000 + INR 1,50,000

In computing the income-tax under the new regime, certain deductions like standard deduction available to salaried taxpayers, etc., shall be allowed. However, most of the deductions/exemptions such as section 80C, 80D, etc. would need to be foregone.

A resident individual (whose total income does not exceed Rs 7,00,000) whose income is chargeable to tax under sub-section (1A) of section 115BAC can avail rebate under section 87A. It is deductible from income tax before calculating health and education cess. The amount of rebate available would be 100 per cent of income-tax chargeable on his total income or Rs 25,000, whichever is less. Further, where the total income exceeds Rs 7,00,000, the assessee shall be entitled for deduction of an amount equal to the amount by which the income-tax payable on the total income exceeds the amount by which the total income exceeds Rs 7,00,000.

Where the assessee as stated above, specifically opts to be governed by the erstwhile regime, the income earned by assessee should be liable to tax as per the applicable slab rates (plus applicable surcharge and health and education cess) based on the taxable income of such assessee. The slab rates applicable to such investors (other than resident individuals aged 60 years or more) are as follows:

Income	Tax Rate*
Up to INR 2,50,000 [#]	NIL
Exceeding INR 2,50,000 up to INR 5,00,000 [@]	5 per cent of the amount by which the total income exceeds INR 2,50,000
Exceeding INR 5,00,000 up to INR 10,00,000	20 per cent of the amount by which the total income exceeds INR 5,00,000 plus INR 12,500 [§]
Exceeding INR 10,00,000	30 per cent of the amount by which the total income exceeds INR 10,00,000 plus INR 112,500 [§]

[@]A resident individual (whose total income does not exceed Rs 500,000) can avail rebate under section 87A. It is deductible from income tax before calculating health and education cess. The amount of rebate available would be 100 per cent of income-tax chargeable on his total income or Rs 12,500, whichever is less.

* plus surcharge if applicable and a health and education cess ('cess') of 4 per cent on the amount of tax plus surcharge, if applicable).

[#] for resident senior citizens of sixty years of age and above but below eighty years of age, Rs 250,000 has to be read as Rs 300,000 and for resident senior citizens of eighty years of age and above ("super senior citizen) Rs 250,000' has to be read as Rs 500,000.

[§]Similarly, for resident senior citizens of sixty years of age and above but below eighty years of age, Rs 12,500 has to be read as Rs 10,000 and Rs 112,500 has to be read as Rs 110,000. And for super senior citizen Rs 12,500 has to be read as Nil and Rs 112,500 has to be read as Rs 100,000.

Partnership Firms & LLP's:

The tax rates applicable would be 30 per cent (plus surcharge if applicable – Refer Note 2 and a health and education cess of 4 per cent on the amount of tax plus surcharge, if applicable).

Domestic Companies:

Type of Domestic company	Base normal tax rate on income (other than income chargeable at special rates)	Base MAT rate
Domestic companies having turnover or gross receipts of upto Rs 400 Cr in FY 2020-21 (For AY 2023-24) and in FY 2021-22 (For AY 2024-25)	25 per cent	15 per cent
Domestic manufacturing company set-up and registered on or after 1 March 2016 subject to fulfilment of prescribed conditions (Section 115BA)	25 per cent	15 per cent
Any domestic company (even if an existing company or engaged in non-manufacturing business) has an option to avail beneficial rate, subject to fulfilment of prescribed conditions (Section 115BAA)	22 per cent	Not applicable
Domestic manufacturing company set-up and registered on or after 1 October 2019 and commences manufacturing upto 31 March 2024, has an option to avail beneficial rate, subject to fulfilment of prescribed conditions (Section 115BAB)	15 per cent	Not applicable
Domestic companies not falling under any of the above category	30 per cent	15 per cent

Note 2: Surcharge (as applicable to the tax charged on income)

Non-corporate assessee (other than firm, co-operative societies and FIIs)

Particulars	Rate of Surcharge
Where total income (including dividend income and income under the provisions of section 111A, section 112A and section 112 of the IT Act) does not exceed Rs 50 lacs	Nil
Where total income (including dividend income and income under the provisions of section 111A, section 112A and section 112 of the IT Act) exceeds Rs 50 lacs but does not exceed Rs 1 crore	10 per cent on total tax
Where total income (including dividend income and income under the provisions of section 111A section 112A and section 112 of the IT Act) exceeds Rs 1 crore but does not exceed Rs 2 crore	15 per cent on total tax
Where total income (excluding dividend income and income under the provisions of section 111A, section 112A and 112 of the IT Act) does not exceed Rs 2 crore but total income (including dividend income and income under the provisions of section 111A, section 112A and 112 of the IT Act) exceeds Rs 2 crore	15 per cent on total tax The Finance Act, 2022 from FY 2022-23 has capped the surcharge rates for long term gains chargeable to tax under section 112 of the IT Act.
Where total income (excluding dividend income and income under the provisions of section 111A, section 112A and section 112 of the IT Act) exceeds Rs 2 crore	25 per cent on tax on income excluding dividend income and income under the provisions of section 111A, section 112A and section 112 of the IT Act. In case the assessee opts out of Sec 115BAC then the rate of surcharge applicable is 37 percent. (Where total income (excluding dividend income and income under the provisions of section 111A, section 112A and section 112 of the IT Act) exceeds Rs 5 crore) - 15 per cent on tax on dividend income and income under the provisions of section 111A section 112A and section 112 of the IT Act. The Finance Act, 2022 from FY 2022-23 has capped the surcharge rates for long term gains chargeable to tax under section 112 of the IT Act as well.

Note: The Finance Act, 2022 from FY 2022-23 has capped the surcharge rates for long-term gains chargeable to tax under section

112 of the IT Act as well.

As per the FA, 2023, the maximum surcharge rate in case of capital gains chargeable to tax under section 112 of the IT Act, in case of an assessee being an individual, HUF, AOP (not being a co-operative society), BOI or artificial juridical person is also capped to 15%.

FIIIs (Non – corporate):

Particulars	Rate of Surcharge
Where total income (including dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act) does not exceed Rs 50 lacs	Nil
Where total income (including dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act) exceeds Rs 50 lacs but does not exceed Rs 1 crore	10 per cent on total tax
Where total income (including dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act) exceeds Rs 1 crore but does not exceed Rs 2 crore	15 per cent on total tax
Where total income (excluding dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act) does not exceed Rs 2 crore but total income (including dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act) exceeds Rs 2 crore	15 per cent on total tax
Where total income (excluding dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act) exceeds Rs 2 crore	- 25 per cent on tax on income excluding dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act. In case the assessee opts out of Sec 115BAC then the rate of surcharge applicable is 37 percent. (Where total income (excluding dividend income and income under the provisions of section 111A, section 112A and section 112 of the IT Act) exceeds Rs 5 crore)) - 15 per cent on tax on dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act

Note: [The FA, 2023] has capped the highest surcharge rate to 25 per cent in case the assessee does not opt out of Sec 115BAC.

For assesses other than those covered above:

Particulars	Rate of surcharge applicable
Non-corporate taxpayers being firms and co-operative societies	Nil where total income does not exceed Rs 1 crore
	From FY 2022-23 7 per cent where total income exceeds Rs 1 crore but does not exceed Rs 10 crore
	From FY 2022-23 12 per cent where total income exceeds Rs 10 crore
Domestic companies (other than companies availing benefit under section 115BAA and section 115BAB of the IT Act)	Nil where total income does not exceed Rs 1 crore
	7 per cent where total income exceeds Rs 1 crore but does not exceed Rs 10 crore
	12 per cent where total income exceeds Rs 10 crore
Domestic companies availing benefit under section 115BAA and section 115BAB of the IT Act	10 per cent (irrespective of total income)
Foreign Companies (including corporate FIIIs)	Nil where total income does not exceed Rs 1 crore
	2 per cent where total income exceeds Rs 1 crore but does not exceed Rs 10 crore
	5 per cent where total income exceeds Rs 10 crore

A health and education cess of 4 per cent is payable on the total amount of tax plus surcharge.

Notes:

- The above statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of NCD.

- The above statement covers only certain relevant direct tax law benefits and does not cover benefit under any other law.
- The above statement of possible tax benefits is as per the current direct tax laws (read along with the amendments made by the FA, 2023) relevant for the AY 2024-25 corresponding to the FY 2023-24.
- This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the NCD of the Company.
- In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant DTAA, if any, between India and the country in which the non-resident has fiscal domicile.
- No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

NOTES FORMING PART OF STATEMENT OF TAX BENEFITS

1. The above Statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of debenture/bonds.
2. The above statement covers only certain relevant benefits under the IT Act and does not cover benefits under any other law.
3. The above statement of possible tax benefits is as per the current direct tax laws relevant for the Assessment Year 2024-2025 (Financial year 2023-24) and taking into account the amendments made by the Finance Act, 2023.
4. This statement is intended only to provide general information to Debenture Holders and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each debenture Holder is advised to consult his/her/its own tax advisor with respect to specific consequences of his/her/its holding in the debentures of the Company.
5. Several of the above tax benefits are dependent on the debenture holders fulfilling the conditions prescribed under the relevant tax laws and subject to Chapter X and Chapter XA of the IT Act.
6. The stated benefits will be available only to the sole/ first named holder in case the debenture is held by joint holders.
7. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant tax treaty, if any, between India and the country in which the non-resident has fiscal domicile.
8. In respect of non-residents, taxes paid in India could be claimed as a credit in accordance with the provisions of the relevant tax treaty and applicable domestic tax law.

No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

SECTION IV - ABOUT OUR COMPANY

INDUSTRY OVERVIEW

The information under this section has been derived and extracted from the industry report titled “NBFC Industry Report for IIFL Samasta Finance Limited released in April 2024” prepared by CRISIL on an “as is where is basis” and has not been independently verified by us, the Lead Managers, or any of our or their respective affiliates or advisors. The information may not be consistent with other information compiled by third parties within or outside India. Industry sources and publications generally state that the information contained therein has been obtained from sources it believes to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Industry and Government publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry and Government sources and publications may also base their information on estimates, forecasts and assumptions which may prove to be incorrect. Accordingly, investment decisions should not be based on such information. Figures used in this section are presented as in the original sources and have not been adjusted, restated or rounded-off for presentation in this Tranche II Prospectus. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction. The information in this section must be read in conjunction with “Risk Factors” and “Our Business” on pages 18 and 115 of this Tranche II Prospectus.

An overview of the Indian economy

India to remain one of the fastest growing economies amid global slowdown

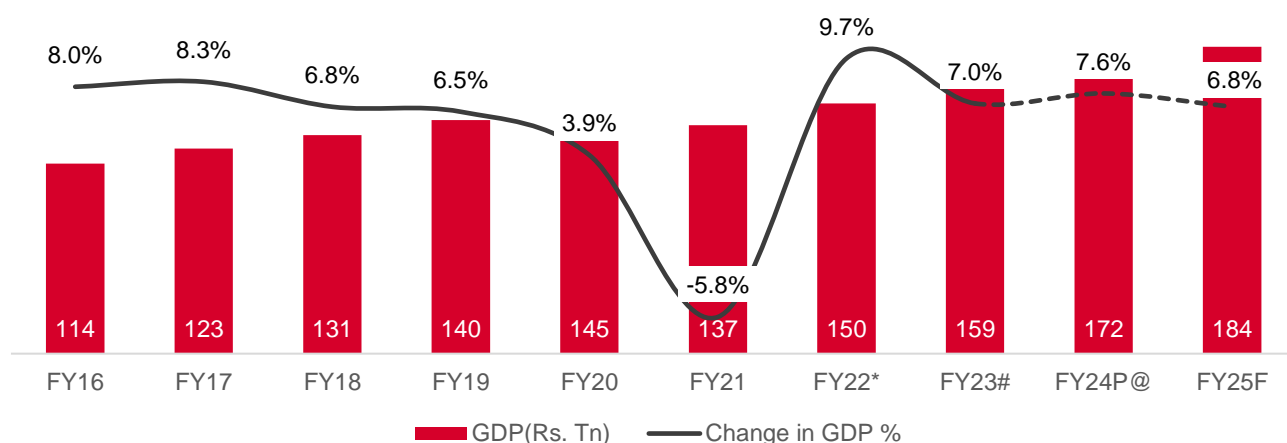
Even as the Indian economy has battled the three Cs — Covid-19, conflict (geopolitical) and climate change — it has shown a fair degree of resilience. Despite global slowdown, tightening of monetary conditions and high inflation, India recorded a higher economic growth rate compared with many peer economies owing to its relatively strong local consumption, lower reliance on global demand and continued resilience to external headwinds.

India's gross domestic product (GDP) exceeded expectations yet again. According to the National Statistics Office (NSO)'s second advance estimates (SAE), real GDP accelerated to 8.4% on-year in the third quarter of this fiscal from 8.1% in the second quarter. Growth of the past two quarters were revised up (second quarter was revised to 8.1% from 7.6%, and first quarter to 8.2% from 7.8%).

After a strong GDP print in the past three fiscals, CRISIL MI&A Research expects GDP growth to moderate to 6.8% next fiscal as fiscal consolidation will reduce the fiscal impulse to growth, rising borrowing costs and increased regulatory measures could weigh on demand, net tax impact on GDP is expected to normalize, and exports could be impacted due to uneven growth in key trade partners and any escalation of the Red Sea crisis. On the other hand, another spell of normal monsoon and easing inflation could revive rural demand.

The Indian economy will take support from domestic structural reforms and cyclical levers and can retain and even improve its growth prospects. This can be done by continuing to build infrastructure both digital and physical and undertaking growth-enhancing reforms aimed at improving the ease of doing business. Amid global risks, this can also allow India to grasp opportunities from diversifying global supply chains.

On-year GDP change



Note: F: Forecast, *: 2nd Revised Estimate, #: 1st Revised Estimate, @: Second Advance Estimate

Source: National Statistical Office (NSO), CRISIL MI&A Research

In the near term gradually the government of India will start receding its capex, and expectations the pass on being taken up by the private sector. Some sectors have already been picked up by the private capex such as electronics, EVs and green transition accounted for 16% of incremental capex in fiscals 2023 and 2024.

With 7.6% GDP growth estimated by the National Statistical Office (NSO) for this fiscal, India's performance has exceeded expectations. The major bugbear has been inflation, which though localised, has stayed above the 4% target of the Reserve Bank of India (RBI). CRISIL MI&A Research forecasts a moderation to 6.8% in fiscal 2025, largely due to cyclical factors.

Macroeconomic outlook

Macro variable	FY23	FY24E	FY25F	Rationale for outlook
Real GDP (% y-o-y)	7.0	7.6 [^]	6.8	High interest rates and lower fiscal impulse (from reduction in fiscal deficit to 5.1% of GDP) will temper domestic demand. Net indirect tax impact on GDP is expected to normalise next fiscal. Uneven growth in key trade partners will restrict healthy export recovery. But budgetary support to capex and rural incomes will support growth.
Consumer price index (CPI)-based inflation (% y-o-y)	6.7	5.5	4.5	Soft commodity prices and healthier farm output should help moderate inflation. A non-inflationary budget that focuses on asset creation rather than direct cash support bodes well for core inflation and hence monetary policy
Current account balance/ GDP (%)	-2.0	-1.0	-1.0	Softer crude oil prices and moderation in domestic growth will keep trade deficit in check despite tepid exports of goods. Alongside, robust services trade surplus and healthy remittances will keep the current account deficit (CAD) in check
Rs/\$ (March end)	82.3	83.0	83.5	Narrower CAD and healthy foreign portfolio flow into debt amid a favourable domestic macro environment will support the rupee
Fiscal deficit (% of GDP)	6.4	5.8	5.1	Continued pursuit of fiscal consolidation aided by moderation in revenue spending and robust tax collections will reduce the fiscal deficit and lead to lower government borrowings from the market

Macro variable	FY23	FY24E	FY25F	Rationale for outlook
10-year G-sec yield (fiscal-end, %)	7.4	7.0	6.8	Lower gross market borrowings will reduce the pressure on yields. Lower inflation and expected rate cuts by the MPC will create downside pressure on yields. India's inclusion in the JP Morgan Emerging Market Bond Index is favourable for capital flows into government debt

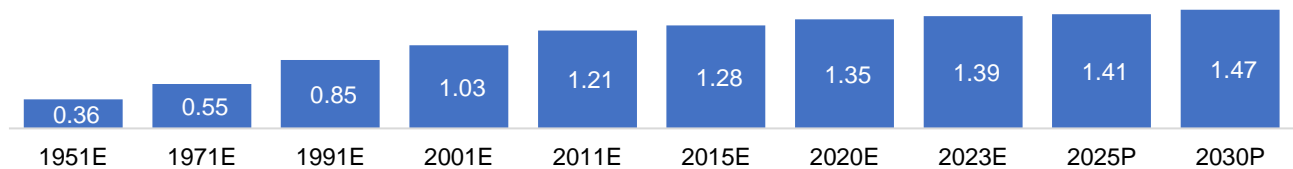
[^]National Statistical Office (NSO) second advance estimate; *FY24 and FY25 numbers are government's revised and budget estimates
Note: E - estimate, F - forecast Source: RBI, National Statistical Office (NSO), CRISIL MI&A Research

Indigenous advantages to result in a stronger economic growth rate in the longer term

India has the largest population in the world

As per the report published (in July 2020) by National commission on population, Ministry of Health & Family Welfare report, India's population in 2011 was 121 crores, comprising nearly 24.6 crore households. It should be noted that decadal growth rate during 2001-2011 stood at 17%. This is estimated to have fallen to 12% during 2011-2021 and is likely to decline further to 9% during 2021-2031. However, with 147 crore estimated population in 2030, India will continue to be a major opportunity market from demand perspective. Additionally, as per United Nations Department of Economic and Social Affairs, India has overtaken China as the world's most populous country in April 2023.

India's population growth trajectory (billion)

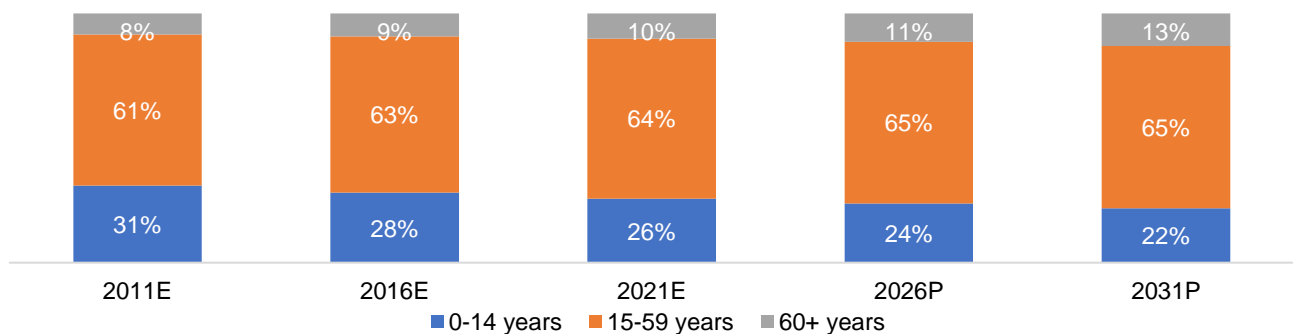


Note: P – Projected, E – Estimates
Source: Census of India 2011, Ministry of Health and family welfare, CRISIL MI&A Research

Favourable demographics

India is also one of the countries with the largest youth population, with a median age of 28 years. About 90% of Indians are aged below 60 years. It is estimated that 64% of this population is aged between 15 and 59 years. CRISIL MI&A Research expects the existence of a large share of working population, coupled with rapid urbanisation and rising affluence, will propel growth of the Indian financial services sector.

India's demographic division (share of different age groups in India's population)



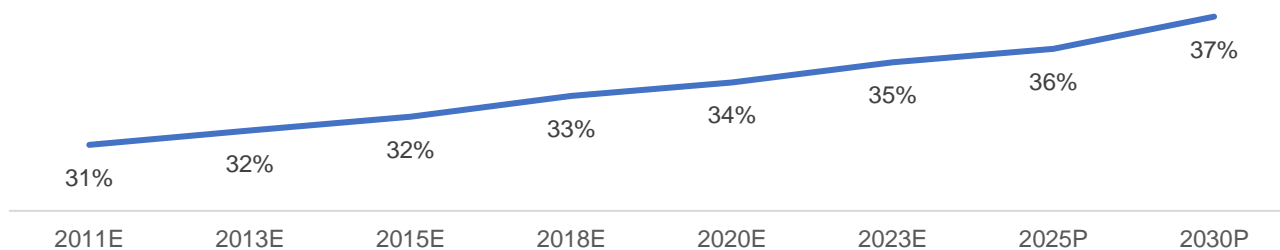
Note: P – Projected, E – Estimates
Source: Census of India 2011, Ministry of Health and family welfare, CRISIL MI&A Research

Rise in urbanisation

Urbanisation is a key growth driver for India, as it leads to faster infrastructure development, job creation, development of modern consumer services, and the city's ability to mobilise savings. The share of urban population in total population has been consistently rising over the years and is expected to reach 36% by 2025 from 31% in 2011, spurring more demand.

Urban consumption in India has shown signs of improvement and given the country's favourable demographics, coupled with rising disposable incomes, the trend is likely to continue and drive domestic economic growth.

Urbanisation in India



Note: P – Projected, E – Estimates

Source: Census of India 2011, Ministry of Health and family welfare, CRISIL MI&A Research

Overall NBFC – Industry overview

NBFCs are important part of the credit system

Financing needs in India have risen in sync with the notable economic growth over the past decade. NBFCs have played a major role in meeting this need, complementing banks and other financial institutions. NBFCs help fill gaps in the availability of financial services with respect to products as well as customer and geographic segments. A strong linkage at the grassroots level makes them a critical cog in the financial machine. They cater to the unbanked masses in rural and semi-urban reaches and lend to the informal sector and people without credit histories, thereby enabling the government and regulators to realise the mission of financial inclusion.

Classification of NBFCs

NBFCs until now have been classified on the basis of the kind of liabilities they access, types of activities they pursue and their perceived systemic importance. RBI on October 22, 2021, introduced additional classification of NBFCs vide Scale Based Regulation (SBR) framework into four categories i.e., Base Layer (NBFC – BL), Middle Layer (NBFC – ML), Upper Layer (NBFC – UL) and Top Layer (NBFC – TL).

Liabilities-based classification

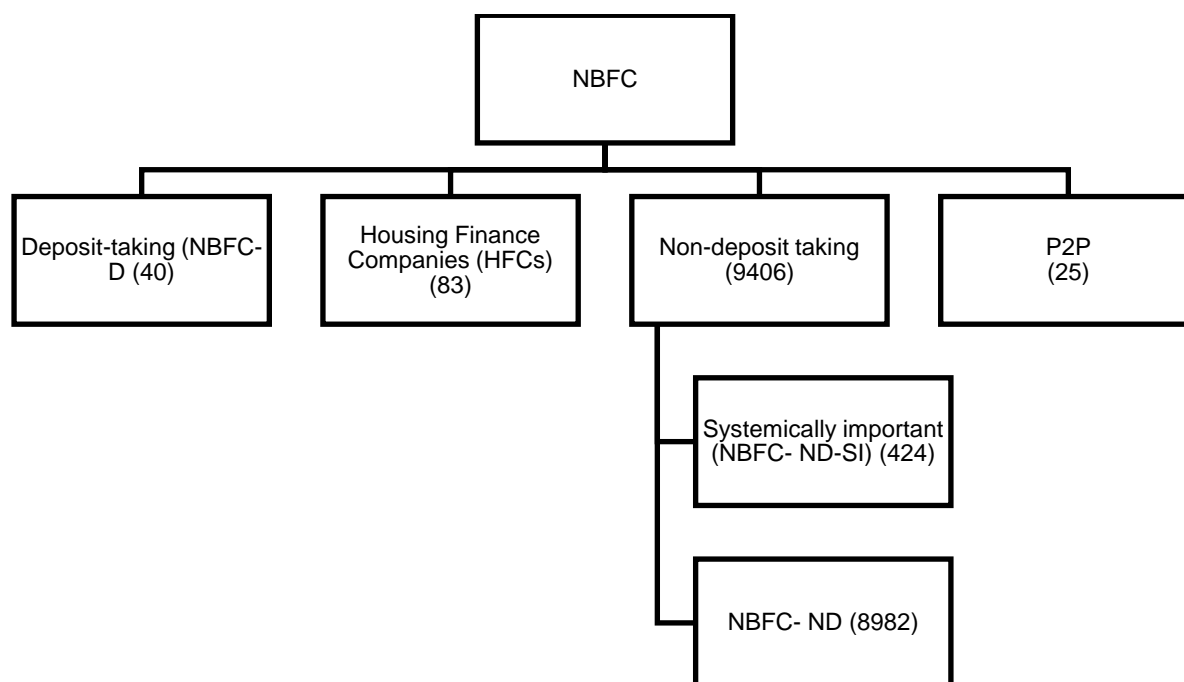
NBFCs are classified on the basis of liabilities into two broad categories:

- (a) deposit-taking; and
- (b) non-deposit taking.

Deposit-taking NBFCs (NBFC – D) are subject to the requirements of stricter capital adequacy, liquid-assets maintenance and exposure norms.

Further, in 2015, non-deposit taking NBFCs with an asset size of Rs 5 billion and above were labelled as 'systemically important non-deposit taking NBFCs' (NBFC – ND – SI), and separate prudential regulations were made applicable to them.

Classification on the basis of liabilities



*Note: Figures in brackets represent number of entities registered with RBI as of March 2023.
Source: RBI, CRISIL MI&A Research*

Activity-based classification

As per the RBI circular dated February 22, 2019, the central bank merged three categories of NBFCs, i.e., asset finance companies (AFC), loan companies (LCs) and investment companies (ICs), into a new category called NBFC - Investment and Credit Company (NBFC-ICC)

1. **Investment and credit company – (NBFC-ICC):** An NBFC-ICC means any company that is a financial institution carrying on as its principal business of providing finance by making loans or advances or otherwise for any activity other than its own and acquisition of securities; and is not any other category of NBFC.
2. **Infrastructure finance company (IFC):** An IFC is an NBFC that deploys at least 75% of its total assets in infrastructure loans and has a minimum net-owned funds of Rs 300 crore, with a minimum credit rating of ‘A’ or equivalent and a 15% CRAR (Capital to risk-weighted adequacy ratio).
3. **Infrastructure debt fund (IDF-NBFC):** An IDF-NBFC is a company registered as an NBFC to facilitate the flow of long-term debt into infrastructure projects. It raises resources through the issue of rupee or dollar-denominated bonds with a minimum five-year maturity. Only IFCs can sponsor IDF-NBFCs
4. **Micro-finance institution (NBFC-MFI):** An NBFC-MFI is a non-deposit-taking NBFC with not less than 75% of its assets in the nature of qualifying assets, which satisfy the following criteria:
 - NBFC MFIs can disburse loans to borrowers with household annual income not exceeding Rs 300,000. The household shall mean an individual family unit, i.e., husband, wife and their unmarried children.
 - All collateral-free loans will be considered as qualifying assets. Such loans will include all non-collateral loans irrespective of end use and mode of application/ processing/ disbursal.
 - The loan shall not be linked with a lien on the deposit account of the borrower.

5. **Factors (NBFC-Factors):** An NBFC-Factor is a non-deposit-taking NBFC engaged in the principal business of factoring. Financial assets in the factoring business should constitute at least 50% of its total assets and income derived from the factoring business should not be less than 50% of its gross income.
6. **Mortgage guarantee companies (MGC):** An MGC is a financial institution for which at least 90% of the business turnover is mortgage guarantees or at least 90% of the gross income is from the mortgage-guarantee business and whose net-owned funds is atleast Rs 100 crore.
7. **Non-operative financial holding company (NOFHC):** An NOFHC is a financial institution through which promoter / promoter groups will be permitted to set up a new bank. A wholly owned NOFHC will hold the bank as well as all other financial services companies regulated by the RBI or other financial sector regulators to the extent permissible under the applicable regulatory prescriptions.
8. **Account Aggregators (NBFC-AA):** NBFC Account Aggregator is a financial entity which functions as the Account Aggregator for the customers of NBFC. NBFC-AA accumulates and provides information concerning multiple accounts which are held by the customers in various NBFC entities.
9. **Peer to Peer Lending (NBFC-P2P):** NBFC –Peer to Peer Lending platform (NBFC-P2P) is a type of Non-Banking Financial Company which carries on the business of providing services of Loan facilitation to willing lenders and borrowers through online platform.

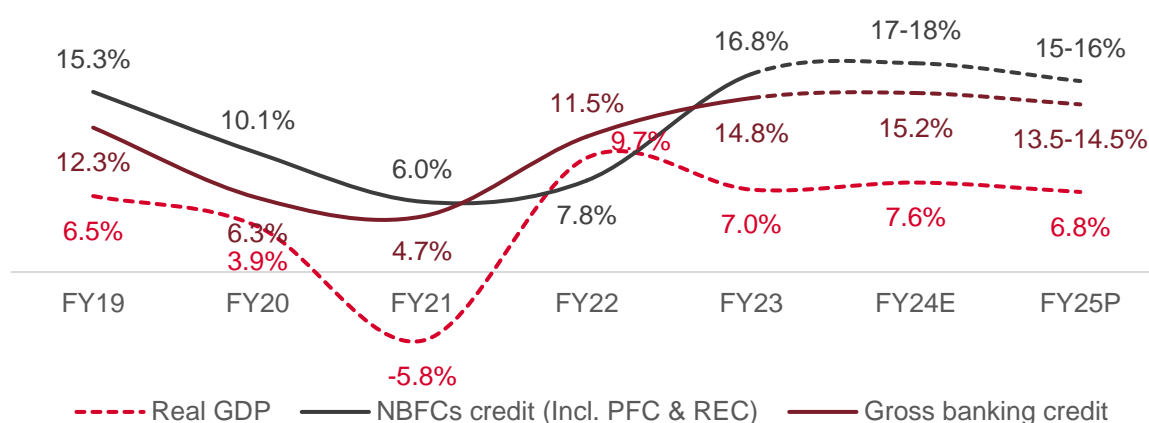
Overall NBFCs – Review and outlook

NBFC credit growth to remain robust despite macroeconomic and regulatory challenges

The credit growth of non-banking financial companies (NBFCs), which has trended above India’s gross domestic product (GDP) historically, is expected to continue to rise at a faster pace in fiscal 2025.

The growth in fiscal 2023 marked a return to the pre-pandemic trend in credit growth. Between fiscals 2016 and 2018, NBFCs had clocked credit growth of 15% CAGR, mainly because of aggressive expansion of their footprint and the entry of several new players across India. This also coincided with a decline in bank credit growth. However, the NBFC sector faced headwinds after Infrastructure Leasing & Financial Services (IL&FS) defaulted on repayment of loans in September 2018, followed by a liquidity crisis.

NBFCs’ retail segment-led credit growth to stay healthy in fiscal 2025



E – estimated; P – projected

Note: Historical credit growth numbers are adjusted for merger of HDFC Ltd with HDFC Bank for comparable credit growth

Source: Reserve Bank of India (RBI), National Housing Bank (NHB), Ministry of Finance, company reports, CRISIL MI&A Research

In contrast, India's gross domestic product (GDP), which exceeded forecasts, expanding an estimated 7.6% in fiscal 2024, is projected to see some moderation in growth in fiscal 2025.

The transmission of previous rate hikes by the Reserve Bank of India (RBI) to broader lending rates continues. However, while rising borrowing costs and regulatory measures to clamp down risky lending could moderate domestic demand, another spell of normal monsoon and easing inflation could provide some respite.

Still, while the RBI has not raised rates since February 2023, it has been equally cautious about cutting rates, amid slower cooling of inflation and a strong growth trajectory. Globally as well, major central banks remain cautious about cutting rates.

Going forward, though, an above-normal monsoon will bode well for domestic disinflation. But inclement weather because of global warming and rising crude oil prices remain monitorables. Also, government bond yields have firmed up, as markets are pricing in a delay in rate cuts from the RBI. In fact, 'higher for longer' interest rates and the RBI's regulatory measures could weigh on the overall financial conditions in this fiscal as well.

Performance of NBFCs to remain healthy in fiscal 2025

NBFCs' credit, estimated to have grown 17-18% on-year in fiscal 2024, is expected to sustain the momentum, and rise 15-16% on-year this fiscal, with housing, personal, auto and microfinance loans in the retail segment, and micro, small and medium enterprise (MSME) loans in the wholesale segment continuing to be the primary drivers.

Lending to MSMEs has gained traction over the past three fiscals, with NBFCs increasing focus on unsecured business loans amid higher competition from banks in the traditional segments.

Also, consolidation within certain corporate groups and other corporate activities indicate buoyancy in the NBFC space and expectations of good credit conditions, though a pinch of caution. The entry of a new player in the retail space is expected to intensify competition in the coming fiscals as well.

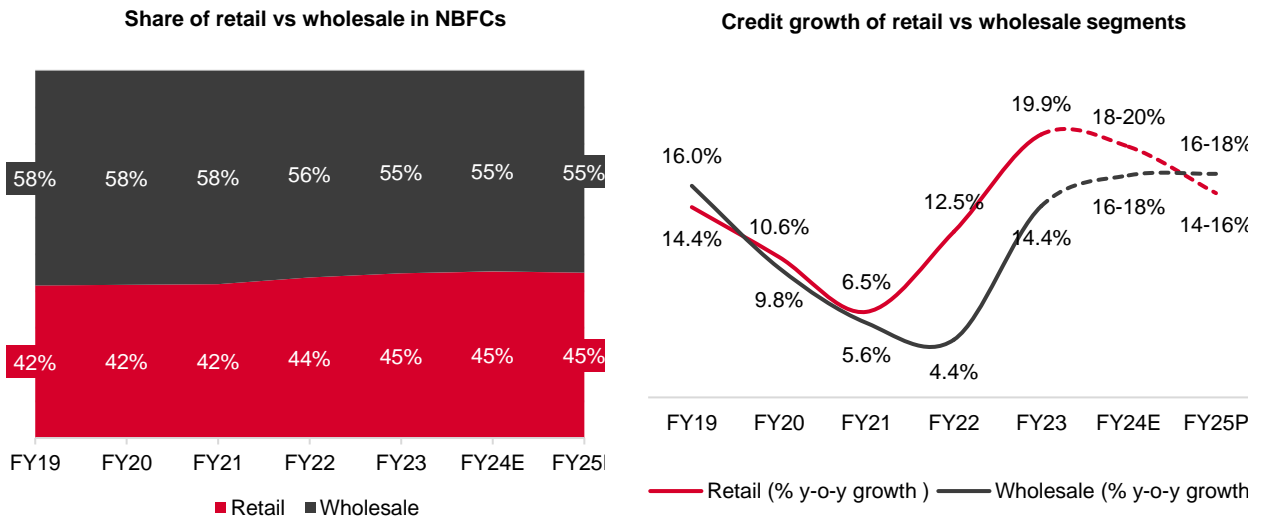
Meanwhile, asset quality improved last fiscal on account of normalisation of economic activity and improved collection efficiency across segments, with the gold loan segment being an exception. Collection efficiency is expected to hold up in the near future as well, resulting in further easing of gross non-performing assets (GNPAs). However, here, the performance of unsecured retail credit will be a key monitorable.

The buoyant growth since fiscal 2022 is in sharp contrast to fiscal 2021, when the Covid-19 pandemic brought a sudden halt in economic activity and slowed down demand for credit, impacted by funding challenges. But banks benefitted in this milieu and used their surplus liquidity to gain market share, in terms of credit in a few key segments. In fiscal 2022, the economy began to reopen and lockdowns were relaxed after the second wave of the pandemic, leading to normalisation of business activities and driving credit growth in most segments.

Consequently, by fiscal 2023, NBFCs were back on track, with disbursements growing 16.8% on-year, albeit on a lower base of 7.8% rise in fiscal 2022.

Retail segment resilient amid evolving regulatory landscape; recovery in wholesale lending boosts credit growth

Wholesale credit recovery and steady retail credit growth provide balanced overall credit growth going forward



P — projected

Notes:

1) Retail includes housing, auto, gold, microfinance, personal loans, consumer durables, and education

2) Wholesale includes MSME, real estate and large corporate, infrastructure, and construction equipment

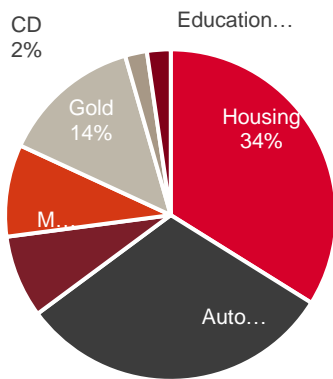
Source: Industry, CRISIL MI&A Research

Steady growth across retail as well as recovery wholesale segments is estimated to have resulted in the shares of the two in overall NBFC credit remaining stable in fiscal 2024, at 45% and 55%, respectively. While credit growth in the retail segment is estimated to have risen a healthy 18-20% on-year, wholesale credit rose 16-18%. Though the credit growth in the case of the retail segment was healthy, it was a moderation in comparison with fiscal 2023. This was because of normalisation in unsecured segments, which had increased sharply in the past, spurred by the RBI’s risk weight circular.

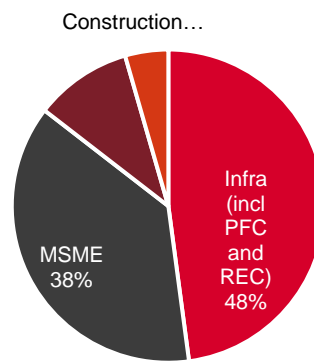
Still, post the NBFC crisis in fiscal 2018, the retail segment had led growth of the NBFC sector, while the wholesale segment posted low single-digit growth between fiscals 2020 and 2022. In fiscal 2023, the retail segment grew a sharp 20% on-year and the wholesale, 14%. Also, while credit growth in the retail segment was broad-based, the MSME segment was the primary growth driver in the wholesale segment, supported by steady growth in infrastructure financing on a high base.

Break-up of retail vs wholesale segment of NBFCs in fiscal 2024E

Retail credit break-up



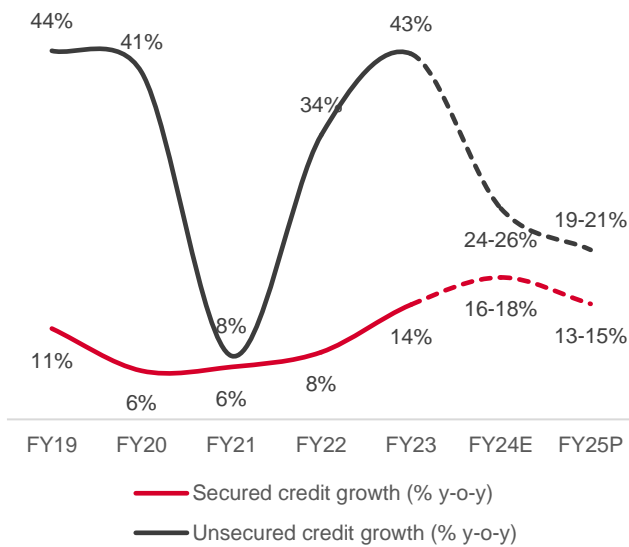
Wholesale credit break-up



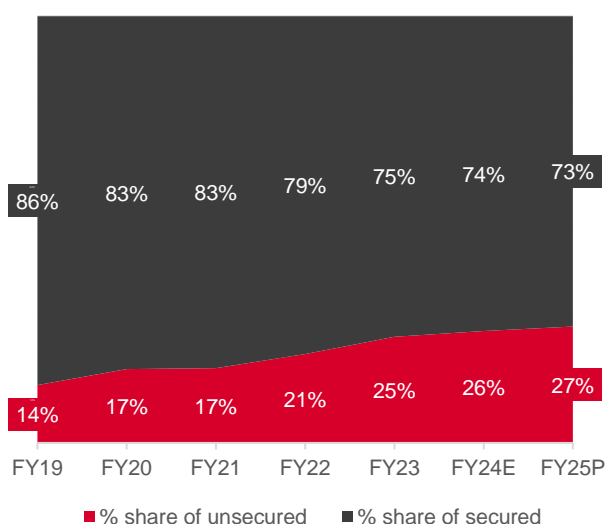
Source: RBI, company reports, CRISIL MI&A Research

**Unsecured credit growth to normalise owing to regulatory efforts, still to trend higher than secured credit
Secured segment to lose further ground**

Secured vs unsecured retail loan growth



Secured vs unsecured share in retail portfolio



E – estimated; P – projected

Note: For calculation of unsecured retail loans for NBFCs, segments such as personal, microfinance and consumer durables loans, and a share of education loans are considered.

Source: RBI, NHB, MFIN, CRISIL MI&A Research











The retail portfolio of NBFCs was estimated at Rs 19.3 trillion in March 2024. Within the space, the share of the unsecured portion is estimated to have expanded from 14% in fiscal 2019 to 26% in fiscal 2024. The RBI circular acted as a catalyst against this backdrop of rapid growth of unsecured lending by NBFCs and banks and its underlying risks.

Higher inflation, along with stagnant income, could cramp the borrower’s repayment capability. Overleveraging at the borrower’s end could also augment asset quality vulnerability. This is further exacerbated in unsecured lending, where there is no recourse to collateral and, hence, the loss given default is high. Therefore, lenders are required to keep higher capital buffers against such exposures as a result of this circular.

Between fiscals 2021 and 2023, i.e. the post-pandemic period, the secured segment logged 11% CAGR, surpassing the pre-pandemic growth rate of 8%. In contrast, the unsecured segment clocked a staggering 41% CAGR as NBFCs expanded their reach by targeting the new-to-credit customer segment and focussing on tier II and lower-tier cities.

A decadal low savings rate of Indian households of 5.1% owing to rising financial liabilities indicates a debt-driven consumption-led post-pandemic recovery. The emergence of fintech companies (fintechs) has played a key role in driving growth of the unsecured segment. Fintechs have been at the forefront of innovative lending practices, often catering to segments that traditional financial institutions might not reach.

Retail segment continues to lead NBFC credit growth

		Change in credit at NBFCs			
		CAGR FY19-23	FY23 y-o-y	FY24E y-o-y	FY25P y-o-y
	Housing	7%	10%	13-14%	11-13%
	Auto (all segments)	9%	20%	20-21%	15-16%
	Personal loan	35%	48%	20-21%	14-16%
	Gold	17%	5.5%	13-15%	11-13%
	Microfinance	25%	38%	25-26%	21-23%
	Consumer durables	24%	27%	29-30%	26-27%
	Education	35%	79%	75-76%	51-53%
<hr/>					
	MSME	18%	22%	25-26%	24-26%
	Corporate and Real estate	(5)%	(4)%	(4-5)%	(1-3)%
	Infrastructure	7%	13%	15-16%	15-16%
		<5%	5-10%	>10%	

E – estimated; P – projected

Source: Company reports, CRISIL MI&A Research

Housing: The credit growth of the overall housing finance sector has returned to pre-pandemic level, rising an estimated 12-14% in fiscal 2024. The slowdown caused by the pandemic affected low- and middle-income groups for a brief period; however, the segment turned a corner faster than expected. In fiscal 2025, CRISIL MI&A Research expects demand for housing to rise 10-12% on-year. This, along with the expected 8-10% growth in capital values in fiscal 2024 and 5-7% in fiscal 2025 and incremental construction under the Pradhan Mantri Awas Yojana during the fiscals, will support an estimated 13-14% growth in NBFC/housing finance companies' (HFC) housing loans in fiscal 2024 and 11-13% growth in fiscal 2025.

Auto finance: The segment saw healthy credit growth in fiscal 2023, supported by easing of semiconductor shortages, pent-up demand for cars and utility vehicles, improving profitability of transporters, and advance buying in anticipation of the second phase of Bharat Stage-VI norms. Growth in fiscals 2024 and 2025 will be driven by rising demand for commercial vehicles, cars, utility vehicles, and two-/three-wheelers, accompanied by bigger ticket financing and the government's focus on infrastructure spending. With this, CRISIL MI&A Research estimates the auto finance NBFC segment grew 20-21% in fiscal 2024, with 15-16% growth projected in the current fiscal.

Gold loan finance: NBFCs' credit growth is estimated to have moderated to 13-15% in fiscal 2024 compared with 16.2%

CAGR between fiscals 2019 and 2023. Growth moderated in fiscal 2023 because of intense competition from banks and mixed credit demand from the rural economy — a major market segment for gold loan NBFCs. Credit growth is projected to grow 11-13% in fiscal 2025.

Microfinance: The microfinance industry clocked a CAGR of 17% between fiscals 2019 and 2023, with NBFC-MFIs growing at a fast pace of 25% CAGR and capturing the market share of banks, which witnessed 11% growth during the same period. The new regulatory framework contributed to improved financial inclusion due to higher household income. With the increase in household income in urban and rural areas, the lenders expanded their customer base in fiscal 2024, boosting credit growth at an estimated 25-26% for NBFC-MFIs and 23-24% for the overall microfinance industry.

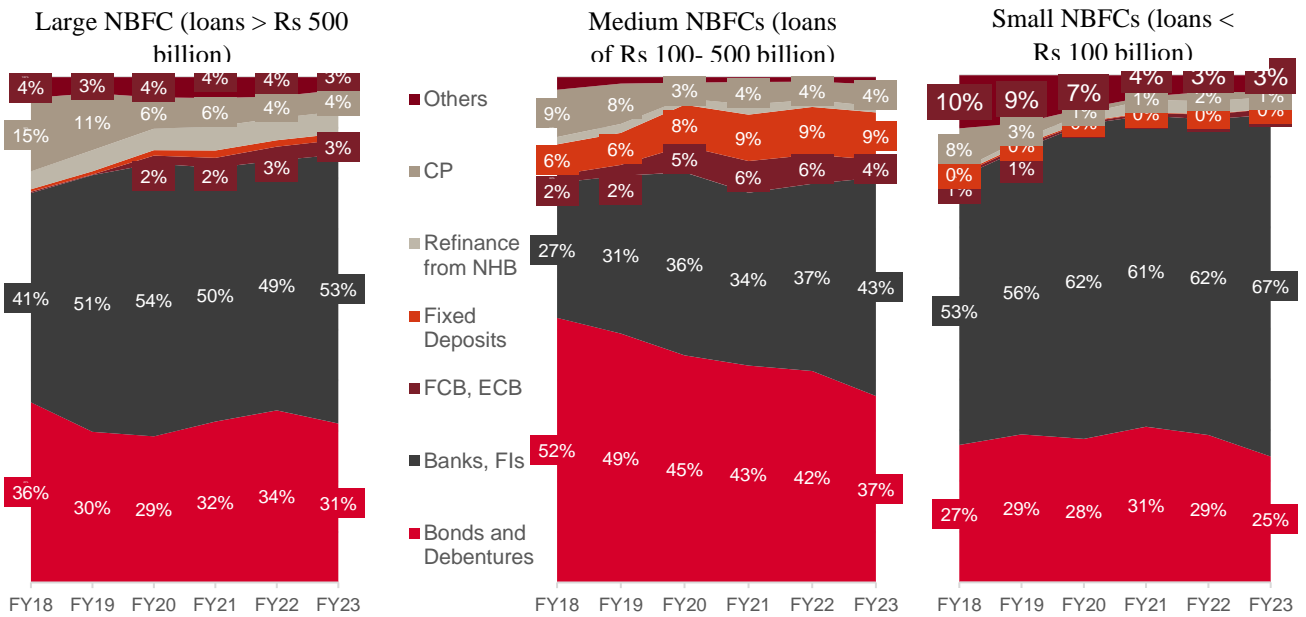
MSMEs: The first and second waves of the pandemic hit MSMEs real hard. This segment has a fundamental link to economic activity. Corporate India's revenue is estimated to have increased 7-9% in fiscal 2024 vis-à-vis 7-7.5% growth for SMEs. In line with this, CRISIL MI&A Research estimates overall MSME credit growth to have been a healthy 25-26% last fiscal and is projected to remain range bound at 24-26% this fiscal.

Real estate and corporate: The wholesale portfolios of NBFCs/HFCs are systematically being trimmed. NBFCs/HFCs are collectively shifting their focus towards the retail business. This led to an estimated de-growth of 4-5% in credit in fiscal 2024. CRISIL MI&A Research expects wholesale credit to further de-grow 1-3% this fiscal, with real estate disbursement expected to pick up for a few NBFCs/HFCs.

Infrastructure (including PFC and REC): The infrastructure book of NBFCs grew 13.4% in fiscal 2023, following a marginal growth of 2% in fiscal 2022 due to weak power demand amid the pandemic. The growth momentum in fiscal 2023 was owing to investments in renewable power and a pickup in the transmission and distribution (T&D) sector amid increased power demand. Book growth is estimated to have been 15-16% in fiscal 2024, driven by firm growth in power sector investments and the Revamped Distribution Sector Scheme (RDSS). Additionally, REC has been appointed as the nodal agency to oversee the overall coordination and implementation of the rooftop solarisation project announced in January 2024. Supported by the aforementioned factors, CRISIL MI&A Research expects the NBFC infrastructure book to grow 15-16% in fiscal 2025.

Share of bank funding expected to moderate in the near to medium term for NBFC

Bank and capital market borrowings interplay to evolve with transmission of rate hikes in a liquidity deficit banking system



Note: Coverage includes 100+ NBFCs (including HFCs) constituting 81% of the total NBFC market size (excluding PFC, REC and HDFC)

Source: Company reports, CRISIL MI&A Research

While the impact of risk weight circular is expected to result in increased cost of capital for NBFCs with exposure to consumer lending segments, NBFCs rated A- and above and operating in these segments will also face the additional impact on their borrowing cost from bank funding as banks pass on the increased cost of capital to NBFCs. Higher lending rates by banks to NBFCs could spill over to corporate bonds through higher yields via widening of credit spreads for NBFCs.

From a scale perspective, large NBFCs (with loan book > Rs 500 billion) have a higher capability to tap capital markets and raise bonds and debentures for their funding requirements due to a strong market presence, larger scale of operations and better ratings. However, after the NBFC crisis in fiscal 2019, the share of bonds in the borrowing mix has been declining; it dropped from 52% in fiscal 2018 to 37% in fiscal 2023. Correspondingly, the share of bank borrowings continued to increase.

With softer policy rates abroad, large NBFCs have also tapped overseas funding options through the external commercial borrowing (ECB) route. As a result, ECBs held a 6% share in the borrowing mix in fiscal 2022 compared with 2% in fiscal 2018. However, with reversal of interest rates in fiscal 2023 and most central banks adopting aggressive rate hikes, the share of ECBs declined to 4% end-fiscal 2023, with some NBFCs even opting to prepay their ECB/foreign currency borrowings. Refinance from NHBs occupied a small but steady share in large NBFCs.

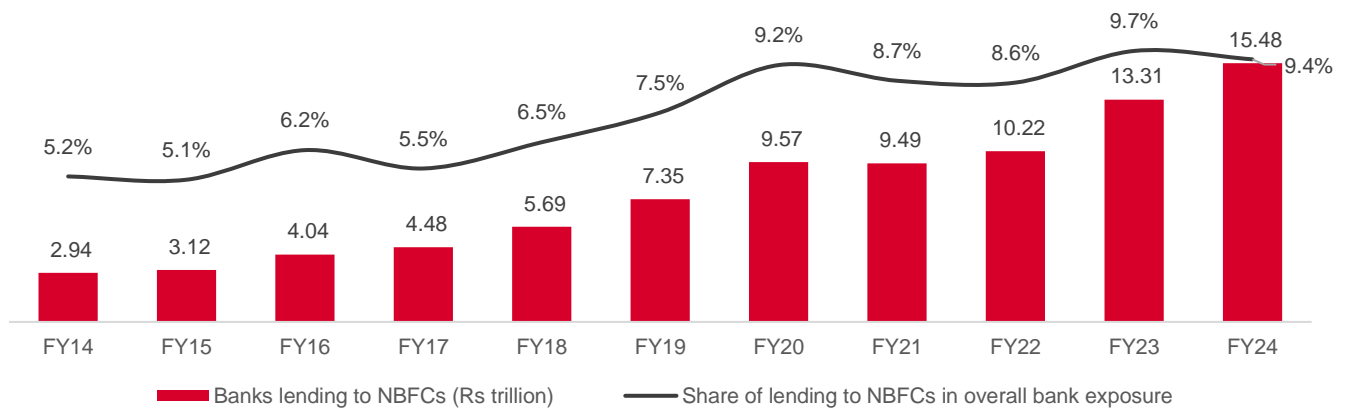
Meanwhile, small and medium-sized NBFCs depend on term loans as the principal source in their borrowing mix. In addition, the share of deposits is lower as a higher share of small and medium-sized NBFCs are non-deposit taking. With limited access to capital markets compared with large NBFCs, impacted further during the liquidity crisis, these NBFCs have become more dependent on banks and financial institutions for funding. Hence, the share of term loans has increased rapidly in small and medium-sized NBFCs after the crisis. Notably, there was a small decline in the share of bank borrowings in fiscals 2021 and 2022, when interest rates were low, capital markets offered attractive yields and the share

of bonds increased.

In addition, short-term borrowings from commercial papers (CPs) reduced across NBFCs and were replaced by short-term loans from banks. With interest rate repricing in benchmark-linked bank borrowings, the share of CPs could pick up if short-tenure yields normalise.

Bank funding to NBFCs is expected to moderate in the near to medium term with the impact of RBI circular and further transmission of rate hikes accelerated by deficit liquidity in the banking system.

Share of bank lending to NBFCs declined 30 bps to 9.4% in FY24

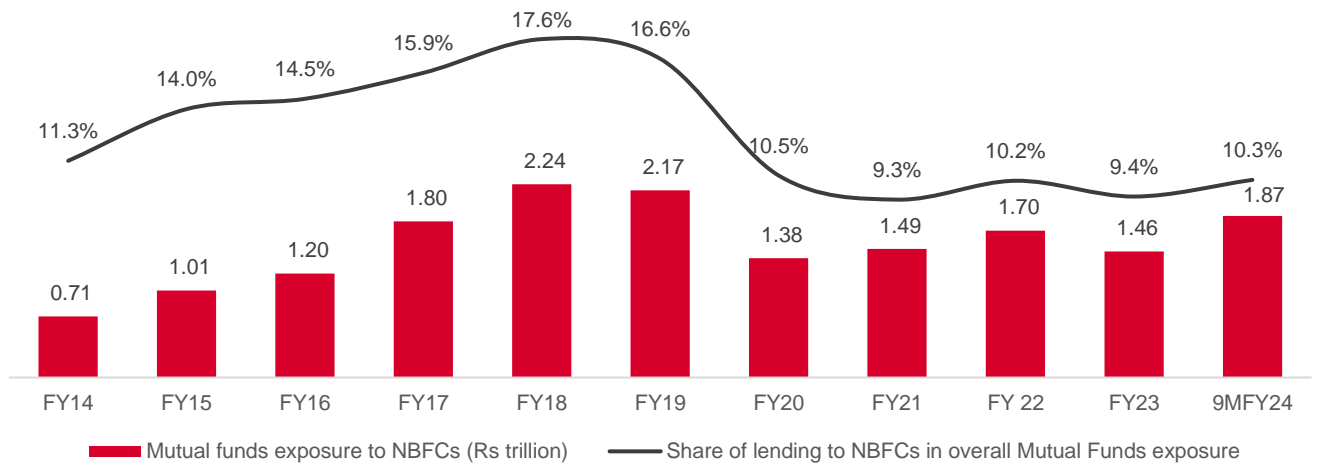


Source: Company reports, CRISIL MI&A Research

Banks credit exposure to NBFCs is estimated to have increased 16% on-year to Rs 15.5 trillion in fiscal 2024 from Rs 13.3 trillion in fiscal 2023. On the other hand, the share of NBFCs in the overall credit exposure is estimated to have declined to 9.4% from 9.7% during the period. The moderation was driven by a dynamic management of banking liquidity which saw lending rates of the overall banks increase and the added impact of the RBI’s risk weight circular. The weighted average lending rates on outstanding rupee loans for banks increased from 8.72% in April 2022 to 9.81% in February 2024 (9.83%, if HDFC merger is excluded). Hardening in bank lending rates in relation to other funding avenues such as domestic capital markets and ECBs could lead to further moderation in the share of bank borrowings going forward.

Bank lending to NBFCs has almost doubled in the past 10 years. More recently, amid increasing interest rates, term loans of banks became the preferred source of borrowing as the rates transmitted to bank lending rates with a lag.

Mutual funds' exposure to NBFCs remains low



Source: Securities and Exchange Board of India, CRISIL MI&A Research

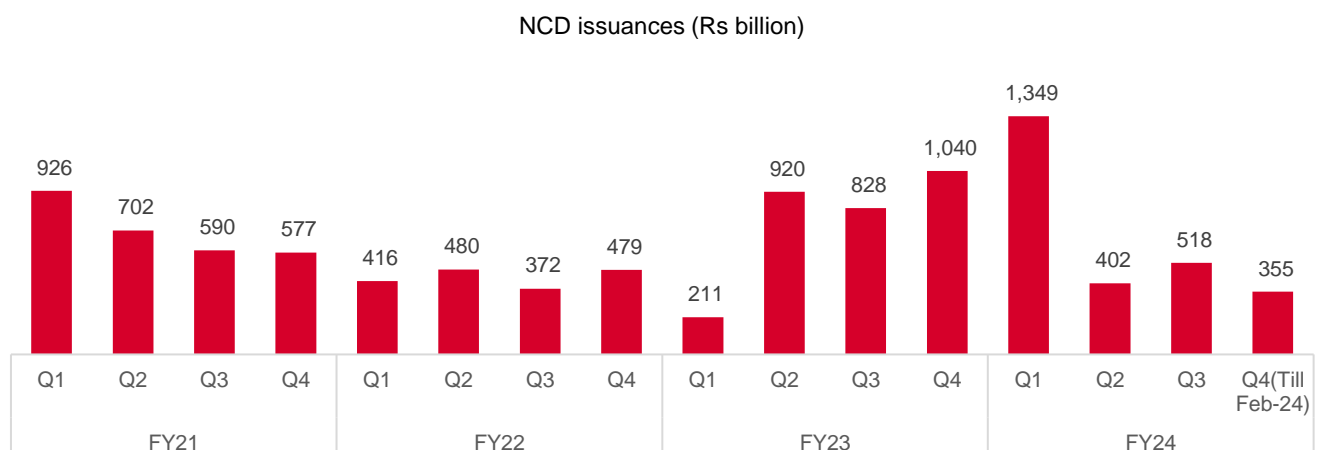
Note: Exposure refers to debt mutual funds

The IL&FS crisis in fiscal 2019 led to funds becoming extremely cautious towards investing in NBFCs. Exposure declined from ~18% in fiscal 2018 to 10% in fiscal 2022, and this trend is expected to continue in the medium term. Large NBFCs that showcased strong performance and resilience in fiscal 2022, and small and medium-sized NBFCs to some extent, are expected to drive mutual fund investments in NBFCs going forward. This is unlike prior to fiscal 2019, when bulk of the investments were in small and medium-sized NBFCs, which in turn aggressively pursued growth.

Mutual funds' exposure to NBFCs totalled Rs 1.87 trillion in 9MFY24, constituting 10.3% of the total mutual fund exposure.

Non-convertible debenture issuances remain a monitorable

HDFC merger and interest rate volatility dampened NCD issuance momentum in the recent quarters



Note: Above data represents trend for key 160 NBFCs forming more than 95% of loans and advances of estimated NBFC sector outstanding

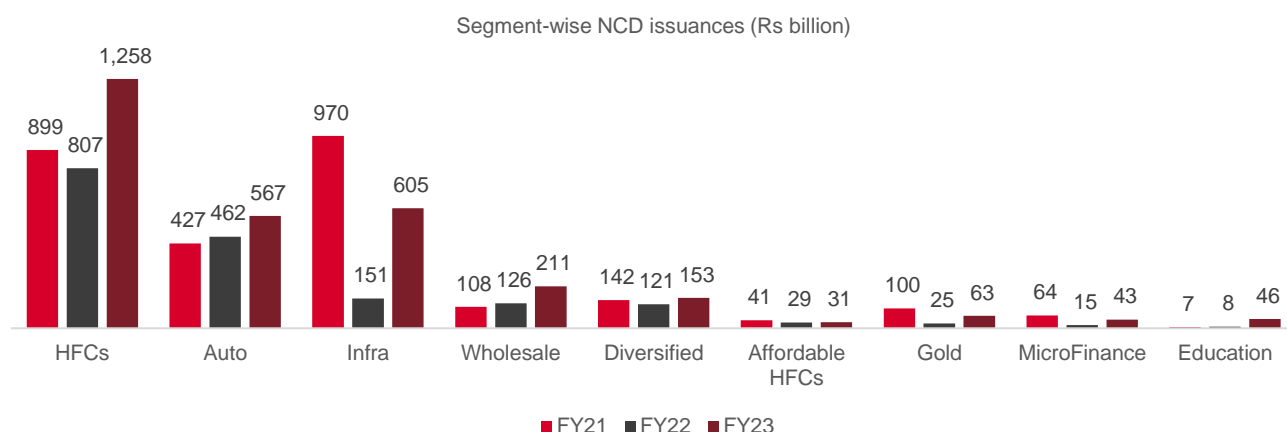
Source: F' track, monthly portfolio disclosures by mutual funds, CRISIL MI&A Research

NCD issuances plummeted after the first quarter of fiscal 2024, impacted by the HDFC merger as a significant issuance was made by HDFC Ltd in May (~37%) and June 2023 (~31%) out of the total issuances of NCDs. Subsequently, the company merged with HDFC Bank with effect from July 2023.

In January of fiscal 2024, the total amount of issuances plummeted to Rs 287 billion, but February recorded 33% growth

sequentially, with Bajaj Finance Ltd, Aditya Birla Finance Ltd and Sundaram Finance Ltd collectively accounting for ~42% of these issuances.

NCD issuances in the retail segment perform better than wholesale



Note: Top 100 companies by AUM considered for issuances

Source: CRISIL MI&A Research

In fiscal 2023, NCD issuances surpassed fiscal 2020 levels across all retail segments, with the highest increase in education loans on a low base of fiscal 2022. Issuances also picked up in the wholesale segment, driven by infrastructure finance issuers.

Mirco finance – Review and outlook

NBFC-MFI credit likely to have surged 25-26% in FY24

In India, microfinance plays an important role in delivering credit to the bottom of the economic pyramid. Microfinance loan amounts are usually small, have short tenures, are extended without collateral, and have a higher frequency of loan repayments compared with traditional commercial loans. These loans are generally taken for income-generating activities, but are also provided for consumption, housing and other purposes, in both rural and urban geographies.

MFI operations have traditionally been cash-intensive and have become very aggressive in the rural areas, especially after the demonetisation.

As of March 2024, the total outstanding microfinance credit was at an estimated Rs 4.3 trillion. Of this, non-banking financial company-micro finance institutions (NBFC-MFIs) held Rs 1.7 trillion, accounting for the largest share at 40%, followed by banks at 33% (Rs 1.4 trillion), while small finance banks (SFBs), other NBFCs and non-profit NBFCs together made up the remaining 27%.

Share of NBFC-MFIs in overall MFI credit to grow by 200 bps to ~42% by end-FY25

Type	Share (FY24E)	Outstanding book (Rs billion) FY24E	CAGR (FY19-FY23)	Growth in FY23	Growth outlook for FY24E	Growth outlook for FY25P
NBFC–MFIs	40%	1,729	25%	37.7%	25-26%	21-23%
Banks	33%	1,417	11%	4.5%	19-20%	13-15%
Others	27%	1,142	15%	28.1%	25-26%	17-18%
Total	100%	4,289	17%	22.0%	23-24%	17-19%

P: Projected, E: Estimated

Source: CRISIL MI&A Research, Microfinance Institutions Network (MFIN)

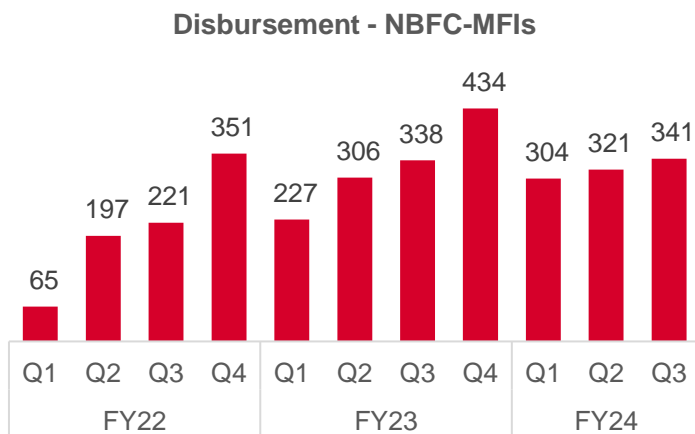
Overall, the microfinance industry clocked a CAGR of 17% during fiscals 2019-2023, with NBFC-MFIs growing 25%, eating into the market share of banks that grew 11%. Over the past decade, the microfinance industry has been affected by multiple macro events, which has impacted the stability of the segment. These include the Andhra Pradesh crisis (2010), Andhra Pradesh farm loan waiver (2014), issuance of SFB licences to MFIs (in-principle approval in 2015), demonetisation (2016), farm loan waiver in some states (2017 and 2019) and nationwide impact of the pandemic (2021 and 2022).

Post moderation in fiscal 2021 and the first half of fiscal 2022, with pick-up in economic activities and improved collection efficiency, the NBFC-MFI sector grew 24% on-year for fiscal 2022. Further, in March 2022, the revised MFI guidelines announced by the Reserve Bank of India (RBI) raised the total household income threshold for collateral-free loans to fuelled growth.

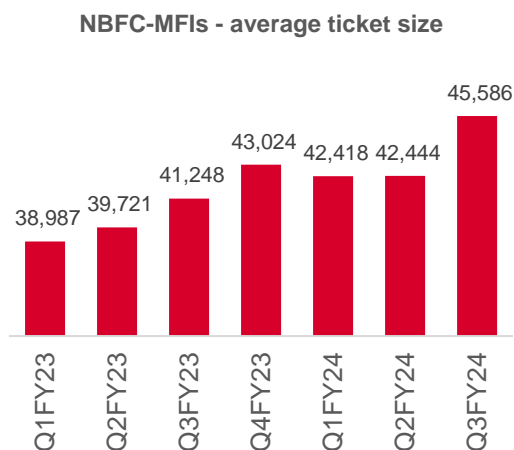
According to the RBI’s revised regulatory framework, any collateral-free loan given to a household with an annual income of up to Rs 0.3 million would be considered an MFI loan. The framework also provides the Boards of financial institutions flexibility in repayment frequency and income assessment of borrowers. Hence, the risk management system of NBFC-MFIs needs to be robust to maintain asset quality in newer segments/geographies. With the increase in household income across urban and rural areas, the lenders expanded their customer base during fiscal 2024, which helped supported the credit growth – an estimated 25-26% for NBFC-MFIs and 23-24% for the overall microfinance segment.

NBFC-MFI disbursements grew 11% on-year in 9MFY24

Increasing average ticket size supports disbursements



Source: CRISIL MI&A Research, MFIN

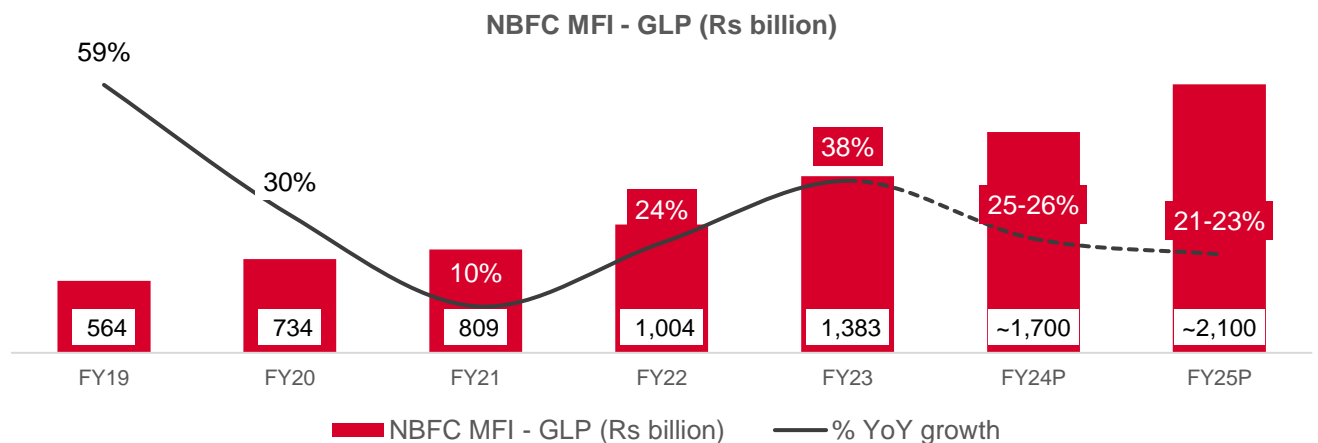


The first quarter of fiscal 2022 was affected by the second wave of pandemic, which led to localised lockdowns. Growth rebounded in the second half and the momentum continued during fiscal 2023 with aggregate disbursement for fiscal 2023 at Rs 1,306 billion (57% on-year growth).

During 9M fiscal 2024, NBFC-MFI disbursements grew 11% on-year aggregating to Rs 965 billion compared with Rs 871 billion during 9M fiscal 2023. The growth trend is likely to have continued in the fourth quarter and to continue in fiscal 2025.

Overall growth was supported by the resumption of economy in rural areas, improved collection efficiency, implementation of the RBI’s new regulatory framework, increased penetration and increased average ticket size of disbursements, which grew 11% from Rs 41,248 during the third quarter of fiscal 2023 to Rs 45,586 during the third quarter of fiscal 2024.

NBFC-MFIs estimated to have grown 25-26% on-year in FY24



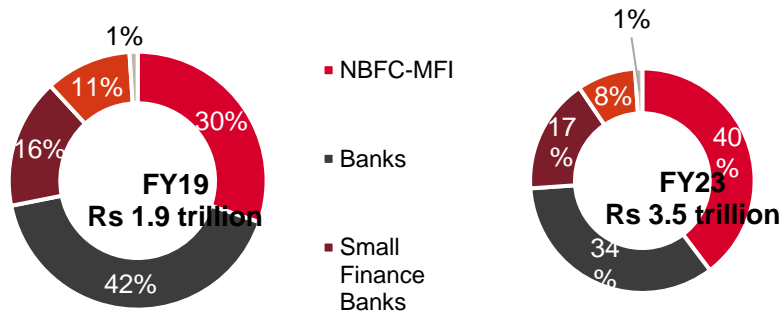
Source: CRISIL MI&A Research, MFIN, company reports

NBFC-MFIs clocked a healthy CAGR of 25% during fiscals 2019-2023 with a slack witnessed during fiscal 2021 on account of the pandemic-related disruptions. Post this, recovery in the rural economy, pent-up demand for credit and increase in ticket size of disbursements supported by the new MFI regulations, aided credit growth during fiscals 2022 and 2023. During fiscal 2023, NBFC-MFI disbursements grew 57% on-year with gross loan portfolio (GLP) growing at 38%.

NBFC-MFI disbursements grew 11% on-year for 9M fiscal 2024 aggregating to Rs 965 billion. The healthy growth was on the back of an increase in the customer base by the lenders and buoyant demand. Further, demand witnessed moderation during the third quarter of fiscal 2024 in certain geographies such as Punjab and Tamil Nadu due to floods impacting economic activities. Additionally, in Punjab, lenders faced slippages on portfolios due to the loan wavier campaign and ongoing farmer protests, which is expected to stabilise in the current fiscal.

CRISIL MI&A Research expects NBFC-MFIs to continue to outpace other lenders by growing at 25-26% during fiscal 2024. The growth trend is expected to continue with slight moderation to 21-23% in fiscal 2025. Growth will be supported by increased penetration of NBFC-MFIs into new geographies along with increased ticket size of existing borrowers for new cycle loans.

NBFC-MFI share increased 10% during FY19-FY23 at the cost of banks



Source: CRISIL MI&A Research, MFIN

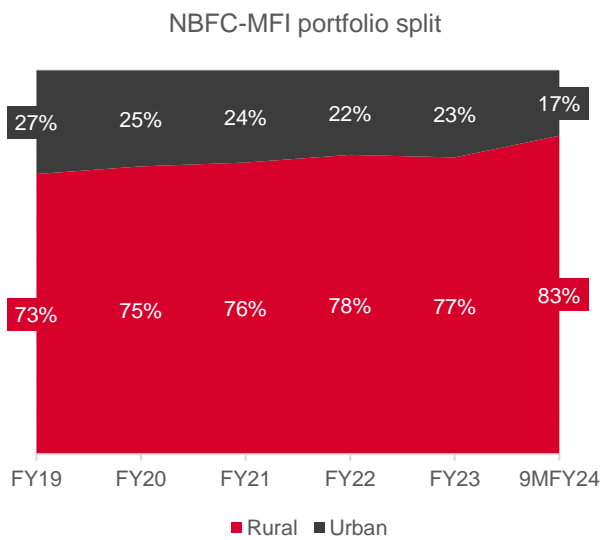
Banks had the largest share in the MFI industry during fiscal 2019 as they lend under the priority sector lending norms. However, NBFC-MFIs have been growing aggressively over the past five fiscals, with their loan book clocking a CAGR of 25% during fiscal 2019-2023 compared with ~18% for banks. The focused lending approach for NBFC-MFIs along with support from investors (impact and private equity funds) has been critical in growth post pandemic.

Moreover, the average ticket size of NBFCs has been increasing, while that of banks declined until the first half of fiscal 2023, post which it jumped 25% during the third quarter of fiscal 2024, with the average ticket size reaching Rs 47,973. This was on the back of increased focus of banks in the MFI lending segment with the estimated credit growth rate in range of 19-20% during fiscal 2024.

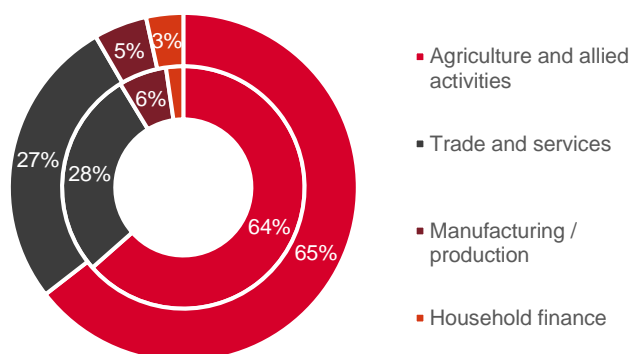
Average ticket size	Q4FY22	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24
NBFC-MFIs	38,647	38,987	39,721	41,248	43,024	42,418	42,444	45,586
NBFCs	42,882	44,204	43,438	44,485	46,561	51,254	53,118	50,501
Banks (JLG)	39,514	37,342	37,231	38,458	42,000	40,975	44,966	47,973
SFBs	45,238	45,281	44,631	47,162	49,174	48,107	47,699	49,008

Source: CRISIL MI&A Research, MFIN

Share of rural lending increased significantly during FY24



MFI portfolio by lending segment



Inner circle - March 2023
Outer circle - December 2024

Source: CRISIL MI&A Research, MFIN, company reports

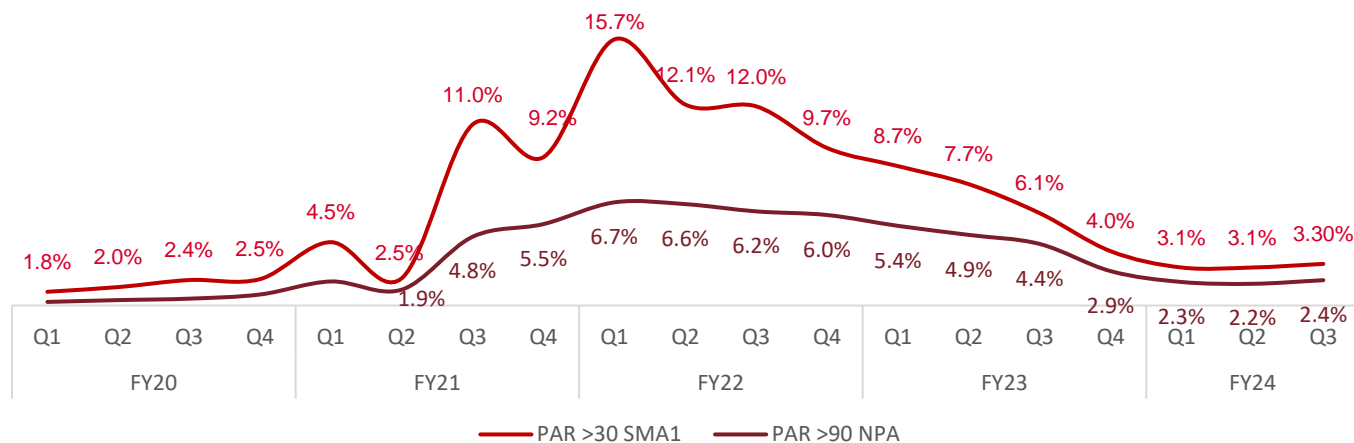
Share of rural areas increased to 83% of the total NBFC-MFI book during 9M fiscal 2024. The penetration of digital infrastructure in these areas is low and internet connectivity is poor. Lack of access is accentuated by low literacy levels among microfinance borrowers, who are generally daily wage earners and tend to transact in cash. Focus of NBFC-MFIs is to bring more people under the formal mode of financing and increase financial literacy along with continued credit growth.

The main objective of microfinance lending is to support capital formation in agriculture and allied sectors. With disbursements being more focused on the rural parts of the country, NBFC-MFIs promote alternative employment opportunities by supporting farm and manufacturing sectors.

A state-wise split of the portfolio indicates that the top five states contribute to ~50% of the overall NBFC MFI outstanding with highest being Bihar (13%), followed by Tamil Nadu (10%), Uttar Pradesh (10%), Karnataka (10%) and Madhya Pradesh (7%). Lowest PAR (portfolio at risk) 90+ amongst the key states was of Karnataka at 0.80%, followed by Bihar at 1.10% vis-à-vis overall PAR 90+ at 2.2% as of September 2023.

Stressed witnessed in some geographies leading to GNPA inching up during H2FY24

PAR 90+ increased 20 bps in Q3FY24, with stress among states such as Tamil Nadu and Punjab



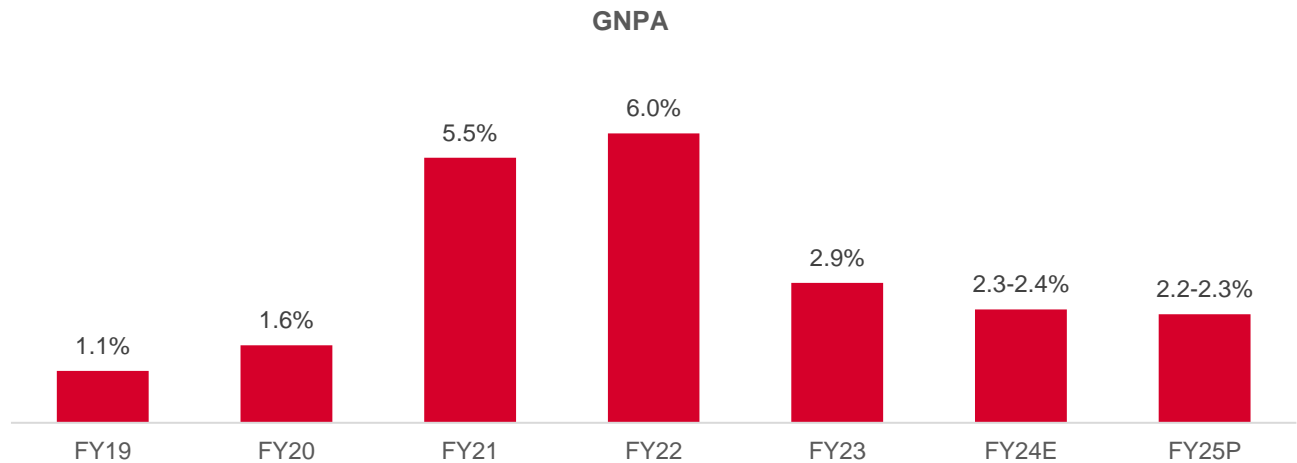
Source: CRISIL MI&A Research, MFIN

Typically, in times of stress, GNPA tends to remain high for a couple of years, as players try to spread the credit cost. Asset quality improved towards the end of fiscal 2023 along with reduction in the restructured portfolio formed during

pandemic. PAR 90+ peaked at 6.7% during first quarter of fiscal 2022 with the second pandemic wave impacting economic activities along with slippages from the moratorium book during the first half of fiscal 2021. Further during the pandemic fiscals, MFIs witnessed double-digit restructured book, which significantly reduced during fiscal 2023 as loans move out of moratorium and resumed regular repayment of fall into GNPA.

PAR 90+ reduced 2.20% during the first half of fiscal 2024 but continues to be above the pre-Covid levels. Further, the industry witnessed an uptick of 20 basis points (bps) taking GNPA to 2.40% as of December 2023. This increase was mainly attributed to challenges faced by lenders in specific geographies, i.e., Tamil Nadu and Punjab, where collection efficiencies dropped due to floods and the loan waiver campaign in some parts of Punjab, impacting collections. However, at on-year level, CRISIL MI&A Research estimates GNPA to have moderated marginally to 2.3-2.4% during fiscal 2024 and is further expected to decline 2.2-2.3% in fiscal 2025.

Despite marginal impact on collections during H2FY24, overall GNPA likely to have declined in FY24



Source: CRISIL MI&A Research

Banks continue to be an integral source of funds for NBFC-MFIs

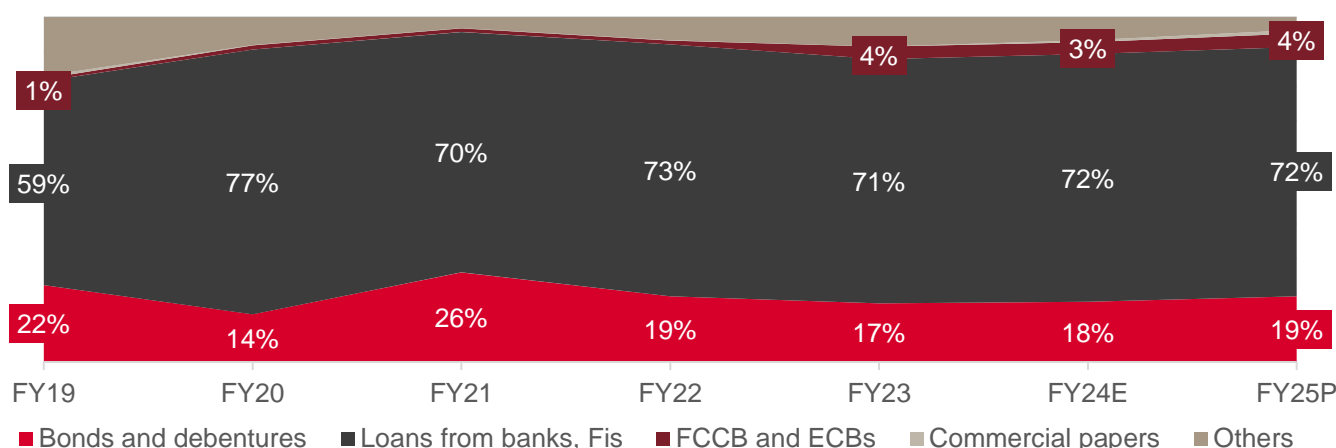
Banks have traditionally been the key lenders to NBFC-MFIs, while smaller players resort to portfolio sell-outs to channel growth. In fiscal 2021, the share of borrowing via bonds and debentures saw an uptick, supported by targeted long-term repo operations announced by the RBI to boost credit flow in the economy. Following this, the share of NCDs subsided amidst the high interest rate environment.

In fiscal 2024, key NBFC-MFI lenders witnessed rating upgrades, which led to better cost of borrowings for funds raised by NCDs. This resulted in a marginal increase in their share. The interest rates are expected to decline in the second half of fiscal 2025, which is likely to result in the increase of the share of capital market and overseas borrowings, with the share of term loans being range bound.

The share of MFI in the overall securitisation market increased to ~16% in fiscal 2024 from 10% in fiscal 2021, supported by improved collection efficiencies post the pandemic and enhanced margins and profitability in the segment.

Expected decline in interest rates to push up share of bonds and external borrowing in fiscal 2025

NBFC MFI - Borrowing mix



Source: CRISIL MI&A Research, MFIN

Additionally, NBFC-MFIs raised funds through the partial credit guarantee scheme under which the RBI extended a special liquidity facility to National Bank for Agriculture and Rural Development, Small Industries Development Bank of India and National Housing Bank to the tune of Rs 250 billion, Rs 150 billion and Rs 100 billion, respectively, to be further lent to sectors such as construction, small and medium enterprises and micro lending. In fiscal 2021, the borrowing from term loans witnessed a dip, due to risk averseness of lenders such as banks and financial institutions because of increased stress in unsecured lending segments, including microfinance loans. This was when MFIs resorted to borrowings from capital market in the form of NCDs leading to a share of 26%. With an improvement in economic activities in rural areas and increased demand for MFI loans, the share of term loan lending and foreign currency borrowing increased in fiscal 2023.

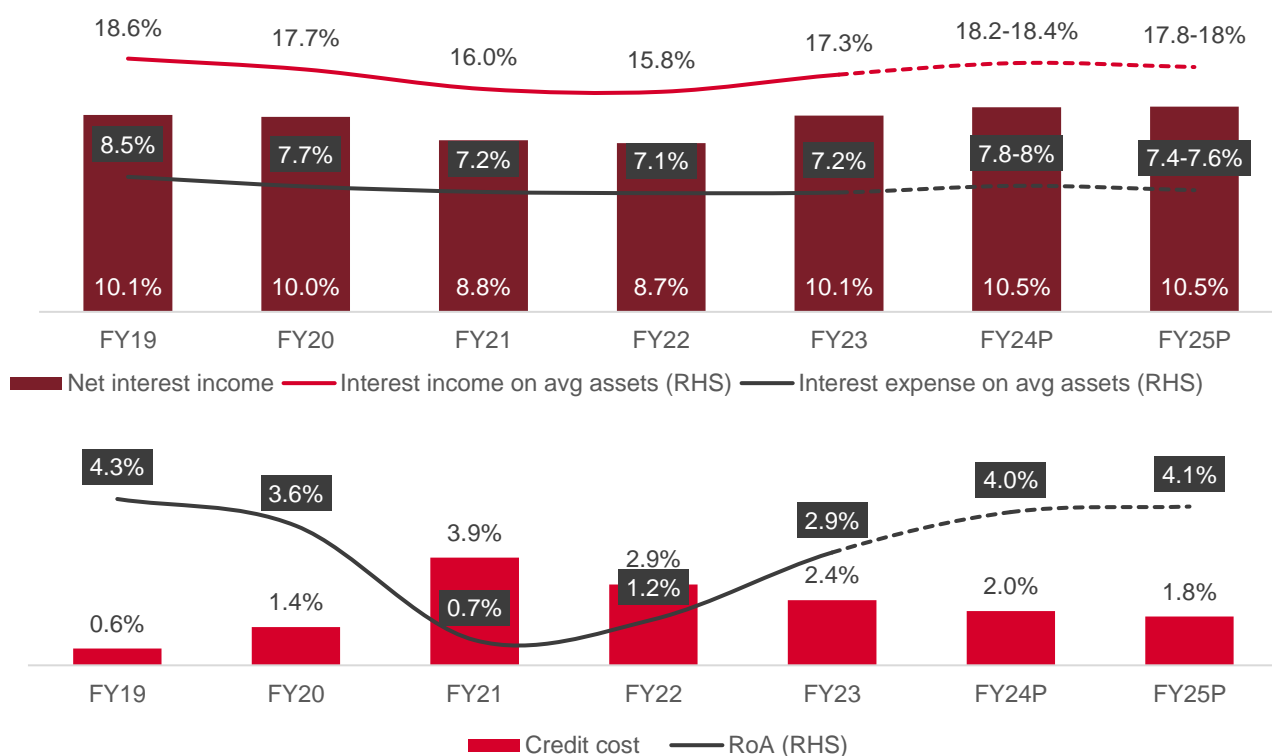
Credit cost to stabilise after heavy provisioning in past fiscals

Historically, yields in the segment have been high due to their high borrowing cost and riskier borrower profiles. Borrowers are small businesses and household manufacturing entities with weak payment profiles. Any disruption in the normal business environment impacts their cash flows, weakening their repayment ability. As a result, players factor in this risk in terms of higher yields. Typically, large players in this segment have yields in the range of 18-23%.

As almost 100% of borrowers are charged a fixed rate of interest, any change in repo rate will be immediately passed on to borrowers, owing to the shorter span of loan. The central bank is now monitoring inflation and the impact of pass-on rates on the economy after an aggressive hike of 250 bps in fiscal 2023.

The monetary policy typically impacts the real economy with a lag of three to four quarters. Hence, the rate hikes during fiscal 2023 lead to a moderation in credit growth during fiscal 2024 with further moderation expected in fiscal 2025 on a high growth base of previous two fiscals. The yields increased at a similar rate in fiscal 2023 and are expected to remain healthy, supported by the revised MFI guidelines. In fiscal 2023, the net interest margin was healthy, on account of a lag in pass-on of borrowing costs. Further, in fiscal 2024, interest expense to average asset is expected to have increased by 70-80 bps with the pass-on of interest rate hikes. Following the heavy provisioning in fiscals 2021 and 2022, credit costs stabilised in fiscal 2023, resulting in improved profitability. The trend is expected to have continued with credit costs being in the range of 2% in fiscal 2024 and remain so in fiscal 2025. CRISIL MI&A Research expects the overall return on assets (RoA) to have improved 100-110 bps to ~4% in fiscal 2024 and reach ~4.1% in fiscal 2025.

With pass-on of rate hikes, interest income rose during fiscal 2024



P: Projected

Source: Company reports, CRISIL MI&A Research

Microfinance – Industry overview

NBFC-MFI regulatory guidelines

Potential harmonisation of regulations for MFI lending

In February 2021, the RBI outlined the need to harmonise regulations governing the MFI lending industry and proposed a revamped framework. A potential harmonisation of regulations for MFI lending will positively impact NBFC-MFIs as banks and SFBs will also be governed by the same regulations, hence eliminating the competitive edge they currently hold. The key proposals include:

- (i) a common definition of microfinance loans for all regulated entities
- (ii) a Board-approved policy for household income assessment
- (iii) capping the outflow on account of repayment of loan obligations of a household to 50% of the income
- (iv) greater flexibility of repayment frequency for all microfinance loans
- (v) no pre-payment penalty or requirement of collateral
- (vi) introduction of a standard simplified fact sheet on pricing of microfinance loans for better transparency
- (vii) alignment of pricing guidelines for NBFC-MFIs with guidelines for NBFCs
- (viii) withdrawal of guidelines currently applicable to only NBFC-MFIs, including the two-lender norm by NBFC-MFIs and all pricing-related instructions applicable to them

New regulatory regime ensures a level playing field for NBFC-MFIs and banks/SFBs

The RBI, in its master directions on microfinance loans, released in March 2022, has done away with the interest rate cap applicable on loans provided by NBFC-MFIs. Entities providing microfinance loans must have a Board-approved policy for the pricing of loans. The policy should include the interest rate model, the range of spread of each component for

various categories of borrowers and the interest rate ceiling and all other charges on MFI loans.

The RBI's move levels the playing field, with NBFC-MFIs and banks/SFBs providing microfinance loans now being subject to the same rules, which was not the case in the earlier regime.

The increase in the annual household income cap for microfinance borrowers (to Rs 3,00,000 in both urban and rural areas), removal of the two-lender norm by NBFC-MFIs and providing NBFC-MFIs greater flexibility to offer non-MFI loans (MFI loans must account for 75% of the total assets for NBFC-MFIs based on the new regulations) will increase market opportunities and enable NBFC-MFIs to create a more balanced portfolio.

On the flip side, the increase in annual household income threshold could push the maximum permissible indebtedness limit of borrowers from the previous level of Rs 1,25,000. While the limit on the loan repayment obligation will act as a safeguard against excessive leveraging, the increased permissible debt limit and possibility of divergences in household income assessment criteria across lenders still pose risks. Proper data infrastructure would be required to analyse and estimate household income, especially in rural areas.

Following the RBI's revised regulations for MFI loans, effective October 1, 2022, a few MFIs have increased interest rates for borrowers by 150-200 bps, especially for customers who are credit untested.

Key changes in the regulatory framework and their potential impact on NBFC-MFIs:

Area of regulation	Earlier regulations		New regulations (effective April 1, 2022)
	For NBFC-MFIs	For banks and SFBs	For all regulated entities*
Loan pricing	Margin cap at 10% for large MFIs (loan portfolios > Rs 1 billion) 12% for small MFIs (loan portfolios < Rs 1 billion)	No restrictions for banks and SFBs	No pricing cap. Underwriting of loans to be done on risk-based analysis and a risk premium to be charged based on the borrower. A Board-approved policy for pricing of loans to be put in place. The policy should include the interest rate model, the range of spread of each component for various categories of borrowers and the interest rate ceiling and all other charges on MFI loans
Processing fees	Not more than 1% of the gross loan amount		
Qualifying criteria	85% loans unsecured	Must meet the target set for priority sector loans	The minimum requirement of microfinance loans for NBFC-MFIs has been revised to 75% of the total assets. The maximum limit on microfinance loans for NBFCs other than NBFC-MFIs has been revised to 25% of the total assets from the previous 10%
Household income	Rural areas: Rs 125,000 per annum Urban areas: Rs 200,000 per annum	No restrictions for banks and SFBs	Annual household income: Up to Rs 300,000 for urban as well as rural areas. (Higher than the amount stated in the consultation paper issued in June 2021 – up to Rs 125,000 for rural areas and Rs 200,000 for urban and semi-urban areas) Board-approved policy for the assessment of household income
Ticket size of loans	Rs 75,000 in the first cycle and Rs 125,000 in the subsequent cycles		
Tenure of loans	Not less than 24 months for loan amount in excess of Rs 30,000		
Lending to the same borrower	Not more than two lenders allowed per borrower	More than two banks can lend to the same borrower	Limit on maximum loan repayment obligation of a household towards all loans: 50% of monthly household income
Overall borrower indebtedness	Should not exceed Rs 125,000	No restrictions for banks and SFBs	

*Regulated entities include all commercial banks (including SFBs, local area banks and regional rural banks), excluding payments

banks; all primary (urban) co-operative banks, state co-operative banks and district central co-operative banks; and all NBFCs (including MFIs and housing finance companies)
Source: RBI, CRISIL MI&A Research

Key success factors

- Ability to attract funds/raise capital and maintain healthy capital position**
 The microfinance industry has seen a rapid growth over the past few years, owing to small ticket sizes and doorstep disbursement. Despite this, a large portion of the market remains underpenetrated, making it necessary for MFIs to raise funds at regular intervals to sustain growth. This is a challenge for several MFIs because of perceived risk of the borrower segment, their susceptibility to socio-political issues and volatility in asset quality. The ability of MFIs to raise funds from diverse sources and maintain a capital position much higher than the prescribed regulatory minimum is vital for long-term sustainability
- Geographically diversified portfolio helps MFIs mitigate risks**
 A large, well-diversified portfolio in different geographies enables players to mitigate risks associated with a concentrated portfolio. In addition, a wider scale of operation helps them reduce operating expenses as a percentage of outstanding loans. Rural areas are still underpenetrated in India; hence, players operating in/focused on these areas are likely to see faster growth in their portfolios
- Ability to control asset quality and ageing of NPAs**
 The vulnerability of MFI portfolios to local issues and events that impact the repayment ability of borrower households make it critical for them to have a strong hold on asset quality and regularly engage with borrowers to control ageing of NPAs. MFIs, thus, need to put in place methods and use analytics to understand and predict the quality of the portfolio, and minimise the frequency and size of asset quality-related risks.
- Competitive dynamics**
 CRISIL MI&A Research expects NBFC-MFIs to grow at a much faster rate vis-a-vis SFBs, on account of increasing focus of the latter on product suites beyond the MFI loan portfolio and improving liquidity for NBFCs in the system

MSME finance – Review and outlook

Credit to micro, small and medium enterprises (MSMEs) stood at Rs 29,090 billion in fiscal 2023. Banks held a dominant market share of 76%, while non-banking financial companies (NBFCs) accounted for the remaining 24%.

Banks dominate MSME lending, trend to persist

Type	Share in book FY23	Book (Rs billion) FY23	CAGR (FY19-23)	Growth in FY23	Growth outlook for FY24E	Growth outlook for FY25P
NBFCs	24%	6,935	16.9%	22.1%	25-26%	24-26%
Banks	76%	22,155	17.0%	25.8%	20--21%	19-21%
Overall	100%	29,090	17.0%	24.9%	21-22%	20-22%

Notes:

1. P: Projection, E: Estimate

2. Credit deployment data published by the Reserve Bank of India (RBI) has undergone revision, so have the comparable numbers for the previous fiscals.

3. Companies with <Rs 5 crore turnover and <Rs 1 crore investment are classified as micro; turnover between Rs 5 crore and Rs 25 crore and investment between Rs 1 crore and Rs 10 crore as small; and turnover between Rs 25 crore and Rs 250 crore and investment between Rs 10 crore and Rs 50 crore as medium

Source: CRISIL MI&A Research

The first and second waves of the Covid-19 pandemic were particularly tough on MSMEs. The segment is fundamentally linked to economic activity. The pandemic-led frequent lockdowns and restrictions interrupted supply, demand and subsequently, profitability in most industries, significantly impacting the segment.

The government of India launched the Emergency Credit Line Guarantee Scheme (ECLGS) in May 2020 to help MSMEs fulfil operational liabilities in the early stages of the pandemic and resume operations as the economy stabilised by

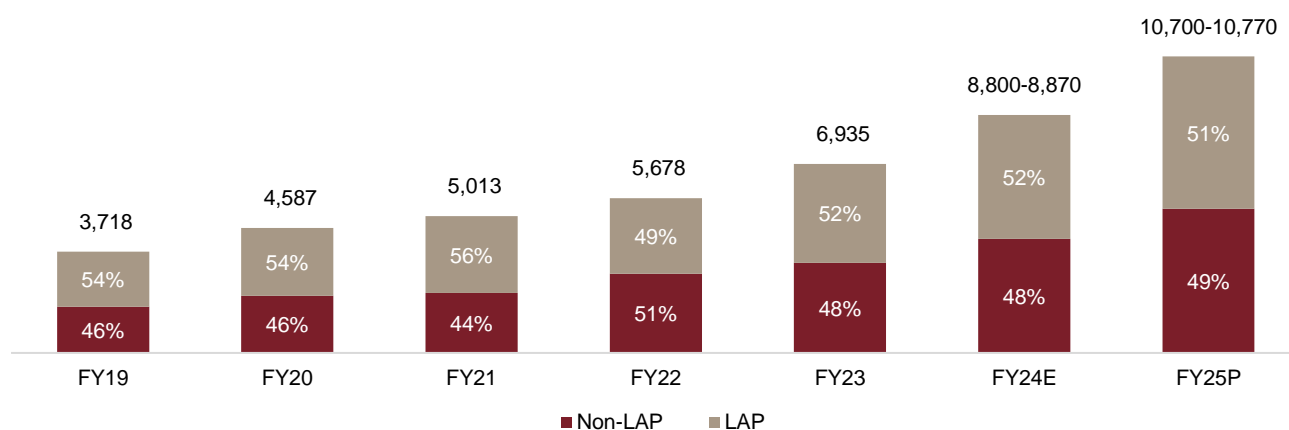
supporting their liquidity needs and promoting loan activity. The amount under the scheme was raised from Rs 4.5 trillion to Rs 5 trillion in the Union Budget 2023 and the deadline for sanctions was extended to March 2023. The Rs 500 billion increase was reserved only for businesses in the hospitality and associated industries. There was no further extension of timeline post March 2023. Hence, based on the latest data available as of January 2023, the loan approval under ECLGS stood at Rs 3.61 trillion (~72% utilisation of the total scheme amount). According to data from the Reserve Bank of India (RBI), the percentage of the total non-performing assets (NPAs) for loans obtained under the programme was 4.5% in value terms and 16.9% in volume, with micro enterprises contributing the majority share. More than 85% of the loan accounts disbursed under the scheme went to micro firms with smaller ticket sizes, which resulted in higher NPAs in volume terms.

During fiscal 2023, the Indian economy normalised, with industrialisation and urbanisation picking up pace. As a result, revenue increased to 20% for corporate India, while SMEs’ revenue grew 11%. In line with the overall growth, aggregate MSME credit grew 25% in fiscal 2023.

CRISIL Market Intelligence and Analytics (MI&A) Research estimates MSME credit growth to have been healthy at 21-22% in fiscal 2024 and projects it to remain range-bound at 20-22% in fiscal 2025, respectively. Bank lending is estimated to have grown 20-21% in fiscal 2024 and is projected to grow at 19-21% in fiscal 2025, while NBFC lending is likely to have outpaced the overall MSME credit growth with a 25-26% increase in fiscal 2024 and is expected to grow 24-26% in 2025.

LAP to maintain its market share under NBFCs’ MSME financing

MSMEs' credit outstanding with NBFCs (Rs billion) and segmental share



Note:

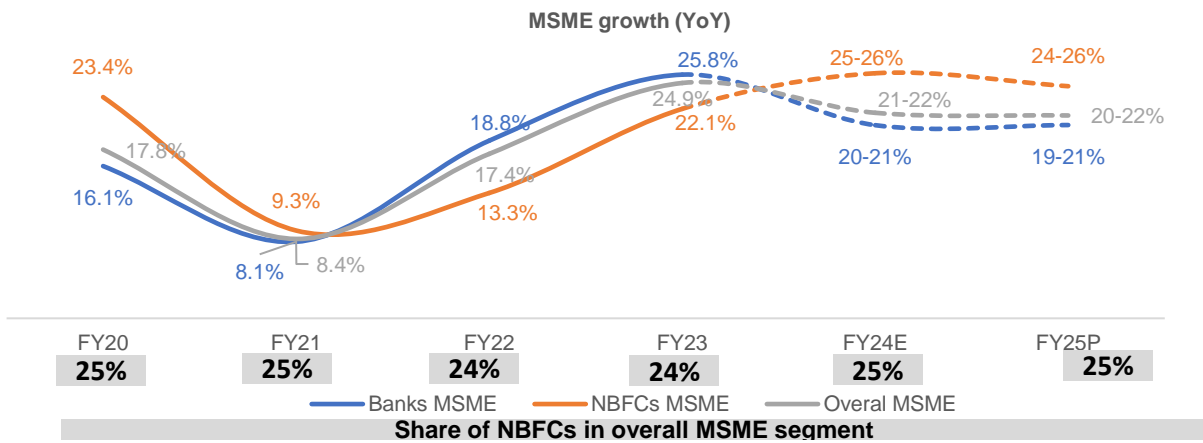
1. P: Projection, E: Estimate

2. Non-LAP segment includes secured and unsecured loans

Source: Company reports, CRISIL MI&A Research

In fiscal 2022, the segmental share of the non- LAP portfolio of NBFCs grew to 51% on the back of global and domestic uncertainties wherein the MSME industry desperately needed cash for day-to-day operations. NBFCs moved towards niche credit assessments without the requirement of property collateral to help provide credit and meet demand. However, in fiscal 2023, the share of the LAP portfolio increased to 52% as economic activity normalised, and support from the RBI and the Centre’s promotion of Aatmanirbhar Bharat actualised. CRISIL MI&A Research expects the trend to continue, with the LAP portfolio share projected to remain stable at 52% in fiscals 2024 and 2025.

Rapid industrialisation, steady economic expansion to propel MSME credit



Note:

1. P: Projection, E: Estimate

2. Credit deployment data published by the RBI was revised and so were the comparable numbers for the previous fiscals.

Source: Company reports, CRISIL MI&A Research

In fiscal 2023, the healthcare, consumption and construction sectors drove growth. Robust gross domestic product (GDP) growth is linked closely to the sector as MSMEs form ~33% of the total GDP, further it translated as the GDP growth in fiscal 2023 was a robust 7.0%. However, export-related MSMEs grew slower due to slow GDP growth in foreign markets such as the United Kingdom and United States (US). Information technology enabled services, however, is one of the outliers among the export-led sectors and is estimated to have grown at a healthy pace in fiscal 2024. In fiscal 2025, pharmaceutical companies are also likely to grow on the back of strong domestic demand and increase in exports owing to easing of pricing pressures in the US.

Registrations on the Udyam portal showed a significant portion of MSME companies from the services sector formed the majority. MSMEs under the commodity-led manufacturing sector logged a slow growth and accounted for the remaining share of registrations. The bank credit growth based on RBI's sectoral deployment is faster towards micro and small industries and overall services-related companies, but slower towards medium-sized MSMEs and the overall manufacturing sector.

Robust growth is expected in fiscals 2024 and 2025. With the GDP expected to have grown 7.6% in 2024, growth in overall SME revenue is estimated at 7-8% and corporate revenue at 7-9%, giving a push to MSME credit increase in fiscal 2024.

Another factor that will contribute to credit demand will be the migration of the population towards urban centres as rapid urbanisation will cause a higher demand for domestic products and services, creating opportunities for MSMEs to grow and increase credit demand for expansion.

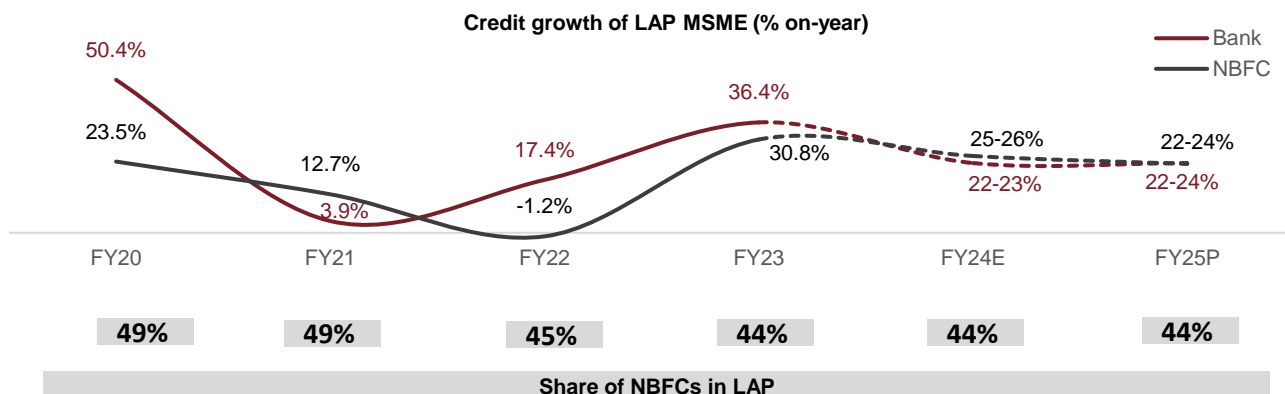
CRISIL MI&A Research estimates NBFCs to have grown at 25-26% in fiscal 2024 and expects their growth to remain range-bound at 24-26% in fiscal 2025. Banks are estimated to have grown 20-21% in fiscal 2024 and are projected to grow 19-20% in fiscal 2025. The overall MSME segment is estimated to have grown 21-22% in fiscal 2024. It is projected to grow at 20-22% in fiscal 2025.

NBFC-LAP segment growth to moderate in fiscal 2025

In fiscal 2022, the LAP segment witnessed slower growth, compared with non-LAP (secured and unsecured) as non-banks could lend based on their cash flows, owing to improved underwriting and rapid demand for simplified credit access. This led to funding not being based solely on short-term requirements. On the other hand, banks were more comfortable growing their LAP portfolio faster as it was considered safer owing to the existence of collateral. However, with the economy stabilising in the previous fiscal and the demand for LAP segment picking up pace, the LAP segment

grew 30.8% for NBFCs and 36.4% for banks.

NBFCs' LAP portfolio estimated to have grown 25-26% in fiscal 2024



Note:

1. P: Projection, E: Estimate

2. Credit deployment data published by the RBI was revised with effect from January 2021 and so were the comparable numbers for the previous fiscals.

Source: Company reports, CRISIL MI&A Research

LAP can be obtained by mortgaging residential and commercial real estate with the lender. The loan can be used for personal or business objectives, and both salaried and self-employed individuals are eligible to apply. The main purpose of the loan is not strictly regulated and as it offers the financier security in the form of real estate, LAP is a secured offering with a lower interest rate than a personal or corporate loan.

NBFCs' LAP grew 30.8% on-year in fiscal 2023 in absolute numbers to ~Rs 3.6 trillion, owing to lower interest rate, a stable economy and increased credit penetration. Credit growth is estimated to have moderated 25-26% in fiscal 2024. CRISIL MI&A Research estimates the MSME LAP segment to have grown 25-26% for NBFCs and 22-23% for banks in fiscal 2024. Similarly, range-bound growth is anticipated in fiscal 2025 with banks and NBFCs likely to grow at a rate of 22-24% each.

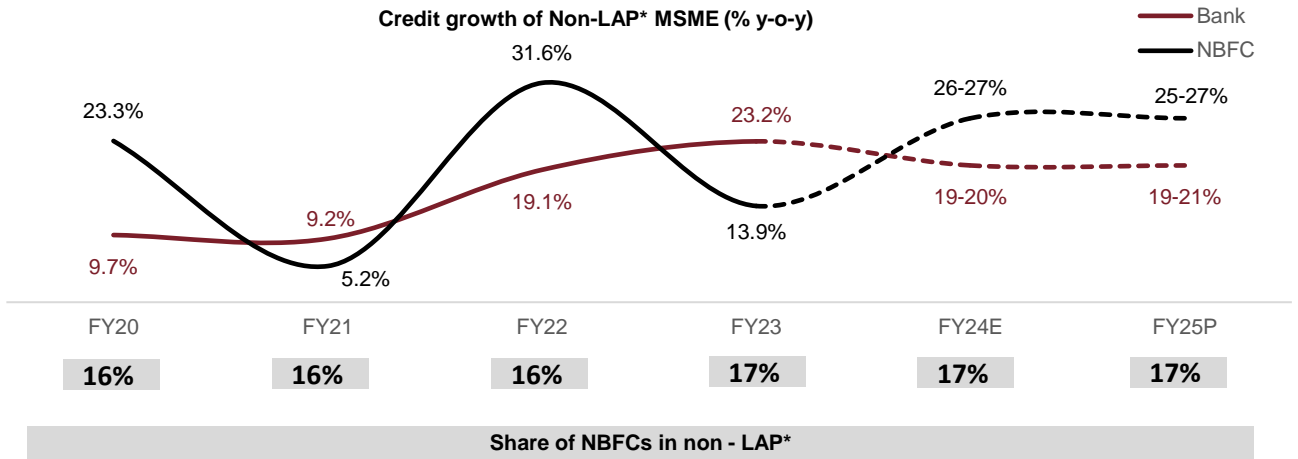
Non-LAP segment to grow 19-21% in fiscal 2025

Loans with security and those without it make up the non-LAP sector. Working capital products, such as cash credit, overdraft facilities and bill discounting, as well as other term loan products (asset-backed or hypothecated loans), are examples of non-LAP secured MSME loans. Hypothecated loans are term-based, where the offered collateral is a combination of real estate, stock and so on.

Self-employed borrowers are provided unsecured MSME loans in the absence of a collateral. Instead of being dependent on a collateral, this type of lending is cash flow-based. Unsecured loans are reviewed based on a variety of factors, including scorecards, bureau checks, bank accounts, financial statements and returns from the goods and services tax. When a bank's cash credit limit is reached, an unsecured small business loan is typically taken to expand a business, take advantage of short-term possibilities or get through a cash flow crisis. Many lenders offer these loans, in addition to the secured loans they already possess.

Due to the non-availability of collateral, underwriting plays a key role in maintaining the asset quality of unsecured business loans. Underwriting these loans requires relevant expertise and is powered by new financial technology and the increasing availability of data on customers' credit history. Competition in the secured loans market (especially retail loans) has compelled NBFCs and a few private banks to gain expertise in niche lending and build robust digital platforms to cash in on fresh opportunities in the unsecured business loans space, while maximising profitability.

Non-LAP credit growth of NBFCs likely rose in fiscal 2024 but will moderate in fiscal 2025



Note:

1. P: Projection, E: Estimate

2. Credit deployment data published by the RBI was revised with effect from January 2021; the comparable numbers for the previous fiscals have been revised accordingly.

3. *Non-LAP segment includes secured and unsecured loans

Source: Company reports, CRISIL MI&A Research

Banks registered strong growth in the non-LAP segment with aggressive strategies, higher market penetration, lower cost of funds and adequate liquidity support in fiscal 2023. While banks grew 23.2%, NBFCs only grew ~14%. CRISIL MI&A Research estimates NBFCs to have grown 26-27% in fiscal 2024 and expects them to remain range-bound at 24-26% in fiscal 2025; banks are estimated to log a slower growth of 19-20% and are projected to grow at 19-21% in fiscals 2024 and 2025, respectively. The overall non-LAP segment is estimated to have grown at 20-21% in fiscal 2024 and is projected to grow 19-21% in fiscal 2025.

Asset quality

MSME asset quality to improve

The asset quality of NBFCs improved to 3.6% in March 2023 from 5% in March 2022, with continued pick-up in economic activity, better collection efficiency and faster credit growth. CRISIL MI&A Research projects asset quality to be in the range of 3-4% in fiscal 2025.

OUR BUSINESS

Some of the information in the following section, especially information with respect to our plans and strategies, contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. This section should be read in conjunction with the sections “Forward Looking Statements”, “Risk Factors”, and “Financial Statements” on pages 16, 18, and 153, respectively.

Unless otherwise indicated or unless the context otherwise requires, the financial information included herein is derived from our Audited Financial Statements, as included in this Tranche II Prospectus. Our fiscal year ends on March 31 of each year and references to a particular fiscal year are to the twelve months ended March 31 of that year. We publish our financial statements in Indian Rupees. Unless otherwise indicated, industry and market data used in this section has been derived from industry publications and other publicly available information, including, in particular the report titled Industry Report on CRISIL Market Intelligence & Analytics (CRISIL MI&A) – NBFC Industry Report dated April 2024.

In this section any reference to “Company”, “we”, “us” or “our” refers to IIFL Samasta Finance Limited.

This discussion contains forward-looking statements that involve risks and uncertainties and reflects our current view with respect to future events and financial performance. Actual results may differ from those anticipated in these forward-looking statements as a result of factors such as those set forth under “Forward-looking Statements” and “Risk Factors” on pages 16 and 18 respectively.

Overview

We are a systematically important Non Banking Finance (non - deposit accepting or holding) Company - micro Finance Institution (NBFC MFI) in India that offers innovative and affordable financial products to women who are enrolled as members and organized as Joint Liability Group (“JLG”) from unbanked sections in society including encompassing cultivators, agricultural laborers, vegetable and flower vendors, cloth traders, tailors, craftsmen, as well as household and industrial workers across rural, semi urban and urban areas in India. Our Company is a subsidiary of IIFL Finance Limited. We offer wide range of loans tailored for underserved individuals who lack access to traditional banking services and includes income generation loans (“IGL”) (to establish a new enterprise or expand an existing business), top-up loans, loan against property, micro enterprise loan, Lifestyle and Family Welfare loans such as dairy cattle loan, sanitation and hygiene, acquisition of daily-use items like cook stoves, water purifiers, solar lights, mobile phones, and other products enhancing their way of life. Going beyond our financial services, our Company also provides non-financial services, including life and hospicash insurance, along with financial counseling, ensuring comprehensive support for its valued customers. We believe that our customer-centric business model, wide range of product offerings, as well as our well-designed product delivery and collection systems, have enabled us to achieve low credit costs. Our average cost of borrowing in Fiscal 2023 and Fiscal 2024 were 9.98% and 10.52%, respectively.

We focus predominantly on customers in rural areas in India, who largely lack access to the formal banking sector and present a latent opportunity for offering micro-loans. Our products are built on a deep understanding of the requirements of our customers (especially customers from rural areas) developed over years and the flexibility of our products (in terms of ticket sizes, end-uses and repayment options) and the manner of their delivery, which we believe are key factors that differentiates us from our competitors and generates customer loyalty.

Our focus customer segment are women having an annual household income of up to ₹ 3,00,000 as per Master Direction – Reserve Bank of India (Regulatory Framework for Microfinance Loans) Directions, 2022 dated March 14, 2022. We provide microfinance IGL primarily under JLG model. Further, we also provide individual top-up loans exclusively for the IGL customers with a commendable repayment history. We offer business loans (to expand the existing business, meet working capital requirements, establish a new enterprise, or purchase inventory or machinery), dairy cattle loan, sanitation and water loan and other product loans which are designed to bring convenience and elevate the overall quality of life for our valued customers. We also offer larger business loans to customers who have demonstrated high entrepreneurial capability, in their individual capacity against collateral (residential and commercial property).

We have followed a strategy of contiguous branch expansion across regions. As of March 31, 2024, we have presence in 1,648 branches in the 21 states and one union territory in India through 16,519 employees (including trainees), serving an active customer base of 30.01 lakh, as of March 31, 2024.

Our operations are well-diversified at the branch level. Our AUM has grown by 34.67% from ₹ 10,552.12 crore as of March 31, 2023 to ₹ 14,211.28 crore as of March 31, 2024.

One of our Promoters, IIFL Finance Limited, incorporated in 1995 provides a wide suite of products and services to meet the diverse financial needs of its customers, from retail and institutional clients to micro, small and medium enterprises.

Corporate Structure

The Corporate Structure of our Company as of the date of this Tranche II Prospectus is as below:



Competitive Strengths

Customer-centric business model resulting in high customer retention

We consider our customers to be the most significant stakeholders at the core of our operations. As of March 31, 2024, we had served 30.01 lakh active customers. We believe that our customer-centric business model allows us to retain a high proportion of our existing customers and to attract new customers. During the past three Fiscals, our focus has been on retaining our existing borrowers, whilst consciously adding new borrowers with a deep rural focus. We follow a multi-pronged approach to customer engagement, which comprises the following key elements:

- *Product offerings across the entire customer life-cycle* - We offer a diverse product suite that caters to the entire customer life cycle of our customers. We provide loans that are relevant for critical needs of our customers throughout their lifespan, which we believe helps in generating loyalty amongst our existing customers and in attracting new customers.
- *Tailor-made product offerings providing flexibility to customers* - Our products are built on a robust understanding of the requirements of our customers and the flexibility of our products, and the manner of their delivery differentiates us from our competitors. We set borrowing limits for each of our customers based on their loan cycles and the number of years for which they have been our customers and provide them the flexibility to borrow within the limit for several specified purposes, depending on their individual needs. All the members of a JLG are not required to take on the same type of loan or avail loans on the same disbursement day but may take different loans which are relevant to their respective needs with different borrowing limits, ticket size and flexible disbursement days. Further, we provide flexibility in repayment schedules for prepayment or late payment of loan instalments. Moreover, as the credit history of our customers improves with the passage of time by moving to subsequent loan cycles, we gradually increase their borrowing limits. This benefits us not only by increasing our revenue base, but also by optimizing our operating expenses, as we do not correspondingly have to incur costs associated with the acquisition of new customers. Our endeavor has been to reduce the dependence of our customers on traditional forms of unorganized lending for their requirements throughout the year. We believe that the flexibility of our products, in terms of ticket sizes, access to different disbursement and repayment options, closely resembles the nature of lending provided by the unorganized sector in Rural areas such as moneylenders, but typically at a much lower interest rate, with clearly specified terms and conditions and organized collection practices. Accordingly, our products present a more viable and safer borrowing option for our customers, as compared to lending sources from the unorganized sector. Our products are tailored to the needs of our customers, and we believe that the structure of our product offerings enables our customers to borrow less than the standard amounts, at multiple points of time during a year, thereby enabling our customers to tide over temporary cash flow mismatches at their end, on account of reasons such as seasonality and cyclicity. We believe this keeps our customers optimally leveraged.
- *Focus on customer engagement* – we follow a predominantly fortnightly collection model, which enables a high degree of customer engagement. Whilst the majority of our customers are on a fortnightly collection model, we also

offer a monthly collection model based on their needs. We believe that the high customer engagement achieved via the frequency of our collections and fortnightly meetings, and interactions with our customers is an important factor in ensuring customer repayment and keeping our credit costs at optimal levels.

- *Customer support and timely grievance resolution* – In line with our customer-centric approach, we have enhanced our customer support capabilities. We have established an in-house contact center to ensure timely resolution and comprehensive assistance for any customer queries or concerns. This dedicated support system reinforces our commitment to delivering excellent customer service at every touchpoint.

Deep penetration in rural areas built through calibrated, contiguous branch expansion

We believe that our deep penetration in rural areas, built through a contiguous branch expansion strategy, provides us with significant scale and diversification advantages. We carry out our contiguous expansion strategy methodically whereby we aim to expand to the next (typically adjoining) branch and ensure deep penetration in a particular state within three years of commencement of operations in the district. This approach encompasses three key aspects: geographical deepening (in existing territories), geographical expansion (in potential territories) and implementation of improved monitoring and the control measures at branches with a significant portfolio size. We believe contiguous expansion provides significant scale and diversification advantages including familiarity of the loan officers with demographics of nearby territories which enable effective customer evaluation and better servicing. As of March 31, 2024, we have presence in 21 states and one union territory (Puducherry) in India through 1,648 branches and 10,522 loan officers. Our operations are well-diversified at the branch level, wherein our AUM has grown by 34.67% from ₹ 10,552.12 crore as of March 31, 2023 to ₹ 14,211.28 crore as of March 31, 2024.

A large segment of India’s population is currently unserved and underserved by formal financial institutions. Considering the opportunity and lower competitive intensity in rural segments, we have increased our footprint in India’s rural areas unlike other industry players over the years. Our presence (AUM wise break-up), compared to the MFI industry is listed out below:

		Fiscal 2024	Fiscal 2023	Fiscal 2022
Industry*	Rural (Portfolio)	83%**	77%	78%
	Urban (Portfolio)	17%**	23%	22%
Our Company	Rural (Portfolio)	80.01%	79.19%	74.93%
	Urban (Portfolio)	19.90%	20.81%	25.07%

* Source: Industry Report on CRISIL Market Intelligence & Analytics (CRISIL MI&A) – NBFC Industry Report dated April 2024

** As of 9 months in Fiscal 2024

We believe this has placed us in a strategic position to tap into the significant growth opportunities that exist in this financially underserved customer segment in Rural areas that are characterized by lower competition.

Robust customer selection and risk management policies resulting in healthy asset quality

We follow robust customer selection and risk management policies, which have resulted in healthy asset quality and lower credit costs. Risk is an integral part of our business, and sound risk management is critical to the success of the organization. As a financial intermediary, we are exposed to risks that are particular to its lending and the environment within which it operates. The Company has identified and implemented comprehensive policies and procedures to assess, monitor and manage risk throughout the Company. The risk management process is continuously improved and adapted to the changing risk scenario and the agility of the risk management process is monitored and reviewed for its appropriateness in the changing risk landscape. The process of continuous evaluation of risks includes taking stock of the risk landscape on an event-driven basis. The Company has an elaborate process for risk management. This rests on the three pillars of business risk assessment, operational controls assessment and policy compliance processes. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are discussed with both the Management and the Risk Management Committee of the Board. Some of the risks relate to competitive intensity and the changing legal and regulatory environment.

Risk management is integral to our business and as a lending institution, we have implemented well defined key risk management policies which primarily focus on addressing credit risk, operational risk and liquidity risk. We conduct regular training of our staff members with respect to risk related matters, as part of our risk management process. For further details, see “Our Business - Risk Management” on page 129.

Strong track record of financial performance and operating efficiency

We have maintained a strong track record of financial performance and operating efficiency over the years through high rates of customer retention, geographical expansion and prudent risk management. Further, we believe that our deep penetration in India's rural markets through our contiguous branch-based expansion strategy has helped us achieve low operating expense ratios, contributing to economies of scale. Our operating expense to quarterly average gross AUM ratio were 6.44%, 6.88% and 5.83% for the Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively.

Our Gross AUM grew at a CAGR of 48.00% from ₹ 6,483.84 crore as of March 31, 2022 to ₹ 14,211.28 crore as of March 31, 2024. Disbursements across our financing products grew at a CAGR of 46.2% from ₹ 5,710.24 crore in Fiscal 2022 to ₹ 12,206.30 crore in Fiscal 2024. Net interest income grew at a CAGR of 73.19% from ₹ 617.69 crore in Fiscal 2022 to ₹ 1,852.71 crore in Fiscal 2024. Net interest margin, for the Fiscal 2024, Fiscal 2023 and Fiscal 2022 was 9.89%, 9.15% and 8.80%, respectively.

Our Gross AUM as of March 31, 2024 was ₹ 14,211.28 crore. Disbursements across our financing products for the financial year ending March 31, 2024 was ₹ 12,206.30 crore and our net interest income for financial year ended March 31, 2024 was ₹ 1,852.71 crore. Our net interest margin, for six months period ended March 31, 2024 was 9.89%.

Details of Net interest margin and details of disbursement for the Fiscal 2024, Fiscal 2023 and Fiscal 2022 are as follows:

Particulars	Fiscal		
	2024	2023	2022
Gross AUM (₹ in crore)	14,211.28	10,552.12	6,483.84
Net Interest Margin (%)*	9.89%	9.15%	8.80%
Disbursement (₹ in crore)	12,206.30	10,213.77	5,710.24
Net Interest Income	1,852.71	1,159.25	617.69

*Net Interest income reduced by loan processing fees, interest on deposits, income from direct assignment and plus finance lease charges, divided by quarterly average AUM (excluding sold portion of direct assignment)

Our profit after tax for the Fiscal 2024, Fiscal 2023 and Fiscal 2022 was ₹ 503.04 crore, ₹ 128.18 crore and ₹ 50.60 crore, respectively.

Professional management team with extensive domain experience

We are a professionally managed company, and our senior management team has an established track record in the financial services industry. Our top management team comprises of our Chief Business Officer, Chief Operating Officer, Chief Financial Officer, Chief Risk Officer, Chief Technology Officer, Compliance Officer and Chief Information Security Officer, along with our Managing Director, Narayanaswamy Venkatesh, all having an extensive experience in banking & finance industry and their experience has helped us to strengthen our risk management, compliance and governance framework.

Narayanaswamy Venkatesh is a seasoned banker. He holds a bachelor's degree in computer Science and has completed the Harvard Business School-ACCION Program on Strategic Leadership in Microfinance. With over 22 years of experience as an entrepreneur in the financial services industry, he has demonstrated exceptional leadership. For further details in relation to our senior management, see "Our Management" on page 135.

Consistent Financial Performance and robust capital base for growth

We believe that our financial performance, operational performance and consistent growth in business enable us to raise funds in the capital markets or borrow funds from lenders at competitive rates. We have experienced sustained growth in financial indicators including our revenue from operations and profit, as well as a consistent improvement in our balance sheet position in the last three Fiscals. Our total income increased from ₹ 1,019.93 crore in Fiscal 2022 to ₹ 1,753.51 crore in Fiscal 2023, and ₹ 2,770.03 crore in Fiscal 2024 and our return on average equity was 31.51%, 11.43% and 6.25% in Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively.

We are well capitalised with a robust capital base. Our capital position has been significantly strengthened post-acquisition of our Company by IIFL Finance in 2017. Our Promoter, IIFL Finance, has infused additional equity capital in our Company amounting to ₹ 90.00 crore, ₹ 300.00 crore and ₹ 200.00 crore in Fiscal 2021, Fiscal 2022 and Fiscal 2023, respectively. There was further equity infusion of ₹ 200 crore in Fiscal 2024 by our Promoter. We believe that this strong capital base places us well to pursue the further growth of our business. Our CRAR calculated on the basis of RBI

norms applicable to NBFC – MFI as at March 31, 2024, 2023 and 2022 was 23.99%, 17.14% and 17.83% respectively, while our Tier I Capital as at March 31, 2024 was 17.67%. This is above the minimum prescribed CRAR of 15% stipulated by the RBI.

Diversified borrowing profile and Effective asset-liability management

Over the years, we have developed a diversified funding profile, maintained long-term relationships with our lenders and established a track record of timely servicing our debt obligations. As an NBFC-MFI (Middle layer), we have access to diverse sources of liquidity, such as term loans from banks, financial institutions and non-banking financial companies, proceeds from loan assets assigned and securitized, cash credit, subordinated debt and proceeds from the issuance of NCDs to meet our funding requirements. This enables us to optimize our cost of borrowings, funding and liquidity requirements, capital management and asset liability management. As of March 31, 2023, we had total borrowings aggregating to ₹ 7,196.35 crore, comprising debt securities of ₹ 438.80 crore, borrowings (other than debt securities) of ₹ 6,342.55 crore, and subordinated liabilities of ₹ 415.00 crore. Further, as of March 31, 2024, we had total borrowings aggregating to ₹ 8,902.90 crore, comprising debt securities of ₹ 1,030.82 crore, borrowings (other than debt securities) of ₹ 7,142.58 crore, and subordinated liabilities of ₹ 729.50 crore.

The table below sets forth our Company’s credit ratings for the past three years and in the current year.

	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2021
CRISIL Ratings	CRISIL AA-/ Watch Developing (Continues on “Rating Watch with Developing Implication”)	CRISIL AA-/Stable	CRISIL AA-/Stable	CRISIL A+/Stable
Acuité Ratings	ACUITE AA Reaffirmed Rating Watch with Negative Implications	-	-	-
ICRA Ratings	-	ICRA A+ (Stable)	ICRA A+ (Stable)	ICRA A (Stable)
India Ratings & Research	IND AA / Rating Watch with Negative Implications	-	-	-

We believe that our diversified sources of borrowing, stable credit history, improved credit ratings and effective asset-liability management have allowed us to gain better access to cost-effective debt financing. As of March 31, 2024 and March 31, 2023, our cash and cash equivalents, other bank balance and investment in government securities amounted to ₹ 1,473.37 crore and ₹609.50 crore, respectively, which we believe reflects our strong liquidity position.

Our Strategy

Expanding the product offerings.

Our Company has introduced new additions to our product portfolio, each designed to address specific financial needs of our customers. We also introduced higher ticket size loans to cater to those customers looking to undertake substantial financial endeavors. Additionally, in order to support customers to recognizing the aspiration of many to own a vehicle, our two-wheeler loans are tailored to be accessible and convenient to our customers who intend to own their own vehicle with ease and affordability. In the realm of lifestyle enhancement, our consumer durable loans are crafted to make modern, high-quality appliances and gadgets attainable, allowing our customers to upgrade their living experience without financial strain. Each of our new offerings is based on deep understanding of our customers’ evolving needs and shows our commitment to being a versatile and responsive financial partner.

Strengthening the market position.

To fortify our market position, a multi-faceted approach anchored in geographical expansion, diversified offerings, and enhanced accessibility is being meticulously executed. We’re intensifying our presence by opening new branches within existing states, a strategic move designed to bring our bespoke financial solutions closer to a broader spectrum of customers, ensuring that their diverse financial needs are met with precision and convenience. Our geographical horizon is extending to embrace new territories; stepping into states like Andhra Pradesh, Telangana, Punjab, and Haryana marks a significant milestone in our journey of expansion. Each new branch is not just a point of service but a hub of personalized financial solutions, cementing our reputation as a brand synonymous with reliability, versatility, and excellence.

Complementing our geographical outreach, the introduction of higher ticket size loans, two-wheeler loans, and consumer durable loans is a testament to our commitment to evolving with our customers' needs. These tailored offerings are designed to encapsulate the diverse financial aspirations of our clientele, positioning us as a one-stop-shop for comprehensive financial assistance. The integration of digital lending amplifies our accessibility, ensuring that our customers, both existing and prospective, experience uncompromised convenience and efficiency. Every touchpoint, physical or digital, is imbued with our ethos of customer-centricity, aiming to transform every interaction into a rewarding experience.

Collectively, these strategic expansions and innovations are not just about growth—they're about deepening our relationship with communities, fostering trust, and building an unyielding foundation of reliability and excellence that propels our market positioning to unprecedented heights.

Continued focus on customers from Rural areas

According to rural and urban portfolio chart in MFI portfolio by lending segment, 23% of microfinance industry portfolio is urban focused. However, we have maintained our focus on growing our rural customer base and intend to continue to do so going forward. As of March 31, 2024, March 31, 2023 and March 31, 2022, the percentage of our Company's active customers located in rural areas was 80.08 %, 79.19% and 74.93%, respectively. We believe that we will be able to strengthen our position by tapping into this underserved market and are well placed to capitalize on our strategy of having a deep penetration in the Indian rural markets. Further, our products are built on a deep understanding of the life cycle requirements of our Customers from Rural Areas, which we believe will help in the expansion of our rural customer base.

We intend to continue penetrating deeper in the states and districts where we currently have operations and also expand our footprint into other areas that have limited or no access to formal banking and finance channels. We will continue to evaluate the offerings at our branches and customize our products to the needs and demands of our customers in the region in which our branches are located and correspondingly update existing operations and resources in different territories.

Expansion of branch network

We have presence in 21 states (Andhra Pradesh, Arunachal Pradesh, Assam, Karnataka, Maharashtra, Madhya Pradesh, Tamil Nadu, Kerala, Odisha, Punjab, Chhattisgarh, Goa, Bihar, Jharkhand, Gujarat, Rajasthan, Haryana, Telangana, Tripura, Uttar Pradesh and West Bengal) and one union territory (Puducherry) in India through 1,648 branches and 10,522 loan officers, as of March 31, 2024. We intend to continue our strategy of contiguous expansion which will expand our district coverage in these states and also potentially into neighbouring states.

The following table sets forth the number of our branches in each state/ union territory as of the dates indicated:

State/ Union Territory	Number of branches as of		
	March 31, 2024	March 31, 2023	March 31, 2022
Tamil Nadu	228	209	112
Bihar	229	169	113
Karnataka	197	169	103
Rajasthan	148	142	92
Uttar Pradesh	154	89	41
Odisha	117	113	85
West Bengal	111	103	61
Madhya Pradesh	90	79	57
Kerala	53	49	25
Maharashtra	64	26	22
Gujarat	40	38	30
Jharkhand	36	30	20
Chhattisgarh	20	18	18
Telangana	47	0	0
Assam	17	17	17
Haryana	18	0	0
Andhra Pradesh	58	2	0

State/ Union Territory	Number of branches as of		
	March 31, 2024	March 31, 2023	March 31, 2022
Tripura	7	7	7
Punjab	6	0	0
Arunachal Pradesh	3	2	0
Goa	3	3	2
Puducherry	2	2	2
Total	1,648	1,267	807

Our contiguous expansion strategy is premised on expanding to the next (typically adjacent) district and achieving a deep penetration in a district within three years of operations. We believe that our expansion strategy has resulted in mitigation of concentration risk and will continue to lead to mitigation of this risk going forward. Out of a total of 21 states and one union territory where we had branches as of March 31, 2024, approximately 86.36% of each of these states individually represent less than 10% of our Gross AUM.

The following table sets forth our state/ union territory-wise portfolio distribution (i.e., the ratio of our AUM from the respective state to our Gross AUM, expressed as a percentage) as of the dates indicated:

State/ Union Territory	Ratio of AUM to Gross AUM state wise as of		
	March 31, 2024	March 31, 2023	March 31, 2022
Bihar	22.32%	20.72%	17.95%
Tamil Nadu	14.35%	17.32%	18.46%
Karnataka	13.04%	12.43%	12.99%
West Bengal	8.64%	8.87%	8.40%
Rajasthan	7.89%	9.42%	10.12%
Odisha	6.84%	9.20%	11.36%
Uttar Pradesh	8.80%	5.53%	2.88%
Madhya Pradesh	3.90%	5.05%	5.77%
Kerala	3.01%	3.27%	2.51%
Jharkhand	2.38%	2.33%	1.71%
Gujarat	1.89%	2.46%	3.48%
Maharashtra	2.22%	1.63%	1.80%
Chhattisgarh	0.45%	0.70%	1.02%
Assam	0.62%	0.33%	0.50%
Tripura	0.25%	0.35%	0.58%
Goa	0.17%	0.17%	0.26%
Haryana	0.41%	0.00%	0.00%
Puducherry	0.13%	0.17%	0.22%
Telangana	1.45%	0.00%	0.00%
Arunachal Pradesh	0.14%	0.05%	0.00%
Andhra Pradesh	0.98%	0.00%	0.00%
Punjab	0.14%	0.00%	0.00%
Total	100.00%	100.00%	100.00%

Leverage existing capabilities and strengths to diversify product and service offerings

We are an NBFC-MFI and intend to continue focusing on our operations in this space with our current business model which comprises extending loans to customers primarily in rural areas. To this end, we intend to capitalize on our current strengths including our geographical reach, customer base, robust risk management policies, strong financial track record and extensive domain expertise to diversify our product and service offerings.

Our diversification strategy is driven by the evolving needs of our customers, and we believe this is in line with the strength of our customer-centric business model and our expansion strategy, as it allows us to ensure that our customers have access to various differentiated products and services which they need quickly and efficiently.

In addition to micro-loans under JLG model, we also provide individual retail finance loans to customers who fulfil certain other eligibility criteria linked primarily to their credit history, income, and business position. We offer a diverse suite of micro-loans that cater to critical needs of our customers throughout their life cycle and includes income

generation, micro enterprise loan, dairy cattle loan, sanitation and hygiene, acquisition of daily-use items like cook stoves, water purifiers, solar lights, mobile phones, and other products enhancing their way of life. Typically, these customers may be capable of obtaining such loans from other financial institutions or banks on the condition that they provide collateral, and with a higher turnaround time, than what we offer and at interest rates which are similar to or higher than our loans, which we believe makes our product offerings more attractive.

Focus on optimizing operating costs and improving operational efficiencies

Controlling our operating expenses is critical in determining our ability to offer loan products at reasonable rates to our customers and our profitability. Our deep penetration in India's rural markets through contiguous branch-based expansion strategy has helped to achieve low operating expense ratios, contributing to economies of scale. Further, given our high customer retention rates, we expect to derive scale and cost benefits as there is no incremental sourcing cost for existing customers, and they are eligible to borrow higher loan amounts from us since they have progressed to higher loan cycles, and they have been our customers for a number of years.

We continue to invest in our technology platform and technology-enabled operating procedures to increase operational and management efficiencies and ensure customer credit quality. With improved digitization, we have strengthened inter-organizational connectivity, while enhancing our customer support services to provide better service prospects. For example, we have focused on introducing features and functionalities towards 'Enhancing Ease of Business', 'Improving Operational Efficiency', 'Arresting possibility of Frauds & Non Compliance'. E-Sign has significantly reduced time and cost of documentation. The same is available as a link for them to see and use through our Customer App, 'Samasta Sakhi'. Our Company has enhanced IT systems to handle 'Co-Lending' which opened new tangents in sourcing of funds and have given us additional confidence to increase disbursement through shared funding with partners such as Canara Bank. 'Customer Experience' is now a notch higher with this improved facility used by our operations team.

Foray into secured products complementary to our target customers

The microfinance guidelines announced by the Reserve Bank of India in March 2022 allowed upward revision of household income, risk-based pricing, and an increase in the limit of non-microfinance loans up to 25% of total assets. We have nurtured our vision of becoming the preferred financial partner of Indian low-income households lacking access to formal credit, enriching their lives by providing convenient and reliable solutions, matching their evolving needs. The new guidelines are complementary to gain pace towards achieving our vision and allows us with a lot of flexibility to design products based on customer suitability.

Our business strategy will be to acquire new-to-credit and early-stage customers through microfinance products, handhold graduated customers through individual unsecured business loans, followed by offering secured products complementary to the target segment to support their growing business needs and asset ownership aspirations. We shall leverage our deep rural presence and strong understanding of the customer's mindset and financing requirements to devise new products. We have already identified specific products complementary to our target customer segment which include suite of micro-loans that cater to critical needs of our customers throughout their life cycle and includes income generation, micro enterprise loan, dairy cattle loan, sanitation and hygiene, acquisition of daily-use items like cook stoves, water purifiers, solar lights, mobile phones, and other products enhancing their way of life. The full scale launch of new products shall be done only after extensive pilots. We have already made necessary technological investments to support these new products. We shall leverage our existing retail finance branch network and employee base to offer these products to our existing as well as new customers. As we grow our balance sheet over the coming years, asset diversification strategy will make us more resilient to macroeconomic cycles, improve our credit ratings and provide stable returns to our stakeholders.

Our Business Operations

Our operations are focused on low income households engaged in economic activity with limited access to formal financial institutions and our goal is to provide customers with financial support for all their financial needs throughout their life cycle. Our focus customer segment is women with an annual household income of less than ₹ 3,00,000. We offer collateral free loans to women, who are willing to borrow in a group and are agreeable to accept joint liability for the loans, and this forms the premise of our JLG model.

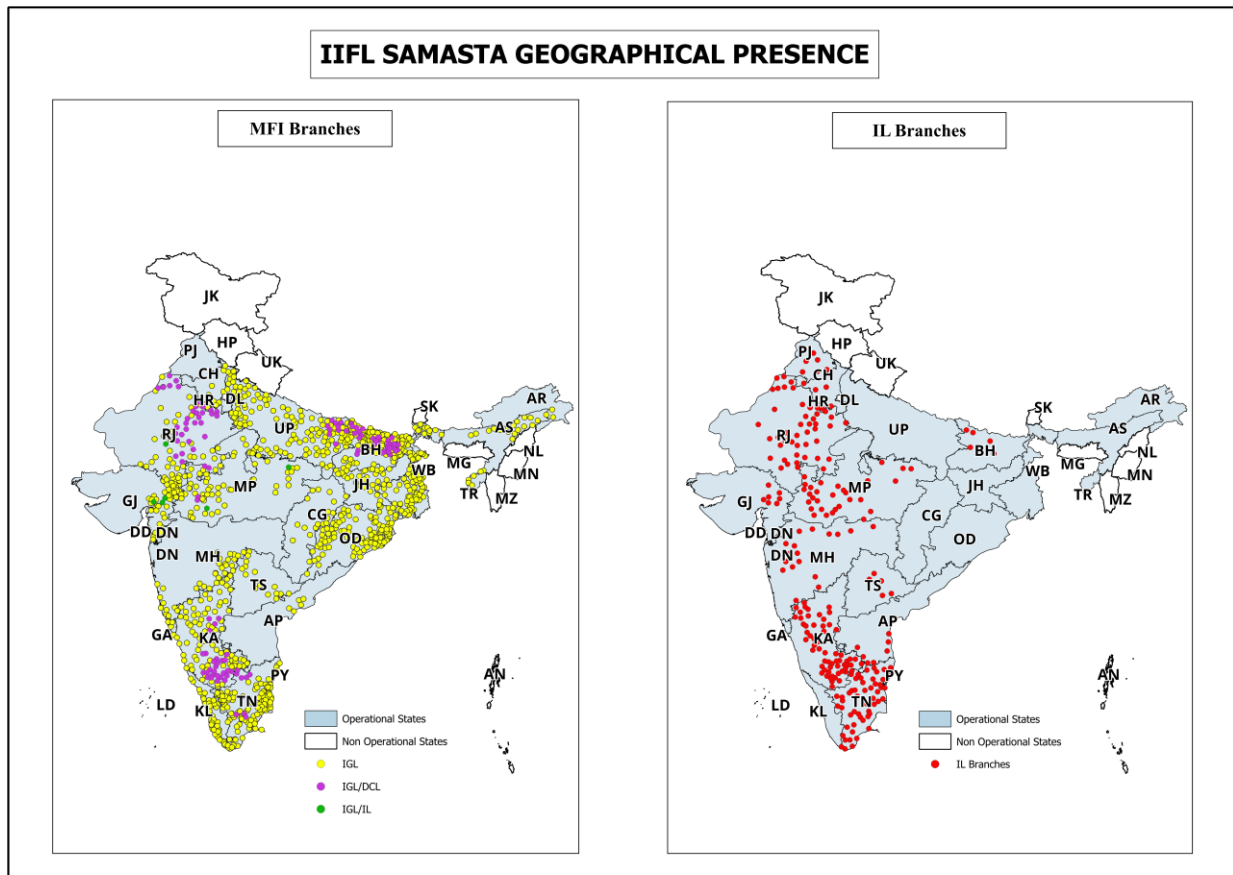
We believe that the JLG model is advantageous to both us and our customers. Through this model, our customers, who typically do not have collateral to take up loans, are able to gain access to credit. The JLG model also provides built-in support for our customers, in both good and bad financial circumstances. Delivering financial services through groups also benefits us, as it allows us to have better operational control and efficiency, lower transaction costs and increase the

number of customers. For IGL, we presently focus on areas such as agriculture, allied agriculture activities, retail trade, services, manufacturing under small sectors, water and sanitation, other activities under priority sector and emergent needs. We review and revise these lending areas in relation to our IGL and revise them from time to time. Consumer product loans are also provided to customers to upgrade their lifestyle with consumer products such as fridge, TV, washing machines, induction stoves, solar bulbs etc.

While we have traditionally provided loans under the JLG model, we also offer individual retail finance loans for customers who have been our customers for at least two years and fulfil certain other eligibility criteria linked primarily to their credit history with us, income, and business position, are more entrepreneurial, and have graduated from the JLG model.

Our Branch Network

As on March 31, 2024, we had presence in 21 states and one union territory (Puducherry) in India through 1,648 branches and 10,522 loan officers.



The following table sets forth number of our active customers in each state/ union territory as of the dates indicated:

State/ Union Territory	Number of active customers as of		
	March 31, 2024	March 31, 2023	March 31, 2022
Bihar	7,16,773	5,12,714	3,68,619
Tamil Nadu	4,05,680	3,79,447	2,86,282
Karnataka	3,42,536	2,73,891	1,91,954
West Bengal	2,55,928	2,18,003	1,50,365
Odisha	2,04,432	2,24,816	2,13,919
Uttar Pradesh	3,21,663	1,44,494	62,103
Rajasthan	2,05,865	1,88,731	1,56,931
Madhya Pradesh	1,01,980	1,06,840	87,322
Kerala	97,826	83,099	43,295
Jharkhand	73,722	60,327	36,705
Gujarat	56,434	59,288	57,025

State/ Union Territory	Number of active customers as of		
	March 31, 2024	March 31, 2023	March 31, 2022
Maharashtra	56,884	40,674	37,768
Assam	32,326	15,763	18,179
Chhattisgarh	17,848	22,518	22,563
Tripura	10,252	11,952	11,260
Puducherry	5,150	5,184	3,496
Goa	5,463	4,896	4,826
Arunachal Pradesh	5,600	1,311	0
Telangana	47,569	0	0
Haryana	10,208	0	0
Andhra Pradesh	26,259	7	0
Punjab	764	0	0
Total	30,01,162	23,53,955	17,52,612

STATEMENT OF KEY OPERATIONAL AND FINANCIAL PARAMETERS

Statement of key operational and financial parameters of the Company for the last three financial years (based on audited financial statements) ended as on March 31, 2024, March 31, 2023 and March 31, 2022 are as follows:

Particulars	As at and for the year ended March 31		
	2024	2023	2022
BALANCE SHEET			
Assets			
Assets	9,411.37	7,736.08	5,518.63
Property, Plant and Equipment	28.47	20.36	9.12
Financial Assets	1,871.83	1,086.60	781.01
Non-financial Assets excluding property, plant and equipment	88.59	61.06	85.67
Total Assets	11,400.26	8,904.10	6,394.43
Liabilities			
<i>Financial Liabilities</i>			
- Derivative financial instruments	0.0	9.22	9.87
- Trade Payables	25.91	20.38	8.06
- Debt Securities	1,076.84	477.00	514.81
- Borrowings (other than Debt Securities)	7,123.34	6,328.70	4,603.36
- Subordinated liabilities	804.51	464.6	140.72
- Other financial liabilities	287.58	242.01	98.78
<i>Non-Financial Liabilities</i>			
- Current tax liabilities (net)	0.0	0.18	5.51
- Provisions	21.12	13.29	8.46
- Deferred tax liabilities (net)	0.0	0.0	0.0
- Other non-financial liabilities	51.24	26.57	5.58
Equity (Equity Share Capital and Other Equity)	2,009.72	1,322.15	999.28
Total Liabilities and Equity	11,400.26	8,904.10	6,394.43
PROFIT AND LOSS			
Revenue from operations	2,733.10	1,746.23	1,012.79
Other Income	36.93	7.28	7.14
Total Income	2,770.03	1,753.51	1,019.93
Total Expense	2,112.89	1,595.00	960.98
Profit after tax for the year	503.04	128.18	50.60
Other Comprehensive income	(1.88)	(0.31)	(0.83)
Total Comprehensive Income	501.16	127.87	49.77

Particulars	As at and for the year ended March 31		
	2024	2023	2022
Earnings per equity share (Basic) (₹)	8.09	2.50	1.22
Earnings per equity share (Diluted) (₹)	7.95	2.50	1.22
CASH FLOW			
Net cash from / used in (-) operating activities	(1,060.88)	(2,124.34)	(1,690.48)
Net cash from / used in (-) investing activities	(233.62)	(284.58)	(95.04)
Net cash from / used in (-) financing activities	1,889.84	2,183.93	2,090.98
Net increase / decrease (-) in cash and cash equivalents	595.34	(224.98)	305.46
Cash and cash equivalents as per Cash Flow Statement as at end of period/ year	822.45	227.11	452.09
ADDITIONAL INFORMATION			
Net worth	1,919.99	1,272.85	969.04
Cash and cash equivalents	822.45	227.11	455.08
Loans	9,411.37	7,736.08	5,518.63
Loans (Principal Amount)	9,708.70	7,998.53	5,772.72
Total Debts to Total Assets	78.09%	80.82%	81.50%
Interest Income	2,406.00	1,539.63	984.23
Interest Expense	880.39	586.98	395.10
Impairment on Financial Instruments	29.25	4.37	98.72
Bad Debts to Loans	1.91%	2.12%	3.07%
% Stage 3 Loans on Loans (Principal Amount)	1.91%	2.12%	3.07%
% Net Stage 3 Loans on Loans (Principal Amount)	0.33%	0.80%	0.82%
Tier I Capital Adequacy Ratio (%)	17.67%	13.49%	15.85%
Tier II Capital Adequacy Ratio (%)	6.32%	3.65%	1.98%

Our Products

Our wide range of financial products are designed according to the various life cycle needs of our customers.

Set forth below are certain details in relation to our key products:

A. Group Lending Products

(i) Income Generation Loans (IGL)

IGL are offered to customers to establish a new enterprise or expand an existing business. For instance, loans may be disbursed to set up a grocery store, buy cattle, install new machinery or purchase raw materials. The loans also meet the additional working capital requirements of a customer's business. We provide three categories of IGL to our customers:

- *Samriddhi – IGL*: The Income Generating Loans (IGL) of the Company are offered to women clients based on JLG (Joint Liability Group) model. Under this scheme, a sum of money between ₹ 25,000 and ₹ 80,000 is given as loan for enhancing the income generating potential of the women and helping them improve their financial status and tenor ranging from 12-36 months. These are close-ended and unsecured instalment-based loans targeted at a section of the Indian society which lives in rural India and does not have regular access to banks and other financial institutions to serve their financial need;
- *Samvardhana-Top Up Loan*: This supports customers in enhancing their financial capabilities by offering top-up loans. These loans are exclusively provided to Income Generating Loan (IGL) customers with a commendable repayment history so that they can access more cash and boost their income generation activities, ranging from ₹ 15,000 to ₹ 35,000 and tenor ranging from 6-24 months. By being able to access more cash through top-up loans, customers can amplify their income generation activities and further augment their financial prospects.

The following table sets forth details of our Gross AUM for IGL, for the periods indicated:

Product Category	For the Fiscal		
	2024	2023	2022
Gross AUM for IGL	11,890.80	9,072.45	5,820.85

(₹ in crore)

B. Retail Finance Products

We provide individual retail finance loans to customers who fulfil certain other eligibility criteria linked primarily to their credit history, income, and business position.

We currently provide the following individual retail finance loans to our customers:

- *Swabhiman- (Micro Enterprise Loan)*: This loan is designed to provide timely and affordable lending solutions to micro-enterprise loans without any collateral requirement to cater to the expansion needs of the customers. The product is supported by net cash flow at a higher but affordable interest rate. Under this scheme, a sum of money between ₹ 60,000 and ₹ 5,00,000 is given as loan and tenor ranging from 12-48 months.
- *Sampark*
 - *Loan Against Property*: Sampark is a loan product aimed at bolstering the business capabilities of self-employed and salaried individuals in rural and semi-urban areas. It offers financial assistance to improve living conditions and enhance financial stability, with competitive interest rates and collateral requirements. This loan is offered to open market with the aim to support people who require financial support to meet their business needs or for any immediate needs. Under this scheme, loan is offered against property of the customers with minimum loan amount of ₹ 3,00,000 and a maximum loan amount of ₹15,00,000 and tenor ranging from 24-120 months.
 - *Sampark Advantage*: Sampark Advantage is meticulously crafted to bolster customers' business capabilities and facilitate retail financing by utilizing their property as collateral. This loan is offered to people belonging to weaker economic status and have property with lower value. This product is mainly offered to cater immediate financial needs of the customers. Under this scheme, loan is offered against property of the customers with the maximum loan amount of ₹ 5 lakhs. Further, this loan product offers a competitive interest rate and ensures prompt and secure lending, thereby fostering the enhancement of business capabilities for customers residing in rural and semi-urban areas; Under this scheme, a sum of money between ₹ 60,000 and ₹ 5,00,000 is given as loan and tenor ranging from 12-60 months.
- *Pragati (Loan Against Property)* - Pragati loans are loan against property (secured loans). These are loan against property provided to customers with maximum loan amount of ₹ 25 lakhs. Under this scheme, loan is offered against property of the customers with a minimum loan amount of ₹ 3,00,000 and a maximum loan amount of ₹25,00,000 with a tenor between 24-120 months.

The following table sets forth details of our Gross AUM for our individual retail finance loans, for the periods indicated:

Product Category	Fiscal		
	2024	2023	2022
Swabhiman- (Micro Enterprise Loan)	483.01	281.54	154.68
Sampark -Loan Against Property	1079.73	763.39	329.20
Pragati (Loan Against Property)	37.82	3.22	-

(₹ in crore)

C. Lifestyle and family welfare

We currently provide the following lifestyle and family welfare loans to our customers:

- *Surabhi-Dairy Cattle Loan*: Surabhi is a specialized loan product designed to support women in fulfilling their dairy development needs, including the procurement of new cattle. This inclusive loan offering includes insurance coverage to mitigate risks associated with dairy farming. The loan amount offered under this scheme varies from ₹ 60,000 to ₹ 90,000 for a tenor of 24 months;

- *Sajal-Water and Sanitation Loan*: Enables customers to avail affordable credit so as to secure the basic necessities of life, like sanitation and hygiene. These loans facilitate multiple purposes like setting up filtration units, tap water, house water connections, water storage facilities within the households, toilet construction/improvement. This is a small-ticket loan provided to existing IGL customers, ranging from ₹ 10,000 to ₹ 35,000 and tenor ranging from 12-24 months, without any collateral; and
- *Suvidha-Product Loans*: Provides a better lifestyle to customers by offering loans to purchase daily use items like cook stoves, water purifiers, solar lights, mobile phones and various other lifestyle related products. Last year, Suvidha's Product Loan initiative transformed over 3,00,000 lives by providing essential daily-use items, including over 25,000 ceiling fans, more than 71,000 mobile phones, and more. These aren't just products; they're tools that amplify our customers' productivity, extending their economically productive hours. For many, these items translate to improved time management, increased income, and better lifestyles. Moreover, eco-friendly options like solar lights, induction stoves reduce carbon footprints and improve health by minimizing indoor pollution. Suvidha, is not merely about offering products—it's about empowering lives, reducing environmental impact, and fostering economic growth for our customers. The loan amount offered under this scheme varies from ₹ 1,000 to ₹ 25,000 for a tenor ranging from 9 months to 18 months.

The following table sets forth details of our Gross AUM for our individual retail finance loans, for the periods indicated:

Product Category	Fiscal		
	2024	2023	2022
Dairy cattle loan	716.51	431.64	179.11
Sampark	1079.73	763.39	329.20
Swabhiman	483.01	281.54	154.68
Pragati	37.82	3.22	-

(₹ in crore)

Operations

A. Joint Liability Group Lending Business Processes

Set forth below are details of the joint liability group (JLG) processes followed by us:

(a) Target customers

Our target customers in the JLG business include rural and semi-urban self-employed women.

(b) Customer Due Diligence Processes

Our Company obtains the originally verified documents from each individual customer while establishing an account-based relationship. The primary KYC documents used for MFI customers are as follows:

KYC

- Minimum 2 KYC is mandatory for applicant.
- All KYC / originally verified documents must have address either in customer's name or in spouse or in the name of direct relation like (Son, Father in-law, Mother -in law etc.).
- If customer only has voter id slip in such scenario branch credit manager /account credit manager should verify the voter id details from Voter id web portal printout of the same has to be attached with customer signature and branch credit manager signature.
- All KYC collection and policy for microfinance is as per KYC policy of our Company.

(c) Loan application and acceptance process

The loan application is sourced by our Company through its customer relationship officers through a centre disbursement model. A pre-group recognition test is conducted for the customers to give complete information on the product, terms and conditions and repayment criteria, along with providing them financial training related to opening of bank accounts, digital repayments etc. The following is the eligibility criteria for customers to avail an MFI loan with the company:

- The applicant must be within 18-55 years at the time of loan sanctioning for IGL - 1st cycle loans. She must be within 18-60 years at the time of loan sanctioning for IGL - subsequent cycle loans, top up loans and product loans.
- The maximum annual income must be less than ₹ 3,00,000.
- Divorced, widow and unmarried female with more than 35 years at the time of loan application and maximum as per the above policy at the time of loan Sanctioning is eligible for a loan from our Company.
- It is ensured that the customers make use of their loans for their enhancement of their income and financial standard. The customer's residence is also visited by our customer relationship officers. Once an application is logged into the system, the branch manager performs the group recognition test and visits the residence of the customer and ascertains the identity and residential status of the customer.

(d) Loan Evaluation

Post the group recognition test by branch manager, the loan evaluation is done by the field credit team who shall look into the existing outstanding of the other loans of the customer, along with the credit and repayment history.

(e) Loan Sanction and Further Processing

Once an application is thoroughly analysed and meets the eligibility criteria, the branch credit manager sanctions the loan application. The head office team then verifies the customer's bank account using a beneficiary check process. Post this, the customer is informed the disbursement date where she has to visit the branch for E-sign disbursement process. Our Company currently performs 100% online disbursements and verifies customer authenticity through e-sign.

(f) Loan Repayment Process

The repayment frequency for MFI customers is fortnightly and monthly. Multiple modes of repayment are provided to the customer. The general practice remains that the customer relationship officers visits the center on the center repayment date and collects the EMIs/EFIs in form of cash or online repayment. Our Company is at the forefront of driving digital collection mechanisms through UPI/BBPS and other modes.

B. Retail Finance Lending and Lifestyle and family welfare lending Business Processes

Under retail finance lending and lifestyle and family welfare lending, we provide individual retail finance loans to customers who fulfil certain other eligibility criteria linked primarily to their credit history, income, and business position. There are two types of retail finance loans provided by the company - secured and unsecured. Unsecured retail loans are provided to customers basis their business position or salary and credit history. Secured retail loans are relatively of higher ticket sizes and are provided to customers against collateral as per the policy norms.

(a) Target customers

In order to be eligible for retail finance products, customers have to satisfy the following basic criteria, which include:

- Both female and male customers with business vintage of more than 3 years;
- Fixed obligations to income ratio of 55% and
- Continuous cash inflows through business.

(b) Structure and Role Segregation

The retail finance business unit is structured in such a way as to carry out the processes in a systematic and orderly manner. This is achieved by organising various functions in clear verticals and defining the roles and responsibilities of each vertical. It also defines the turnaround time to be achieved by each vertical while carrying out their functions. The current structure can be divided into following three broad functions:

- *Business team:* The business team is responsible for sourcing the loan and ensuring that the basic criteria of the clients are met. They collect the necessary document for the assessing the eligibility of the client and are responsible for conducting the due diligence at the basic level. At management level once they cases are sanctioned they ensure that the customer are genuine by conducting a field inspection. Post disbursement they monitor the loan

utilisation status to ensure the fund is used only for genuine purpose.

- *Credit and operations team.* Once the business team has completed the primary analysis and completed the login, the file is pushed to the credit team for analysis. At this stage they conduct the credit appraisal by using tools like debt burden ratio and cash flow analysis of the client and the co-applicant to understand the repayment capacity of the client along with Credit score. They are responsible for sanctioning a case and once a case is sanctioned they are pushed to the operations team for disbursement.
- *Business Support and Risk team.* The Business support team and the operations team does the back-end work and pushed the file for disbursement.

(c) Customer Due Diligence, Credit Appraisal, Sanction and Disbursement

The credit appraisal is done by the credit manager using the matrices which have been approved by higher committees. They conduct a de-dupe check and ensure similar case is not there in the system. Their credentials are passed through CIBIL to obtain the rating as per industry standards. If the rating is acceptable the official field verification and reference certification of the potential customer happens. The repayment capacity of the client is assessed through cash flow analysis and to ensure that the customer is not overburdened, a debt burden ratio is also calculated. Once the figures are acceptable the credit team sanctions the case and the same is pushed for disbursement. The disbursement happens in the central office which is controlled and coordinated by the operations team.

(d) Loan Repayment Process

The NACH mandate is collected from the customer as per standard norms. If the business team is unable to collect the NACH in time, they may be allowed to use the PDC cheque or cash collection only for the first instalment. This time frame shall be utilised by the team for enabling the collection through NACH.

(e) Loan Utilization Check

The end use monitoring of the fund is done by the business team before the first collection date

Collaboration with credit bureaus

We work with credit bureaus like Transunion CIBIL, Equifax, CRIF Highmark, Experian. The credit bureaus help identify overlapping microfinance borrowers, their overall loan exposure and incidents of high default. Every loan given by us undergoes a credit check with the credit bureaus and this verification process has been completely integrated into the loan delivery processes and is instrumental in minimizing instances of borrower over-indebtedness. The entire process is automated and centralized which enables high level of controls in this process.

Risk Management

We have a multi-layered risk management process for identifying, managing, and mitigating risks arising across risk taking activities in the organisation to ensure sustainable profitability. The cornerstones of our business model are customer service, outreach and financial inclusion, innovation, technology, proactive risk management and sustainable growth. For example, we do not engage in activities, trade instruments or otherwise enter into risks that do not have a clear relationship to the mission of the institution. The management of risks is the responsibility of all senior management and of all staff in all business lines. Each line of business is responsible for managing its own risks.

Risk Management Committee (RMC) assists the Board with oversight of strategies, policies and procedures related to the management of all risk types. Risk Management function is headed by the Chief Risk Officer (“**CRO**”) who is primarily responsible for overseeing the development and implementation of our risk management function. The CRO is also responsible for supporting the RMC in the development and implementation of our annual risk plan. The CRO, together with management forms an executive committee which is actively engaged in the process of setting risk measures and limits for the various business lines and monitoring their performance relative to risk-taking and limit adherence. Internal Audit team directly reports to the Audit Committee and has free and unrestricted access to the Board. Risk management committee oversees on implementation of annual risk management plan. Risks are reported to RMC monitored by CRO and management team and quarterly updates are provided. There is free and unrestricted access for internal audit team to the Board. Risk management framework is overseen by board committees (annual risk management plan, periodic updates presented, etc.)

To ensure that all our departments deliver the expected level of support that is instrumental for the execution of risk management activities at an organizational level, a Management Level Risk Committee is formed. Management Level Risk Committee (MLRC) comprises of Managing Director, Chief Executive Officer, Chief Audit Officer, Chief Financial Officer, Chief Technology Officer, and Chief Risk Officer. The Management Level Risk Committee meetings are held at least once a month or more frequently if the need arises. The Management Level Risk Committee monitors management of our major risks in general. The Management Level Risk Committee takes an integrated view of the risks we face and issues specific directives to the respective departments, business lines, regions and branches for necessary action in order to mitigate such risks.

Following are the basic building blocks of risk management structure:-

Credit Risk Management

As a micro finance company (MFI), IIFL Samasta Finance Limited is prone to significant credit risk. Credit risk is the largest source of risk and hence a specific focus on identification, measurement, monitoring and mitigation of credit risk is important. The Company has established underwriting norms that ensure that customer selection is done after evaluating repayment capacity and track record. It views the performance of different products/geographies/segment and the risk perceived in the segment, the company defines exposure ceiling for aggregate commitments to specific geographies and categories of borrowers etc. Further, periodic checks and regular monitoring helps us in timely identification of customers or groups with early signs of default risk and/or increasing risk, enabling timely remedial measures. To minimize risk of identity related fraud, the Company performs know-your-customer authentications in collaboration with Karza Technologies, a digital on-boarding and risk mitigating application programming interface. The risk management guidelines issued by RBI continue to act as a guiding factor while formulating and implementing the risk system in the company.

Operational Risk Management

Apart from credit risks which can be clearly defined, the organization also faces risks which can emanate from a range of sources including processes, people, systems, external events and can lead to substantial drag on earnings or threaten solvency in rare cases. This section sets out the broad policy framework for identification, measurement, monitoring and mitigation of operational risks. The Company *inter alia* follows methods to identify and assess operational risk; such as risk and control self-assessment, key risk indicators, loss event management.

Market and Liquidity Risk Management

The Company has adopted conservative policies aimed at ensuring there is no asset liability mismatch, liquidity risk or interest risk. We engage in external borrowings in a manner that is compliant with our board-approved borrowing policies. Our borrowing committee works under the supervision of our Board to ensure that our cost of borrowings, interest rates for our borrowings and draw-downs on our loan facilities are well managed. Our risk management team, led by our chief risk officer, closely monitors the trends and movements of cash in hand at the branch level, in order to timely flag any abnormality in cash holdings to minimize risk of theft, robbery and fraud.

The following table reflects our key portfolio quality indicators for the last three Fiscals:

	Fiscal		
	2024	2023	2022
Gross Stage 3 (%)	1.91%	2.12%	3.07%
PAR 0 + (₹ in crore)	303.76	457.19	722.05
PAR 30 + (₹ in crore)	263.90	404.80	542.07
PAR 90 + (₹ in crore)	185.21	169.35	177.45

Note: Figures disclosed in the above table are not measures of financial position, operating performance or liquidity defined by generally accepted accounting principles and may not be comparable to similarly titled measures presented by other companies.

	Fiscal		
	2024	2023	2022
Repayment Rate	96.20%	95.88%	90.30%

Operational Business Support Team

The business support team (“BST”) is a function established within our field operations and staff members report to Business Heads to enhance proactive monitoring of our operations.

Head Office – Infrastructure, Control and Support

To manage our branch and geographic expansion, we have strengthened the infrastructure, support and control functions at our head office. Our head office has adequate infrastructure and manpower to support our branches and field operations. The support functions such as Finance, Treasury, Accounts, Strategy and Planning, IT, Risk, HR, Audit, Grievance and Centralized Operations have been adequately staffed with the necessary personnel who are professionally competent to manage our growth.

Regional Processing Centers

Every new customer data entry takes place at centralized locations known as Regional Processing Centres. Regional Processing Centers help to improve controls in the following manner:

- check data entry of newly enrolled customers;
- improve and maintain integrity in data quality;
- independent data entry of new customers; and
- ensure complete and proper documentation.

As of March 31, 2024, 21 Regional Processing Centers 6 Zonal Offices located across the country.

Human Resources

As of March 31, 2024, we had 16,519 employees (including trainees). We primarily recruit loan officers at entry levels. Fresh candidates from rural backgrounds are employed and adequately trained. After gaining sufficient experience, loan officers are promoted internally to take up bigger and more important roles. We abide by our values of being committed, reliable, empathetic, accountable, transparent and efficient. We try our best to ensure that our values are genuinely and consistently promulgated in our Company. We have also implemented an ESOP scheme for our employees, along with a range of incentives and employee engagement programs such as gratuity, birthday and wedding gifts, staff loans and insurance.

The following table sets a break-up of our employees by function as of the dates indicated:

Particulars	As of March 31, 2024
Field Officers	10552
Credit Officers	1910
Field Monitoring	2085
Field Supervisors	636
Credit Supervisors	238
HR & L&D	224
Finance	137
Operations	387
Internal Audit	218
IT & Infosec	33
Head Office	99
Grand Total	16,519

Customer Grievance Redressal Mechanism

Our customer grievance redressal mechanism was established to address issues which arise out of situations when our customers are either unhappy with the service provided to them or unsatisfied because we fail to meet their expectations, including grievances on overdue balances. The methodology adopted by this department enables customers to reach out to us in an easy and simplistic manner.

Our grievance redressal process addresses the grievances of all our customers and the general public. We have set up a Grievance Redressal Cell (“GRC”) to attend to all enquiries and requests of our customers. Staff members of all levels at the GRC and our head office are duty bound to address all concerns of our customers.

Competition

We face significant competition from unorganized, small participants in the market across all our business segments in addition to other small finance banks, scheduled commercial banks, NBFC-MFIs and NBFCs as well as local moneylenders.

In addition, many of our potential customers in the lower income segments do not have access to any form of organized institutional lending, and rely on loans from informal sources, especially money lenders, landlords, local shopkeepers, and traders at much higher interest rates. Therefore, we also face significant competition from these unorganized and unregulated market participants who are prevalent in the semi-urban and rural areas, which are our key areas of focus and whose target customer segment is the same as ours.

Credit Ratings

Our current credit ratings are set forth below:

Rating Agency	Instrument	Rated Limit (in ₹ crore)	Ratings
CRISIL Ratings Limited	Non Convertible Debentures	2,000	CRISIL AA-/Watch Developing (Continues on 'Rating Watch with Developing Implications')
	Non Convertible Debentures	500	CRISIL AA-/Watch Developing (Continues on 'Rating Watch with Developing Implications')
	Non Convertible Debentures	550	CRISIL AA-/Watch Developing (Continues on 'Rating Watch with Developing Implications')
	Long Term Principal Protected Market Linked Debentures	100	CRISIL AA-/Watch Developing (Continues on 'Rating Watch with Developing Implications')
	Long Term Principal Protected Market Linked Debentures	20	CRISIL AA-/Watch Developing (Continues on 'Rating Watch with Developing Implications')
	Long Term Principal Protected Market Linked Debentures	200	CRISIL AA-/Watch Developing (Continues on 'Rating Watch with Developing Implications')
	Principal Protected Market Linked Non-Convertible Subordinated Debentures	100	CRISIL AA-/Watch Developing (Continues on 'Rating Watch with Developing Implications')
	Non Convertible Debentures	500	CRISIL AA-/Watch Developing (Continues on 'Rating Watch with Developing Implications')
	Commercial Paper	750	CRISIL A1+ (Reaffirmed)
Acuité Rating & Research	Non-Convertible Debenture	3,000	ACUITE AA Reaffirmed Rating Watch with Negative Implications
	Commercial Paper	50	ACUITE A1+ Reaffirmed Rating Watch with Negative Implications

Properties

As of March 31, 2024, all the properties used for our operations, including 1,648 branches, 21 regional processing centers, regional offices, and our head office, have been taken on a lease/ leave and license basis.

As on the date of this Tranche II Prospectus, our Company does not own any immovable property.

Intellectual Property

Our Company vide a circular resolution passed by the board of directors of IIFL Securities Limited dated June 19, 2021

for use of the registered trade mark of the word ‘IIFL’. Pursuant to which, IIFL Securities Limited has granted our Company with a non-exclusive right and license to use the trademark, service mark and logos pertaining to “IIFL”. The term for which the license is granted is in perpetuity, subject to the terms and conditions contained in the trademark license agreement. For details please see “*History and Main Objects*” on page 119 of the Shelf Prospectus.

Our trademark  is registered with the Trademarks Registry.

Information Technology

Our IT support systems aid us in performing several processes involved in the life cycle of a loan transaction. We have made significant investments in our IT infrastructure to be able to control our operating costs and provide quality service to our customers as an NBFC-MFI. For our operations, we have focused on implementing a centralized and consolidated information system to enable a smooth and swift flow of information and data across the system. Our systems have assisted us with data entry automation of loan origination system, credit underwriting process, underwriting rule engine, deviation triggers to minimize human errors, branch accounting system and maintaining customer history. We will continue to embrace state of the art technology solutions to support our growth and enable more efficient operations to benefit our customers, as well as to optimize our operating efficiency.

Insurance

We maintain insurance policies that we believe are customary for companies operating in our industry. Our principal types of coverage include insurance for burglary, group personal accident insurance, group life insurance, group mediclaim, fidelity policy, and directors’ and officers’ liability insurance. In addition, we have a money insurance policies pertaining to money in transit, money in premises and insurance policies for office professional establishment covering these risks: fire, allied perils, burglary, fidelity guarantee. Our insurance policies may not be sufficient to cover our economic loss. For details, see “*Risk Factors – Our insurance coverage may not be adequate to protect us against all potential losses, which may have a material adverse effect on our business, financial condition and results of operation*” on page 33.

Certifications and Awards.

We have always maintained a focus on integrating social values in the design and delivery at all stages of products and services. The following table shows the numerous awards and certifications in recognition of our socially- focused approach in conducting our business:

Award / Certification	Organization which gave the award / certification	Year awarded	Details of the award / certification
Smart Campaign client protection Certification	Smart Campaign	2020	Taken adequate care to implement client protection principles
ISO Certified	TUV SUD South Asia Private Limited	2020	Implementation of information security Management System
Best Workplace among NBFC	Great Place to work Institute	2022	Top 30 in BFSI
Best Workplace in BFSI	Great Place to work Institute	2022	Top 30 in BFSI
Great Place to Work	Great Place to work Institute	2022	Top 100 across industries
Digital Business Innovation Awards-(NBFC)	Technology Excellence Awards 2022 - Bengaluru Edition	2022	Digital Business Innovation
TOP 50 India’s Best Workplaces™ Building a Culture of Innovation by All 2023	Great Place to work Institute	2023	TOP 50 India’s Best Workplaces™ Building a Culture of Innovation by All 2023
Water and Sanitation Financing Award for the year 2023	Sa-Dhan National Conference on Inclusive Growth	2023	Top performing MFI for Sajal loan.
Best Risk Technology Implementation of the Year (Micro Finance Company)	NBFC & FinTech Excellence Awards 2023	2023	Best Risk Technology Implementation
Great Place to Work	Great Place to Work India	2024	Great Place to Work Certified

Best CSR Impact Award	SMX CSR Leadership Summit and Awards	2024	For empowering women through Financial Literacy and Inclusion
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Corporate Social Responsibility

We have adopted a Corporate Social Responsibility (“CSR”) policy in compliance with the requirements of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014. As per the requirement, 2% of the average net profits of the preceding three years is spent towards CSR activities. The Company is implementing its CSR activities through various implementing agencies which have registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961. Some of the projects that are implemented as part of our CSR including livestock development program, financial literacy program, flood relief activities, women entrepreneurship program, tree plantation, scholarship for girl students, mobile eye screening camps, youth skills development, project renewable energy etc. We have spent ₹ 2.67 crore on CSR activities during Fiscal 2024.

OUR MANAGEMENT

Board of Directors

The general superintendence, direction and management of our affairs and business are vested in our Board of Directors which exercises its power subject to the Memorandum and Articles of Association of our Company and the requirements of the applicable laws.

The composition of the Board is in conformity with Section 149 of the Companies Act, 2013 and the SEBI Listing Regulations. It is governed by the Articles of Association of our Company and the relevant directions issued by the RBI.

As of the date of this Tranche II Prospectus, we have six Directors on the Board, out of which one Director is Managing Director, one Director is Whole Time Director and four Directors are Independent Directors, including one woman director on the Board.

Details of Board of Directors as on the date of this Tranche II Prospectus:

Name, designation, and DIN	Age (in years)	Address	Date of Appointment/ Re-appointment	Other directorships
Narayanaswamy Venkatesh Designation: Managing Director DIN: 01018821	48	No.472, 19th Main, 35 th Cross, 4 th T Block, Jayanagar Bengaluru – 560 041	Date of appointment- February 1, 2004	Indian Companies NA Foreign Companies NA
Shivaprakash Deviah Designation: Whole Time Director DIN: 02216802	48	No.13, West Village, Kodipalya Main Road, Compound in front of Maruti Mandir Road, Kengeri, Bengaluru South, Bengaluru – 560 060	Date of appointment- July 30, 2008	Indian Companies NA Foreign Companies NA
Malini B. Eden Designation: Independent Director DIN: 00732954	63	No. 50, 2 nd Stage, 2 nd Main Road, BHBCS Behind Royal Durbar BTM Layout, Bannerghatta Road, Bengaluru – 560 076	Date of appointment- February 08, 2024	Indian Companies NA Foreign Companies NA
Venkataraman Rajamani Designation: Non-Executive Director DIN: 00011919	57	Jayshree 21, Laburnum Road, Next to Mani Bhavan, Gamdevi Grant Road, Mumbai-400007	Date of appointment- February 08, 2024	Indian Companies 1. IIFL Finance Limited 2. IIFL Home Finance Limited 3. IIFL Securities Limited 4. Orpheus Trading Private Limited 5. 360 One Wam Limited Foreign Companies NA
Kalengada Mandanna Nanaiah Designation: Independent Director	62	C-502, Celestial Greens Apartments, 6, Old Madras Road, Behind Gopalan Signature Mall, Nagavarapalya, Bengaluru - 560 093	Date of appointment- February 08, 2024	Indian Companies NA Foreign Companies

Name, designation, and DIN	Age (in years)	Address	Date of Appointment/ Re-appointment	Other directorships
DIN: 01276050				NA
Govinda Rajulu Chintala Designation: Independent Director DIN: 03622371	62	401, Krishi vihar, Ameerpet, Hyderabad	Date of appointment- February 08, 2024	Indian Companies 1. Annapurna Finance Private Limited 2. NSL Krishna Veni Sugars Limited 3. NSL Sugars Limited 4. Aye Finance Private Limited Foreign Companies NA
Nihar Niranjan Jambusaria Designation: Independent Director DIN: 01808733	65	A/132,Shantivan- Eksar Village Devidas lane Borivali West Mumbai, Maharashtra ,India,400103	Date of appointment- April, 24 ,2024	Indian Companies 1. IIFL Finance Limited 2. Clearing Corporation of India Limited 3. Blossom Industries Limited 4. Cysdat India Private Limited 5. Turning Point Career Advisory Services Private Limited Foreign Companies NA

Brief profile of the Directors of our Company

Narayanaswamy Venkatesh

Narayanaswamy Venkatesh is the founder and Managing Director of our Company. He has over 23 years of experience in the financial services industry as an entrepreneur. Narayanaswamy Venkatesh holds a bachelor's degree in computer science and has completed the Harvard Business School-ACCION Program on Strategic Leadership in Microfinance.

Shivaprakash Deviah

Shivaprakash Deviah is a Whole-time Director of our Company. Shivaprakash Deviah co-founded our Company in 2008. He leads our Company's technology initiatives which include the setting up of comprehensive IT infrastructure for lending activities and enhancing process efficiency through automation. His purview includes enabling a data-driven culture through the analytics platform and driving the implementation of strategic initiatives across the organisation. He also oversees operations to ensure seamless execution of business strategies. Shivaprakash Deviah has over two decades of experience spanning the software and financial services industries. He holds a bachelor's degree in computer science & engineering from PSG College of Technology and a diploma in microfinance from the Indian Institute of Banking & Finance.

Malini B. Eden

Malini B. Eden is an Independent Director of our Company. She presently heads Women's Education Project, She is also engaged as a consultant as part of Azim Premji Philanthropic Initiatives.

Venkataraman Rajamani

R. Venkataraman holds Post Graduate Diploma in Management from the Indian Institute of Management (IIM), Bangalore and Bachelor in Electronics and Electrical Communications Engineering from IIT Kharagpur. He joined our Company's Board in February 2024. He has been contributing immensely in the establishment of various businesses and spearheading key initiatives of the IIFL group over the past 24 years. He previously held senior managerial positions in ICICI Limited, including ICICI Securities Limited, their investment banking joint venture with J P Morgan of US and Barclays –BZW. He worked as an Assistant Vice President with G E Capital Services India Limited in their private equity division. He has a varied experience of more than 31 years in the financial services sector.

Kalengada Mandanna Nanaiah

Kalengada Mandanna Nanaiah served as Managing Director of Equifax Credit Information Services Private Limited for over five years until July 2023. He played a key role in strengthening Equifax's position in India's credit industry, leading to recognition from the Economic Times and Mint Tech Circle. He introduced important publications and partnerships in the microfinance sector and held leadership roles in Singapore and with the CII National Committee on Inclusion and Digitization. Previously, he spent over a decade as Managing Director of Pitney Bowes in India. Nanaiah brings extensive experience in data, technology, and analytics in financial services and is a visiting faculty at RBI's College of Supervisors. He's passionate about microfinance and workplace diversity.

Govinda Rajulu Chintala

Dr. Govinda Rajulu Chintala is an experienced leader renowned for his contributions to agriculture, rural development, and finance. He holds a Doctor of Science (Honoris Causa) from PJTS Agriculture University, an M.Sc. in Seed Science and Technology from Indian Agricultural Research Institute, and a B.Sc. in Agriculture from AP Agriculture University. As the former Chairman of NABARD, he has held key positions in organizations such as Nabcons, NabVentures, NabSanrakshan, and NabFoundation. He has been involved in significant projects like river linking and long-term irrigation funds, while promoting the establishment of 10,000 Farmers Producers Organisations (FPOs) and transforming PACS into Multi-Service Cooperative Societies. His efforts extend to supporting ventures like ONDC and the Social Stock Exchange. Elected Chairman of APRACA, Dr. Chintala has shared his expertise at national and international forums, and authored a book on Indian Microfinance. His strategic vision and holistic approach to rural development and agricultural finance have played a pivotal role in shaping policies and projects that drive rural economies and promote financial inclusion.

Nihar Niranjana Jambusaria

CA. Nihar Jambusaria is a fellow Chartered Accountant from Mumbai. He qualified as a Chartered Accountant in 1984. He has been on the advisory group of International Federation of Accountants (IFAC), has represented ICAI on Council from 2021-2022.

Relationship between Directors

As on the date of this Tranche II Prospectus, none of our Directors are related to each other.

Remuneration of Directors

i. Remuneration payable to the Directors by the Company:

The terms of remuneration of the Managing Director and Whole Time Director are as below:

Narayanaswamy Venkatesh and Shivaprakash Deviah

The following table sets forth terms of remuneration of Narayanaswamy Venkatesh, Managing Director and Shivaprakash Deviah, whole time director of our Company with effect from April 01, 2021, as approved by the Shareholders vide resolution dated June 30, 2022 and subsequently revised by the Shareholders vide resolution dated March 24, 2023 for a period of 1 year the remuneration limits are mentioned below:

Narayanaswamy Venkatesh, Managing Director

Particulars	Terms of remuneration
Period	Annual
Remuneration	₹ 2,40,00,000 CTC p.a. effective from 1st April, 2022. (In addition to that under Long Term Incentive Plan (LTIP) 50% of the Gross Salary of the current financial year will be paid in the next three financial years with 30:30:40 percentages basis.)

Shivaprakash Deviah, Whole Time Director

Particulars	Terms of remuneration
Period	Annual
Remuneration	₹ 90,00,000 CTC p.a. effective from April 1, 2022. (in addition to that under Long Term Incentive Plan (LTIP) Plan, 80% of the gross salary will be paid in the next three financial years with 30:30:40 percentages basis.)

Details of remuneration paid to the Executive Directors during current financial year, and the Fiscals 2024, 2023 and 2022 by our Company:

(₹ in crore)

Name of Director	For Fiscal 2025 as on May 21, 2024		For Fiscal 2024		For Fiscal 2023		For Fiscal 2022	
	Salary	Perquisites	Salary	Perquisites	Salary	Perquisites	Salary	Perquisites
Narayanaswamy Venkatesh	0.26	Nil	3.08	Nil	2.33	Nil	1.07	Nil
Shivaprakash Deviah	0.08	Nil	0.98	Nil	1.02	Nil	0.63	Nil

Remuneration of Independent Directors

The Independent Directors are paid remuneration by way of sitting fees and commission.

Our Company pays sitting fees per meeting to the Independent Directors for attending the meetings of the Board and Committees thereof, as under:

Particulars	Board		Committees	
	Chairman	Members	Chairman	Members
Full Board Meetings				
Physical / Electronic Participation (per meeting)	₹ 44,444	₹ 44,444	₹ 33,333	₹ 33,333
Shorter Notice/Special Purpose Meetings				
Physical / Electronic Participation (per meeting)	₹. 44,444	₹ 44,444	₹ 33,333	₹ 33,333

The following table sets forth all compensation recorded by our Company to the Independent Directors during the current financial year as on May 21, 2024, 2024 and Fiscals 2023 and 2022:

(₹ in crore)

Name of Director	For Fiscal 2025 as on May 21, 2024		For Fiscal 2024		For Fiscal 2023		For Fiscal 2022	
	Commission	Sitting Fees	Commission	Sitting Fees	Commission	Sitting Fees	Commission	Sitting Fees
Malini B. Eden	-	0.009	-	0.04	NA	0.02	NA	0.01
Venkataraman Rajamani	-	-	-	-	NA	NA	NA	NA
Kalengada Mandanna Nanaiah	-	0.03	-	0.004	NA	NA	NA	NA
Govinda Rajulu Chintala	-	0.02	-	0.004	NA	NA	NA	NA
Ramanathan Annamalai*	NA	NA	0.11	0.06	NA	0.04	NA	0.02

(₹ in crore)

Name of Director	For Fiscal 2025 as on May 21, 2024		For Fiscal 2024		For Fiscal 2023		For Fiscal 2022	
	Commission	Sitting Fees	Commission	Sitting Fees	Commission	Sitting Fees	Commission	Sitting Fees
Badrinarayanan Seshadri*	NA	NA	0.11	0.08	NA	0.04	NA	0.03
Vikraman Ampalakkat*	NA	NA	0.11	0.06	NA	0.04	NA	0.03

* The above directors (Ramanathan Annamalai, Badrinarayanan Seshadri and Vikraman Ampalakkat) ceased to be directors of the company w.e.f. March 31, 2024

Remuneration payable to the Directors by the Subsidiary or Associate Company:

Our Company does not have any subsidiary or associate company.

Other understandings and confirmations

No Director of our Company is a director or is otherwise associated in any manner with, any company that appears in the list of the vanishing companies as maintained by the Ministry of Corporate Affairs, wilful defaulter list as categorized by the RBI or Export Credit Guarantee Corporation of India Limited or any other regulatory or governmental authority and/or bank or financial institutions.

None of our Directors is, or was, a director or person in control of any company which has been or was compulsorily delisted from any recognised Stock Exchanges within a period of ten years preceding the date of this Tranche II Prospectus, in accordance with Chapter V of the SEBI (Delisting of Equity Shares) Regulations, 2021.

None of our Directors are in default of payment of interest or repayment of principal amount in respect of debt securities issued to the public, for a period of more than six-months.

We also confirm that none of our Directors is restrained or prohibited or debarred from accessing the securities market or dealing in securities by SEBI. Further, none of our Directors is a promoters or director of another company which is debarred from accessing the securities market or dealing in securities by SEBI.

None of our Directors have committed any violation of securities laws in the past and no proceedings in such regard by SEBI or RBI are pending against any of our Directors.

No Director of our Company is a fugitive economic offender, as defined in the SEBI NCS Regulations.

We confirm that the PAN of the Directors of the Company has been submitted to the Stock Exchanges at the time of filing this Tranche II Prospectus.

Borrowing Powers of the Board:

Pursuant to a special resolution passed by the shareholders of our Company on August 30, 2023 in accordance with provisions of 180(1)(c) of the Companies Act, 2013 and other applicable provisions and rules made thereunder, the Board has been authorised to borrow, from time to time such sums of money as they may deem necessary for the purpose of the business of our Company, which together with the monies already borrowed by our Company (apart from temporary loans obtained from our Company's bankers in the ordinary course of business), may exceed at any time, the aggregate of the paid-up capital of our Company and its free reserves (that is to say, reserves, not set apart for any specific purposes) and securities premium account of the Company, provided that the total amount upto which monies may be borrowed by the Board of Directors shall not exceed ₹ 20,000 crore at any time.

The aggregate value of the NCDs offered under this Tranche II Prospectus, together with the existing borrowings of the Company, is within the approved borrowing limits as abovementioned.

Interest of the Directors:

As on the date of the Draft Shelf Prospectus, except Narayanaswamy Venkatesh and Shivaprakash Deviah, none of our Directors are interested in the promotion of the Company.

All the Directors of our Company, including our Independent Directors, may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a Committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them. All the Independent Directors of our Company are entitled to sitting fees for attending every meeting of the Board or Committee thereof, and a commission as may be paid with the approval of the shareholders of the Company. The Managing Director and Whole Time Director are interested to the extent of remuneration paid for services rendered / ESOP granted, if any, as an officer or employee of our Company.

All the directors of our Company, including Independent Directors, may also be deemed to be interested to the extent of Equity Shares, if any, held by them or by companies, firms and trusts in which they are interested as directors, partners, members or trustees and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

The Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any company in which they hold directorships or any partnership firm in which they are partners as declared in their respective declarations. Except as otherwise stated in this Tranche II Prospectus, statutory registers maintained by our Company in this regard our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of this Tranche II Prospectus in which the directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements which are proposed to be made with them. None of our Company's Directors have taken any loan from our Company.

As of the date of this Tranche II Prospectus, except as disclosed in the Section "*Related Party Transactions*" on page 152 none of our Directors may be deemed to be interested to the extent of consideration received/paid or any loans or advances provided to anybody-corporate, including companies, firms, and trusts, in which they are interested as directors, members, partners or trustees.

None of our Directors are interested in their capacity as a member of any firm or company and no sums have been paid or are proposed to be paid to any Director or to such firm of company in which he is interested, by any person, in cash or shares or otherwise, either to induce them to become, or to help them qualify as a director, or otherwise for services rendered by him or by such firm or company, in connection with the promotion or formation of our Company.

No contribution has been made by the directors as part of the Issue or separately in furtherance of the Objects of the Tranche II Issue.

None of our Directors' relatives have been appointed to an office or place of profit of our Company. As on the date of this Tranche II Prospectus, our Company does not have any subsidiary or associate company.

Except as disclosed hereinabove and under the section titled "*Risk Factors*" on page 18, the Directors do not have an interest in any venture that is involved in any activities similar to those conducted by our Company.

Except as stated in the sections titled "*Related Party Transactions*" on page 152 and to the extent of compensation and commission if any, and their shareholding in our Company, our Directors do not have any other interest in our business.

Our Directors have no interest in any immovable property acquired or proposed to be acquired by our Company in the preceding two years of filing this Tranche II Prospectus with BSE and NSE nor do they have any interest in any transaction regarding the acquisition of land, construction of buildings and supply of machinery, etc. with respect to our Company.

No benefit/interest will accrue to our Promoters/Directors out of the objects of the Tranche II Issue.

Debenture / Subordinated Debt holding of Directors:

None of the Directors of our Company hold any debentures / subordinated debt issued by our Company.

Details of change in Directors of our Company during the current financial year and last three financial years preceding the date of this Tranche II Prospectus:

Name of Director, Designation and DIN	DIN	Designation	Date of Appointment	Date of cessation, if applicable	Date of resignation, if applicable	Remarks
Ramanathan Annamalai	02645247	Independent Director	April 1, 2019	-	March 31, 2024	Retirement
Badrinarayanan Seshadri	00507371	Independent Director	April 1, 2019	-	March 31, 2024	Retirement
Vikraman Ampalakkat	01978341	Independent Director	April 1, 2019	-	March 31, 2024	Retirement

Shareholding of Directors as on May 21, 2024:

As on May 21, 2024, the shareholding of our Directors in our Company is as follows:

Sr. No.	Name of the Director, Designation and DIN	No. of Equity Shares of ₹ 10 each	Number of Stock Options Outstanding	% of total Equity Shares of our Company (on a fully diluted basis)
1.	Narayanaswamy Venkatesh	23,88,777	NIL	0.36
2.	Shivaprakash Deviah	3,45,000	NIL	0.05

Shareholding of Directors in Subsidiary or associate company, including details of qualification shares held by Directors as on the date of this Tranche II Prospectus:

As on the date of this Tranche II Prospectus, our Company does not have any subsidiary company or associate company.

Key Managerial Personnel of our Company:

Provided below are the details of the Key Managerial Personnel of our Company, other than our Managing Director and Whole Time Director of our Company, as of the date of this Tranche II Prospectus.

Manoranjan Biswal, Company Secretary & Compliance Officer

Manoranjan Biswal is the Company Secretary and Compliance Officer of our Company. He is a qualified member of the Institute of Company Secretaries of India (ICSI), and graduate in law and commerce. He has more than 8 years of experience in secretarial compliances. Prior to joining our Company, he was associated with Capitalfloat Financial Services Private Limited. Manoranjan Biswal joined our Company in June 2021.

Anantha Kumar Thangavel, Chief Financial Officer

Anantha Kumar Thangavel is the Chief Financial Officer of our Company. Before joining our Company, he was engaged as a consultant at GBA Consulting Private Limited. Anantha Kumar Thangavel is a qualified chartered accountant and company secretary.

Relationship with other Key Managerial Personnel

None of our Key Managerial Personnel are related to each other.

Interests of Key Managerial Personnel

Except to the extent of remuneration or benefits to which they are entitled to as per their terms of appointment reimbursement of expenses incurred by them during the ordinary course of business, any dividend payable to them and other distributions in respect of Equity Shares and equity shares held by them along with vested ESOP options, the Key Managerial Personnel of the Company do not have any interest in the Company.

As on the date of this Tranche II Prospectus, all of the Key Managerial Personnel of our Company are the permanent employees of our Company.

Compensation to Key Managerial Personnel

(₹ in crore)

Name of KMP	For Fiscal 2025 as on May 21, 2024	For Fiscal 2024	For Fiscal 2023	For Fiscal 2022
Manoranjan Biswal	0.04	0.22	0.16	0.10
Anantha Kumar Thangavel	0.13	0.71	0.55	0.34

Equity Shares held by Key Managerial Personnel

Except as mentioned below, as on date of this Tranche II Prospectus, none of the Key Managerial Personnel hold shares in our Company.

Name of KMP	Numbers of Shares held	Employee Stock Options Outstanding	Percentage of Shareholding in %
Manoranjan Biswal	NIL	36,959	0.00
Anantha Kumar Thangavel	NIL	2,42,637	0.00

No benefit/interest will accrue to our Key Managerial Personnel out of the objects of the Issue.

Senior Management Personnel of our Company

In addition to Key Managerial Personnels of our Company, the details of the Senior Management Personnel, as on the date of this Tranche II Prospectus, are set out below:

Our Company's Senior Management Personnel are:

1. Manoj Pasangha (Deputy Chief Executive Officer)
2. Manish Agarwal (Chief Risk Officer)
3. Gunasekaran L (Chief Information and Security Officer)

Interest of Senior Management Personnel

Except as stated below, none of our Senior Management Personnel has been paid any consideration of any nature from our Company:

- Remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

Except as stated below, Senior Management Personnel are not interested in the Company:

- To the extent of the shareholding in the Company, if any held by them or their relatives or held by the companies, firms and trusts in which they are interested as director, member, partner, and/or trustee, and to the extent of benefits arising out of such shareholding including dividend, if any and/ or the stock options granted to some of our senior managerial personnel.
- To the extent of debentures of our Company held by them or to be subscribed by them in this Issue and to the extent of any interest/redemption proceeds paid/payable to him and other distributions in respect of the said debentures.

Except for the letter of appointment issued to our Senior Management Personnel as an employee of the Company, our Company has not entered into any contracts or arrangement with the Senior Management Personnel relating to appointment and remuneration or providing for benefits upon termination of employment.

No benefit/interest will accrue to our Senior Management Personnel out of the objects of the Issue.

Relationship with other Senior Management Personnel

None of our Senior Management Personnel are related to each other.

Shareholding of our Company's Senior Management Personnel

As on the date of this Tranche II Prospectus, none of the SMPs hold shares in our Company.

Our Directors, Key Managerial Personnel or Senior Management have no financial or other material interest in the Tranche II Issue.

Corporate Governance

We are in compliance with the requirements in relation to the composition of the Board of Directors and constitution of Committees such as Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders' Relationship Committee and Risk Management Committee as mandated under the Companies Act, 2013 and the SEBI Listing Regulations.

Details of various Committees of the Board:

Audit Committee:

The Audit Committee was last reconstituted vide a resolution passed by the Board through circulation on March 13, 2024. As on the date of this Tranche II Prospectus, it comprises of:

Name	Designation on Committee	Designation
Kalengada Mandanna Nanaiah	Member	Independent Director
Govinda Rajulu Chintala	Member	Independent Director
Venkataraman Rajamani	Member	Non Executive Director

The Audit Committee oversees the financial reporting process and reviews, with the Management, the financial statements to ensure that the same are correct and credible. The Audit Committee has the ultimate authority and responsibility to select and evaluate the Independent Auditors in accordance with the law. The Audit Committee also reviews performance of the statutory auditors, the Internal Auditors, adequacy of the internal control system and Whistle-blower mechanism.

The broad terms of reference of the Audit Committee are:

A. The role of the audit committee shall include the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - b. changes, if any, in accounting policies and practices and reasons for the same;
 - c. major accounting entries involving estimates based on the exercise of judgment by management;
 - d. significant adjustments made in the financial statements arising out of audit findings;
 - e. compliance with listing and other legal requirements relating to financial statements;
 - f. disclosure of any related party transactions;
 - g. modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the listed entity with related parties;

9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the whistle blower mechanism;
19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., of the company and its shareholders.

B. Reviewing the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the audit committee.

Asset Liability Management Committee:

The Asset Liability Management Committee was last reconstituted *vide* a resolution passed by the Board on October 21, 2022. As on the date of this Tranche II Prospectus, it comprises of:

Name	Designation on Committee	Designation
Narayanaswamy Venkatesh	Member	Managing Director
Manoj Pasangha	Member	Deputy Chief Executive Officer
Anantha Kumar Thangavel	Member	Chief Financial Officer
Mohan Kumar	Member	Head- Treasury
Manish Agarwal	Member	Chief Risk Officer

The functions of the ALM Committee include addressing concerns regarding asset liability mismatches, interest rate risk exposure, and achieving optimal return on capital employed while maintaining acceptable levels of risk including and relating to liquidity, market and operational aspects and adhering to the relevant policies and regulations.

The role of the ALM Committee would be to analyze, monitor, review and discuss the risk profile of the company. Terms of reference of ALM Committee includes the following:

1. Liquidity risk management
2. Management of market risks
3. Funding and capital planning
4. Interest Rates and Capital Adequacy scenario
5. Forecasting and analyzing 'What if scenario' and preparation of contingency plans Asset Liability Mismatch
6. Profit planning and growth projection
7. Inter corporate deposits/loans between group companies and their transfer pricing mechanism

Nomination and Remuneration Committee:

The Nomination and Remuneration Committee was last reconstituted vide a resolution passed by the Board on March 13, 2024. As on the date of this Tranche II Prospectus, it comprises of:

Name	Designation on Committee	Designation
Kalengada Mandanna Nanaiah	Member	Independent Director
Govinda Rajulu Chintala	Member	Independent Director
Nihar Niranjan Jambusaria	Member	Non Executive Director

The broad terms of reference of the Nomination and Remuneration Committee are:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- 1A. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an Independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates.
2. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
3. Devising a policy on diversity of board of directors;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
6. Recommend to the board, all remuneration, in whatever form, payable to senior management.

Stakeholder's Relationship Committee:

The Stakeholders' Relationship Committee was last reconstituted *vide* a resolution passed by the Board on March 13, 2024. As on the date of this Tranche II Prospectus, it comprises of:

Name	Designation on Committee	Designation
Narayanaswamy Venkatesh	Member	Managing Director
Govinda Rajulu Chintala	Member	Independent Director
Kalengada Mandanna Nanaiah	Member	Independent Director

The broad terms of reference of the Stakeholder's Relationship Committee are:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

Risk Management Committee:

The Risk Management Committee was last reconstituted *vide* a resolution passed by the Board through circulation on March 13, 2024. As on the date of this Tranche II Prospectus, it comprises of:

Name	Designation on Committee	Designation
Shivaprakash Deviah	Member	Whole Time Director
Govinda Rajulu Chintala	Member	Independent Director
Kalengada Mandanna Nanaiah	Member	Independent Director
Venkataraman Rajamani	Member	Non Executive Director

The scope of the Risk Management Committee includes the references made under the SEBI Listing Regulations, and the RBI Regulations.

The terms of reference of the Risk Management Committee are:

1. To formulate a detailed risk management policy which shall include:
 - a. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - b. Measures for risk mitigation including systems and processes for internal control of identified risks.
 - c. Business continuity plan.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. Risk Management Committee of the Board shall oversee the integration of all Enterprise wide risks.
5. Risk Management Committee of the Board (RMCB) shall monitor the risk framework and promote effective management of all risk categories, and foster the establishment and maintenance of an effective risk culture throughout the Company.
6. Ensure establishment of risk appetite for the Company.
7. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
8. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken.
9. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee. The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.

Corporate Social Responsibility Committee:

The Corporate Social Responsibility Committee was last reconstituted *vide* a resolution passed by the Board on March 13, 2024. As on the date of this Tranche II Prospectus, it comprises of:

Name	Designation on Committee	Designation
Narayanawamy Venkatesh	Member	Managing Director
Shivaprakash Deviah	Member	Whole-time Director
Malini B. Eden	Member	Independent Director
Ravi K Shah	Member	Head, Corporate HR

The functions of the CSR Committee include:

1. Formulating and recommending to the Board, an annual action plan in pursuance of its CSR Policy
2. Monitoring the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Companies Act 2013;
3. Planning the manner of execution of such projects or programmes as specified in the Companies Act 2013
4. Reviewing the modalities of utilisation of funds and implementation schedules for the projects or programmes;
5. Monitoring and reporting mechanism for the projects or programmes; and
6. Any other matter as prescribed by the Companies Act 2013 or any other statutory or regulatory body or as may be delegated by Board to the committee from time to time.

I.T. Strategy Committee:

The I.T. Strategy Committee was last reconstituted *vide* a resolution passed by the Board on April 21, 2023. As on the date of this Tranche II Prospectus, it comprises of:

Name	Designation on Committee	Designation
Narayanaswamy Venkatesh	Member	Managing Director
Shivaprakash Deviah	Member	Whole Time Director
Kalengada Mandanna Nanaiah	Member	Independent Director

The functions of the I.T. Strategy Committee include:

1. Reviewing the results of and progress in implementation of the decisions made in the previous meetings;
2. Review and amend IT Strategies in line with corporate strategies, Board policy reviews, cyber security arrangements and matters related to IT governance
3. Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business
4. Information Security updates
5. Review of Information Security Audit report
6. Information Security Risk Assessment
7. Any other matter as prescribed by RBI or any other statutory or regulatory body or as may be delegated by Board to the committee from time to time.

Issue and Allotment Committee:

The Issue and Allotment Committee was constituted *vide* resolution passed by the Board on April 21, 2023. As on the date of this Tranche II Prospectus, it comprises of:

Name	Designation on Committee	Designation
Venkatesh N	Member	Managing Director
Shivaprakash D	Member	Whole-time Director

The functions of the Issue and Allotment Committee include:

1. To approve Issuance and Allotment of Securities and related documents required for issue and allotment of securities.
2. Such other powers as may be delegated by the Board from time to time.

OUR PROMOTERS

As on date of this Tranche II Prospectus our Company has two individual promoters and one corporate promoter. The following are the details of our promoters.

- IIFL Finance Limited** is a Systemically Important Non-deposit taking Non-Banking Financial Company registered with the RBI.

IIFL Finance Limited is one of the leading players in the financial services space in India. Together with its subsidiaries – IIFL Home Finance Limited, IIFL Samasta Finance Limited (Formerly known as Samasta Microfinance Limited) and IIFL Open Fintech Private Limited, it provides a diverse range of loans and mortgages. These include home loans, gold loans, business loans including loans against property and medium & small enterprise financing, micro finance, developer & construction finance and capital market finance; catering to both retail and corporate clients.

Address: IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23, Thane Industrial Area, Wagle Estate, Thane – 400 604, Maharashtra

Other Ventures:

- IIFL Home Finance Limited*
- IIFL Open Fintech Private Limited*

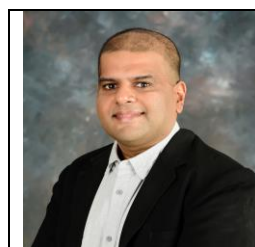
CIN: L67100MH1995PLC093797

PAN: AABCI0745G

Place of Registration: RoC-Mumbai

Date of Incorporation: October 18, 1995

- Narayanaswamy Venkatesh**



Narayanaswamy Venkatesh is the founder and Managing Director of our Company. He has over 23 years of experience in the financial services industry as an entrepreneur. Narayanaswamy Venkatesh holds a bachelor's degree in computer science and has completed the Harvard Business School-ACCION Program on Strategic Leadership in Microfinance.

Other Ventures: Nil

Nationality: Indian

Occupation: Professional

PAN: AAJPV2474Q

Date of Birth: June 19, 1975

Age (years): 48

Address: No.472, 19th Main, 35th Cross, 4th T Block, Jayanagar Bengaluru-560041

Details of Directorships- Please see section titled 'Our Management' on page 135

3. Shivaprakash Deviah



Shivaprakash Deviah is a Whole-time Director of our Company. Shivaprakash Deviah co-founded our Company in 2008. He leads our Company's technology initiatives which include the setting up of comprehensive IT infrastructure for lending activities and enhancing process efficiency through automation. His purview includes enabling a data-driven culture through the analytics platform and driving the implementation of strategic initiatives across the organisation. He also oversees operations to ensure seamless execution of business strategies. Shivaprakash Deviah has over two decades of experience spanning the software and financial services industries. He holds a bachelor's degree in computer science & engineering from PSG College of Technology and a diploma in microfinance from the Indian Institute of Banking & Finance.

Other Ventures: Nil

Nationality: Indian

Occupation: Business

PAN: AELPS6775B

Address: N0.13, West Village, Kodipalya Main Road, Compound in front of Maruti Mandir Road, Kengeri, Bengaluru South, Bengaluru-560060

Date of Birth: March 11, 1975

Age: 48

Details of Directorships- Please see section titled 'Our Management' on page 135

As on March 31, 2024, our Promoters collectively hold 66,82,44,149 Equity Shares equivalent to 99.97% of the equity share capital of our Company.

Shareholding of our Promoters in the Company

As on March 31, 2024 our Promoters shareholding in our Company is as follows:

Name	Total Number of Equity Shares	Number of shares in demat form	Total shareholding as % of total no of equity Shares	Number of Shares Pledged	% of Shares pledged with respect to shares owned
IIFL Finance Limited	66,55,10,372	66,55,10,372	99.56%	Nil	Nil
Narayanaswamy Venkatesh	23,88,777	23,88,777	0.36%	Nil	Nil
Shivaprakash Deviah	3,45,000	3,45,000	0.05%	Nil	Nil

Other understanding and confirmations

Our Company confirms that, at the time of filing of the Draft Shelf Prospectus with Stock Exchanges:

- i. The Permanent Account Numbers, Aadhaar Numbers, Driving License Numbers, Passports Numbers and bank account numbers of Narayanaswamy Venkatesh and Shivaprakash Deviah, respectively, have been submitted to the Stock Exchanges;
- ii. Permanent Account Number and Bank account numbers of IIFL Finance Limited have been submitted to the Stock Exchanges; and
- iii. Permanent Account Numbers of each of the Directors have been submitted to the Stock Exchanges.

Our Promoters and the relatives of our Promoters as per the Companies Act, have not been identified as Wilful Defaulters.

Our Promoters have confirmed that neither they nor any of their Directors (as applicable) have been identified as Wilful Defaulters by the RBI or any other governmental authority and are not a Promoter or a whole-time director of any such company which has been identified as a Wilful Defaulter by the RBI or any other governmental authority or which has been in default of payment of interest or repayment of principal amount in respect of debt securities issued by it to the public, if any, for a period of more than six months. Further, no members of our Promoters Group have been identified as Wilful Defaulters.

Our Promoters, Narayanaswamy Venkatesh and Shivaprakash Deviah have not been declared as fugitive economic offender.

No violation of securities laws has been committed by our Promoters in the past and no regulatory action before SEBI or RBI is currently pending against our Promoters except as disclosed in section titled “*Outstanding Litigations and other Confirmations*” on page 193.

Our Promoters was not a promoter, director or person in control of any company which was delisted within a period of ten years preceding the date of this Tranche II Prospectus, in accordance with Chapter V of the SEBI Delisting Regulations.

Our Promoters and Promoter Group are not restrained or debarred or prohibited from accessing the capital markets or restrained or debarred or prohibited from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any Stock Exchanges in India or abroad and are not promoters, directors or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

No benefit or interest will accrue to our Promoters out of the objects of the Tranche II Issue.

Promoter Group

In addition to the Promoters named above, the names of the persons and entities constituting the Promoter Group of our Company in terms of Regulation 2(1)(zb) of the SEBI ICDR Regulations and Section 2(1)(ff) of SEBI NCS Regulations along with their shareholding as on March 31, 2024 are set out below:

Sr. No.	Name of Promoter Group	No. of Equity Shares	% Percentage
Corporates			
1.	IIFL Home Finance Limited	Nil	Nil
2.	IIFL Open Fintech Private Limited	Nil	Nil
3.	FIH Mauritius Investments Limited	Nil	Nil
Individuals			
4.	Venkatakrishnama Appa Naidu Narayanaswamy	1	0.00
5.	Prema Narayanaswamy	1	0.00
6.	Vidhya Anand	1	0.00
7.	Anitha Shivanna	1,93,200	0.03
8.	Vijayalakshmi D	Nil	Nil
9.	Karthikeya Deviah	Nil	Nil
10.	Shivanna Kadappa	Nil	Nil
11.	Shanthi Shivanna	Nil	Nil
12.	Arjun Shivanna	Nil	Nil

Common pursuits of our Promoters

Our Promoters are engaged in businesses similar to ours.

Interest of our Promoters in our Company

Except as stated under the chapter titled “*Related Party Transactions*” beginning on page 152, and to the extent of their shareholding in our Company, our Promoters do not have any other interest in our Company’s business.

Further as on March 31, 2024, our Promoters have not guaranteed/secured any bank facilities sanctioned by our Company.

Our Promoters do not intend to subscribe to this Issue.

Our Promoters have no financial or other material interest in the Issue and no benefit / interest will accrue to our Promoters or Promoter Group out of the objects of the Issue.

Payment of benefit to our Promoters in last three fiscal years

Other than as disclosed under the “*Related Party Transactions*”, available at page 152, our Company has not made any payments of any benefits to the Promoters during the last three fiscals preceding the date of this Tranche II Prospectus.

Interest of our Promoters in property, land and construction

Our Promoters do not have any interest in any property acquired by our Company within two years preceding the date of filing of this Tranche II Prospectus or any property proposed to be acquired by our Company or in any transaction with respect to the acquisition of land, construction of building or supply of machinery.

Details of Equity Shares allotted to our Promoters during the current year and last three Fiscal Years

Except as disclosed below, none of our Promoters have not been allotted any Equity Shares of our Company during the current year and last three Fiscal Years:

Name of Promoter	Date of Allotment	No of Equity Shares	Face Value (₹)	Issue Price (₹)	Consideration (Cash, other than cash, etc.)	Nature of Allotment
IIFL Finance Limited	December 21, 2020	4,24,26,147	10	15.91	Cash	Rights Issue
	June 28, 2021	9,15,75,091	10	16.38	Cash	Rights Issue
	March 30, 2022	4,14,82,300	10	18.08	Cash	Rights Issue
	February 8, 2023	9,54,19,847	10	20.96	Cash	Rights Issue
	November 15, 2023	7,47,94,315	10	26.74	Cash	Rights Issue

RELATED PARTY TRANSACTIONS

For details of the related party transactions for the Fiscals 2024 in accordance with the requirements under Ind AS 24 “Related Party Disclosures” notified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, see “*Audited Financial Statements for Fiscal 2024*” on page F 59, note no. 38.

For details of the related party transactions for the Fiscals 2023 in accordance with the requirements under Ind AS 24 “Related Party Disclosures” notified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, see “*Audited Financial Statements for Fiscal 2023*” on page F 163, note no. 38.

For details of the related party transactions for the Fiscals 2022 in accordance with the requirements under Ind AS 24 “Related Party Disclosures” notified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, see “*Audited Financial Statements for Fiscal 2022*” on page F 268, note no. 38.

Related party transactions entered during the Fiscal 2024, Fiscal 2023 and Fiscal 2022 with regard to loans made or, guarantees given or securities provided

(₹ in crore)

Name of the Related Party	Fiscal	Loans made	Guarantees given	Securities Provided
IIFL Finance Limited	2023-24	1,100	Nil	Nil

Related party transactions entered during the current financial year for the period up to May 21, 2024 with regard to loans made or, guarantees given or securities provided

(₹ in crore)

Name of the Related Party	Loans made	Guarantees given	Securities Provided
Nil	Nil	Nil	Nil

SECTION V – FINANCIAL STATEMENTS

FINANCIAL INFORMATION

Sr. No.	Particulars	Page Nos.
1.	Audited Financial Statements of the Company for Fiscal 2024	F 1-93
2.	Audited Financial Statements of the Company for Fiscal 2023	F 94-199
3.	Audited Financial Statements of the Company for Fiscal 2022	F 200-302

MATERIAL DEVELOPMENTS

Other than as disclosed elsewhere in the Shelf Prospectus and this Tranche II Prospectus, since March 31, 2024 till the date of filing this Tranche II Prospectus, there have been no event/ development or change having implications on the financials/credit quality (e.g., any material regulatory proceedings against the Company/ Promoter/ Directors, litigations resulting in material liabilities, corporate restructuring event etc.) at the time of the Tranche II Issue which may affect the Tranche II Issue or the investor's decision to invest / continue to invest in the debt securities.

a) Changes in total borrowings of the Company:

Other than the updated borrowings stated below, there is no change in borrowings of the Company from March 31, 2024 till Cut-off Date i.e. May 21, 2024.

(₹ in Crores)

Item	As at March 31, 2024	As at the Cut-off Date i.e., May 21,2024*
Borrowings (including current maturities of non-current borrowings)	8,902.90	8220.70

**Note: The above amounts excluding effect for the Ind AS adjustment on account of effective interest rate and does not include the interest but not due as at that date.*

FINANCIAL INDEBTEDNESS

As on March 31, 2024, our Company had total outstanding borrowings of ₹ 8,902.90 crore.

Sr. No.	Nature of Borrowings	Amount Outstanding (in ₹ crore)	% of total borrowings
1	Secured borrowings	7,912.00	88.87%
2	Unsecured borrowings	990.90	11.13%
Total Borrowings		8,902.90	100.00%

Set forth below, is a summary of the borrowings by our Company outstanding as on March 31, 2024, together with a brief description of certain significant terms of such financing arrangements.

Details of secured borrowings:

Our Company's secured outstanding borrowings as on March 31, 2024 amounts to ₹ 7,912.00 crore. The details of the secured borrowings are set out below:

Secured Term Loans from Banks/ Financial Institutions

S. No	Name of Lender	Type of Facility and Documentation	Total amount of loan Sanctioned (in ₹ crore)	Principal Amount Outstanding as on March 31, 2024* (in ₹ crore)	Repayment Date/ Schedule	Security	Credit Rating (if applicable)	Asset Classification
1	Aditya Birla Finance Limited	Term Loan	18.86	4.72	Repayment Date: October 1, 2024	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing	Standard
					Repayment Schedule: Repayment in 24 equal monthly instalments commencing from November 01, 2022			
2	Aditya Birla Finance Limited	Term Loan	21.00	11.95	Repayment Date: April 5, 2025	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing	Standard
					Repayment Schedule: Repayment in 24 equal monthly instalments commencing from May 5, 2023			
3	Axis Bank Limited	Term Loan	200.00	20.42	Repayment Date: December 13, 2024	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing	Standard
					Repayment Schedule: Repayment in 22 equal monthly instalments commencing from March 13, 2023			
				74.93	Repayment Date: February 10, 2025			
					Repayment Schedule: Repayment in 22 equal monthly instalments commencing from 10 May 2023			

S. No	Name of Lender	Type of Facility and Documentation	Total amount of loan Sanctioned (in ₹ crore)	Principal Amount Outstanding as on March 31, 2024* (in ₹ crore)	Repayment Date/Schedule	Security	Credit Rating (if applicable)	Asset Classification
4	Axis Bank Limited	Term Loan	500	154.46	Repayment Date: October 30, 2025	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing	Standard
					Repayment Schedule: Repayment in 22 equal monthly instalments commencing from November 30, 2023			
				40.90	Repayment Date: September 15, 2025	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing	
				Repayment Schedule: Repayment in 22 equal monthly instalments commencing from December 15, 2023				
43.17	Repayment Date: October 31, 2025	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing					
Repayment Schedule: Repayment in 22 equal monthly instalments commencing from January 31, 2024								
190.00	Repayment Date: February 20, 2026	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing					
Repayment Schedule: Repayment in 22 equal monthly instalments commencing from May 20, 2024								
5	Bank of Baroda	Term Loan	50.00	8.33	Repayment Date: September 30, 2024	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing	Standard
					Repayment Schedule: Repayment in 33 monthly instalments commencing from October 31, 2021			
6	Bank of Baroda	Term Loan	100.00	70.00	Repayment Date: November 30, 2025	Exclusive charge on identified	CRISIL AA-/Watch	Standard

S. No	Name of Lender	Type of Facility and Documentation	Total amount of loan Sanctioned (in ₹ crore)	Principal Amount Outstanding as on March 31, 2024* (in ₹ crore)	Repayment Date/Schedule	Security	Credit Rating (if applicable)	Asset Classification
					Repayment Schedule: Repayment in 10 equal Quarterly instalments commencing from August 31, 2023	standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	Developing	
7	Bank of Baroda	Term Loan	300	48.49	Repayment Date: November 30, 2026 Repayment Schedule: Repayment in 33 equal Quarterly instalments commencing from March 30, 2024	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA- /Watch Developing	Standard
				145.46	Repayment Date: November 30, 2026 Repayment Schedule: Repayment in 33 equal Quarterly instalments commencing from March 30, 2024	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA- /Watch Developing	Standard
				48.48	Repayment Date: November 30, 2026 Repayment Schedule: Repayment in 33 equal monthly instalments commencing from March 30, 2024	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA- /Watch Developing	Standard
				48.49	Repayment Date: November 30, 2026 Repayment Schedule: Repayment in 33 equal monthly instalments commencing from March 30, 2024	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA- /Watch Developing	Standard
8	Bank of Maharashtra	Term Loan	150.00	27.15	Repayment Date: September 1, 2024 Repayment Schedule: Repayment in 11 equal Quarterly instalments commencing from March 1, 2022	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 115% of loan outstanding	CRISIL AA- /Watch Developing	Standard

S. No	Name of Lender	Type of Facility and Documentation	Total amount of loan Sanctioned (in ₹ crore)	Principal Amount Outstanding as on March 31, 2024* (in ₹ crore)	Repayment Date/Schedule	Security	Credit Rating (if applicable)	Asset Classification
9	Bank of Maharashtra	Term Loan	100.00	63.64	Repayment Date: December 28, 2025	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 115 % of loan outstanding	CRISIL AA-/Watch Developing	Standard
					Repayment Schedule: Repayment in 11 equal Quarterly instalments commencing from June 28, 2023			
10	Bandhan Bank Limited	Term Loan	75.00	21.43	Repayment Date: July 28, 2024	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 105% of loan outstanding	CRISIL AA-/Watch Developing	Standard
					Repayment Schedule: Repayment in 7 equal Quarterly instalments commencing from February 01, 2023			
11	Bandhan Bank Limited	Term Loan	200.00	114.29	Repayment Date: February 24, 2025	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing	Standard
					Repayment Schedule: Repayment in 7 equal Quarterly instalments commencing from September 01, 2023			
12	Bajaj Finance Limited	Term Loan	50.00	35.42	Repayment Date: July 24, 2025	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing	Standard
					Repayment Schedule: Repayment in 24 equal monthly instalments commencing from September 05, 2023			
13	Canara Bank	Term Loan	300.00	54.55	Repayment Date: September 22, 2024	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 105% of loan outstanding	CRISIL AA-/Watch Developing	Standard
					Repayment Schedule: Repayment in 11 equal Quarterly instalments commencing from February 22, 2022			
14	Kisetsu Saison Finance (India) Private Limited	Term Loan	50.00	25.00	Repayment Date: March 15, 2025	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing	Standard
					Repayment Schedule: Repayment in 8 equal Quarterly instalments commencing from June 15, 2023			

S. No	Name of Lender	Type of Facility and Documentation	Total amount of loan Sanctioned (in ₹ crore)	Principal Amount Outstanding as on March 31, 2024* (in ₹ crore)	Repayment Date/Schedule	Security	Credit Rating (if applicable)	Asset Classification			
15	Kisetsu Saison Finance (India) Private Limited	Term Loan	68.00	43.75	Repayment Date: November 15, 2025	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing	Standard			
					Repayment Schedule: Repayment in 8 equal Quarterly instalments commencing from February 15, 2024						
				18.00	Repayment Date: January 15, 2026				Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing	Standard
					Repayment Schedule: Repayment in 8 equal Quarterly instalments commencing from April 15, 2024						
16	DBS Bank India Limited	Term Loan	100.00	16.67	Repayment Date: November 4, 2024	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing	Standard			
					Repayment Schedule: Repayment in 24 equal monthly instalments commencing from December 04, 2022						
				25.00	Repayment Date: March 22, 2025				Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing	Standard
					Repayment Schedule: Repayment in 24 equal monthly instalments commencing from April 22, 2023						
17	DBS Bank India Limited	Term Loan	200.00	87.50	Repayment Date: December 21, 2025	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing	Standard			
					Repayment Schedule: Repayment in 24 equal monthly instalments commencing from January 21, 2024						
				95.83	Repayment Date: February 28, 2026				Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing	Standard
					Repayment Schedule: Repayment in 24 equal monthly instalments commencing from March 30, 2024						
18	DCB Bank	Term Loan	50.00	29.16	Repayment Date: May 31, 2025	Exclusive charge on identified	CRISIL AA-/Watch	Standard			

S. No	Name of Lender	Type of Facility and Documentation	Total amount of loan Sanctioned (in ₹ crore)	Principal Amount Outstanding as on March 31, 2024* (in ₹ crore)	Repayment Date/Schedule	Security	Credit Rating (if applicable)	Asset Classification
					Repayment Schedule: Repayment in 24 equal monthly instalments commencing from June 30, 2023	standard (Stage 1) loan receivables with a minimum-security cover of 105% of loan outstanding	Developing	
19	Dhanlaxmi Bank Ltd.	Term Loan	35.00	6.36	Repayment Date: September 29, 2024 Repayment Schedule: Repayment in 33 equal monthly instalments commencing from January 29, 2022	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing	Standard
20	Dhanlaxmi Bank Limited	Term Loan	30.00	25.00	Repayment Date: August 8, 2026 Repayment Schedule: Repayment in 12 equal Quarterly instalments commencing from November 08, 2023	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing	Standard
21	Federal Bank	Term Loan	25.00	6.25	Repayment Date: September 12, 2024 Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from October 12, 2022	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing	Standard
22	Federal Bank	Term Loan	25.00	12.50	Repayment Date: March 3, 2025 Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from April 03, 2023	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing	Standard
23	Federal Bank	Term Loan	50.00	37.52	Repayment Date: September 26, 2025	Exclusive charge on identified	CRISIL AA-/Watch	Standard

S. No	Name of Lender	Type of Facility and Documentation	Total amount of loan Sanctioned (in ₹ crore)	Principal Amount Outstanding as on March 31, 2024* (in ₹ crore)	Repayment Date/Schedule	Security	Credit Rating (if applicable)	Asset Classification
					Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from October 26, 2023	standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	Developing	
24	HDFC Bank	Term Loan	50.00	16.67	Repayment Date: November 24, 2024 Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from December 25, 2022	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 105% of loan outstanding	CRISIL AA-/Watch Developing	Standard
25	HDFC Bank	Term Loan	130.00	46.67	Repayment Date: July 9, 2025 Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from August 10, 2023	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 105% of loan outstanding	CRISIL AA-/Watch Developing	Standard
				47.50	Repayment Date: October 31, 2025 Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from November 30, 2023	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 105% of loan outstanding	CRISIL AA-/Watch Developing	Standard
26	Hero FinCorp Ltd	Term Loan	50.00	22.18	Repayment Date: January 03, 2025 Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from February 03, 2023	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing	Standard
27	Hero FinCorp Ltd	Term Loan	25.00	14.22	Repayment Date: April 3, 2025 Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from May 03, 2023	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing	Standard
28	Hinduja Leyland	Term Loan	40.00	14.24	Repayment Date: November 28, 2024	Exclusive charge on identified	CRISIL AA-/Watch	Standard

S. No	Name of Lender	Type of Facility and Documentation	Total amount of loan Sanctioned (in ₹ crore)	Principal Amount Outstanding as on March 31, 2024* (in ₹ crore)	Repayment Date/Schedule	Security	Credit Rating (if applicable)	Asset Classification
	Finance Limited				Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from December 30, 2022	standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	Developing	
29	Hinduja Leyland Finance Limited	Term Loan	50.00	24.20	Repayment Date: February 28 2025 Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from March 28, 2023	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA- /Watch Developing	Standard
30	Hinduja Leyland Finance Limited	Term Loan	50.00	38.48	Repayment Date: September 22 2025. Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from October 22, 2023	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA- /Watch Developing	Standard
31	HSBC Bank Limited	Term Loan	165.00	75.63	Repayment Date: February 17, 2025 Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from March 17, 2023	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA- /Watch Developing	Standard
32	HSBC Bank Limited	Term Loan	230.00	43.75	Repayment Date: June 5, 2025 Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from July 05, 2023	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA- /Watch Developing	Standard
				31.31	Repayment Date: June 5, 2025 Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from July 05, 2023	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA- /Watch Developing	Standard
				18.75	Repayment Date: June 5, 2025	Exclusive charge on identified	CRISIL AA- /Watch	Standard

S. No	Name of Lender	Type of Facility and Documentation	Total amount of loan Sanctioned (in ₹ crore)	Principal Amount Outstanding as on March 31, 2024* (in ₹ crore)	Repayment Date/Schedule	Security	Credit Rating (if applicable)	Asset Classification
					Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from July 05, 2023	standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	Developing	
				31.31	Repayment Date: June 5, 2025 Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from July 05, 2023	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA- /Watch Developing	Standard
33	HSBC Bank Limited	Term Loan	105.00	60.47	Repayment Date: September 07, 2025 Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from October 7, 2023	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA- /Watch Developing	Standard
34	HSBC Bank Limited	Term Loan	33.00	24.75	Repayment Date: Septemehr 25, 2025 Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from October 25, 2023	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA- /Watch Developing	Standard
35	HSBC Bank Limited	Term Loan	72.30	21.87	Repayment Date: December 26, 2025 Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from January 26, 2024	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA- /Watch Developing	Standard
				30.28	Repayment Date: February 6, 2026 Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from March 06, 2024	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA- /Watch Developing	Standard

S. No	Name of Lender	Type of Facility and Documentation	Total amount of loan Sanctioned (in ₹ crore)	Principal Amount Outstanding as on March 31, 2024* (in ₹ crore)	Repayment Date/ Schedule	Security	Credit Rating (if applicable)	Asset Classification
36	HSBC Bank Limited	Term Loan	109.50	39.77	Repayment Date: February 27, 2026	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing	Standard
					Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from March 31, 2024			
				25.40	Repayment Date: February 27, 2026			
					Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from March 31, 2024			
37	IDFC First Bank Limited	Term Loan	210.00	22.86	Repayment Date: June 30, 2024	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing	Standard
					Repayment Schedule: Repayment in 21 equal Monthly instalments commencing from October 31, 2022			
				16.67	Repayment Date: October 27, 2024			
					Repayment Schedule: Repayment in 21 equal Monthly instalments commencing from February 28, 2023			
38	IDFC First Bank Limited	Term Loan	100.00	57.14	Repayment Date: March 30, 2025	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing	Standard
					Repayment Schedule: Repayment in 21 equal Monthly instalments commencing from July 31, 2023			
39	IDFC First Bank Limited	Term Loan	150.00	143.75	Repayment Date: February 20, 2026	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing	Standard
					Repayment Schedule: Repayment in 21 equal Monthly instalments commencing from March 20, 2024			
40	ICICI Bank Limited	Term Loan	250	3.64	Repayment Date: May 10, 2024	Exclusive charge on identified standard (Stage 1)	CRISIL AA-/Watch Developing	Standard
					Repayment Schedule:			

S. No	Name of Lender	Type of Facility and Documentation	Total amount of loan Sanctioned (in ₹ crore)	Principal Amount Outstanding as on March 31, 2024* (in ₹ crore)	Repayment Date/Schedule	Security	Credit Rating (if applicable)	Asset Classification
					Repayment in 22 equal Monthly instalments commencing from August 10, 2022	loan receivables with a minimum security cover of 105% of loan outstanding		
				3.41	Repayment Date: June 9, 2024			
					Repayment Schedule: Repayment in 22 equal Monthly instalments commencing from September 09, 2022			
				4.36	Repayment Date: July 10, 2024			
					Repayment Schedule: Repayment in 22 equal Monthly instalments commencing from October 10, 2022			
				5.68	Repayment Date: August 09, 2024			
					Repayment Schedule: Repayment in 22 equal Monthly instalments commencing from November 10, 2022			
				7.36	Repayment Date: September 10, 2024			
					Repayment Schedule: Repayment in 22 equal Monthly instalments commencing from December 09, 2022			
				8.27	Repayment Date: October 10, 2024			
					Repayment Schedule: Repayment in 22 equal Monthly instalments commencing from January 10, 2023			
				5.09	Repayment Date: November 10, 2024			

S. No	Name of Lender	Type of Facility and Documentation	Total amount of loan Sanctioned (in ₹ crore)	Principal Amount Outstanding as on March 31, 2024* (in ₹ crore)	Repayment Date/ Schedule	Security	Credit Rating (if applicable)	Asset Classification
					Repayment Schedule: Repayment in 22 equal Monthly instalments commencing from February 10, 2023			
	ICICI Bank Limited	Term Loan	400	36.41	Repayment Date: December 10, 2024	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 105% of loan outstanding	CRISIL AA-/Watch Developing	Standard
					Repayment Schedule: Repayment in 22 equal Monthly instalments commencing from March 10, 2023			
				12.73	Repayment Date: January 10, 2025			
					Repayment Schedule: Repayment in 22 equal Monthly instalments commencing from April 10, 2023			
				9.50	Repayment Date: February 10, 2025			
					Repayment Schedule: Repayment in 22 equal Monthly instalments commencing from May 10, 2023			
				12.00	Repayment Date: March 10, 2025			
					Repayment Schedule: Repayment in 22 equal Monthly instalments commencing from June 10, 2023			
	14.18	Repayment Date: April 10, 2025						
		Repayment Schedule: Repayment in 22 equal Monthly instalments commencing from July 10, 2023						
	14.64	Repayment Date: May 10, 2025						

S. No	Name of Lender	Type of Facility and Documentation	Total amount of loan Sanctioned (in ₹ crore)	Principal Amount Outstanding as on March 31, 2024* (in ₹ crore)	Repayment Date/ Schedule	Security	Credit Rating (if applicable)	Asset Classification
					Repayment Schedule: Repayment in 22 equal Monthly instalments commencing from August 10, 2023			
				15.00	Repayment Date: June 10, 2025 Repayment Schedule: Repayment in 22 equal Monthly instalments commencing from September 10, 2023			
				16.00	Repayment Date: July 10, 2025 Repayment Schedule: Repayment in 22 equal Monthly instalments commencing from October 10, 2023			
				17.77	Repayment Date: August 10, 2025 Repayment Schedule: Repayment in 22 equal Monthly instalments commencing from November 10, 2023			
				104.73	Repayment Date: September 10, 2025 Repayment Schedule: Repayment in 22 equal Monthly instalments commencing from December 08, 2023			
42	ICICI Bank Limited	Term Loan	500.00	36.00	Repayment Date: September 10, 2026 Repayment Schedule: Repayment in 22 equal Monthly instalments commencing from December 10, 2023	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 105% of loan outstanding	CRISIL AA- /Watch Developing	Standard
				42.73	Repayment Date: November 10, 2025	Exclusive charge on identified	CRISIL AA- /Watch	Standard

S. No	Name of Lender	Type of Facility and Documentation	Total amount of loan Sanctioned (in ₹ crore)	Principal Amount Outstanding as on March 31, 2024* (in ₹ crore)	Repayment Date/Schedule	Security	Credit Rating (if applicable)	Asset Classification
					Repayment Schedule: Repayment in 22 equal Monthly instalments commencing from February 10, 2024	standard (Stage 1) loan receivables with a minimum-security cover of 105% of loan outstanding	Developing	
				63.00	Repayment Date: January 10, 2026 Repayment Schedule: Repayment in 22 equal Monthly instalments commencing from April 10, 2024	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 105% of loan outstanding	CRISIL AA- /Watch Developing	Standard
				33.00	Repayment Date: February 10, 2026 Repayment Schedule: Repayment in 22 equal Monthly instalments commencing from May 10, 2024	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 105% of loan outstanding	CRISIL AA- /Watch Developing	Standard
43	IDBI Bank	Term Loan	75.00	9.38	Repayment Date: June 01, 2024 Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from July 1, 2022	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA- /Watch Developing	Standard
44	IDBI Bank	Term Loan	60.00	30.00	Repayment Date: Mar 01, 2025 Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from April 1, 2023	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA- /Watch Developing	Standard
45	IDBI Bank	Term Loan	100.00	75.00	Repayment Date: September 01, 2025 Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from October 1, 2023	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA- /Watch Developing	Standard
46	Indian Bank	Term Loan	200.00	36.35	Repayment Date: March 17, 2025	Exclusive charge on identified	CRISIL AA- /Watch	Standard

S. No	Name of Lender	Type of Facility and Documentation	Total amount of loan Sanctioned (in ₹ crore)	Principal Amount Outstanding as on March 31, 2024* (in ₹ crore)	Repayment Date/Schedule	Security	Credit Rating (if applicable)	Asset Classification
					Repayment Schedule: Repayment in 11 equal Quarterly instalments commencing from September 16, 2022	standard (Stage 1) loan receivables with a minimum-security cover of 100% of loan outstanding	Developing	
			36.31	Repayment Date: March 30, 2025				
				Repayment Schedule: Repayment in 11 equal Quarterly instalments commencing from September 30, 2022				
47	Indian Bank	Term Loan	200.00	99.95	Repayment Date: March 30, 2025	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 100% of loan outstanding	CRISIL AA-/Watch Developing	Standard
				Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from April 30, 2023				
48	Indian Overseas Bank	Term Loan	75.00	25.00	Repayment Date: September 30, 2025	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 115% of loan outstanding	CRISIL AA-/Watch Developing	Standard
				Repayment Schedule: Repayment in 12 equal Quarterly instalments commencing from December 31, 2022				
			12.50	Repayment Date: September 30, 2025				
				Repayment Schedule: Repayment in 12 equal Quarterly instalments commencing from December 31, 2022				
49	Jana Small Finance Bank	Term Loan	50.00	7.71	Repayment Date: August 3, 2024	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 100% of loan outstanding	CRISIL AA-/Watch Developing	Standard
				Repayment Schedule: Repayment in 36 equal Monthly instalments commencing from September 03, 2021				
50	Jana Small	Term Loan	40.00	11.63	Repayment Date: Oct 3, 2024	Exclusive charge on identified	CRISIL AA-/Watch	Standard

S. No	Name of Lender	Type of Facility and Documentation	Total amount of loan Sanctioned (in ₹ crore)	Principal Amount Outstanding as on March 31, 2024* (in ₹ crore)	Repayment Date/Schedule	Security	Credit Rating (if applicable)	Asset Classification
	Finance Bank				Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from November 03, 2022	standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	Developing	
51	Jana Small Finance Bank	Term Loan	55.00	38.96	Repayment Date: August 3, 2025 Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from September 03, 2023	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA- /Watch Developing	Standard
52	Jana Small Finance Bank	Term Loan	40.00	40.00	Repayment Date: April 3, 2026 Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from May 03, 2024	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA- /Watch Developing	Standard
53	JM Financial Products Limited	Term Loan	150.00	43.75	Repayment Date: September 01, 2024 Repayment Schedule: Repayment in 18 equal Monthly instalments commencing from April 01, 2023	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA- /Watch Developing	Standard
54	JM Financial Products Limited	Term Loan	200.00	115.14	Repayment Date: January 25, 2025 Repayment Schedule: Repayment in 18 equal Monthly instalments commencing from September 01, 2023	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA- /Watch Developing	Standard
55	Karnataka Bank Limited	Term Loan	100.00	100.00	Repayment Date: November 21, 2026 Repayment Schedule: Repayment in 10 equal Quarterly instalments commencing from August 21, 2024	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA- /Watch Developing	Standard
56	Karur Vysya	Term Loan	25.00	12.88	Repayment Date: August 31, 2025	Exclusive charge on identified	CRISIL AA- /Watch	Standard

S. No	Name of Lender	Type of Facility and Documentation	Total amount of loan Sanctioned (in ₹ crore)	Principal Amount Outstanding as on March 31, 2024* (in ₹ crore)	Repayment Date/Schedule	Security	Credit Rating (if applicable)	Asset Classification
	Bank				Repayment Schedule: Repayment in 33 equal Monthly instalments commencing from December 31, 2022	standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	Developing	
57	Karur Vysya Bank	Term Loan	50.00	36.36	Repayment Date: March 31, 2026 Repayment Schedule: Repayment in 33 equal Monthly instalments commencing from July 31, 2023	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA- /Watch Developing	Standard
58	Karur Vysya Bank	Term Loan	50.00	50.00	Repayment Date: February 15, 2027 Repayment Schedule: Repayment in 33 equal Monthly instalments commencing from June 30, 2024	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA- /Watch Developing	Standard
59	Kookmin Bank	Term Loan	70.00	70.00	Repayment Date: February 17, 2026 Repayment Schedule: Repayment in 8 equal Quarterly instalments commencing from May 17, 2024	Exclusive charge on specific receivable of standard assets (Book debts) in the nature by hypothecation with asset cover of 110% to be maintained on the outstanding loan exposure	CRISIL AA- /Watch Developing	Standard
60	Kotak Mahindra Bank	Term Loan	40.00	8.33	Repayment Date: August 29, 2024 Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from September 29, 2022	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA- /Watch Developing	Standard
61	Kotak Mahindra Bank	Term Loan	60.00	22.50	Repayment Date: March 09, 2025 Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from April 09, 2023	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA- /Watch Developing	Standard
62	Mahindra &	Term Loan	100.00	9.08	Repayment Date: July 27, 2024	Exclusive charge on identified	CRISIL AA- /Watch	Standard

S. No	Name of Lender	Type of Facility and Documentation	Total amount of loan Sanctioned (in ₹ crore)	Principal Amount Outstanding as on March 31, 2024* (in ₹ crore)	Repayment Date/Schedule	Security	Credit Rating (if applicable)	Asset Classification
	Mahindra Financial Services Limited				Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from August 27, 2022	standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	Developing	
			11.33	Repayment Date: August 27, 2024				
				Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from September 27, 2022				
63	MUDRA	Refinance	150.00	99.95	Repayment Date: January 10, 2026	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 100% of loan outstanding	CRISIL AA-/Watch Developing	Standard
				Repayment Schedule: Repayment in 33 equal Monthly instalments commencing from 10 May 2023				
64	MUDRA	Refinance	150.00	150.00	Repayment Date: December 11, 2026	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 100% of loan outstanding	CRISIL AA-/Watch Developing	Standard
				Repayment Schedule: Bullet Repayment				
65	National Bank for Agriculture and Rural Development	Refinance	150.00	15.00	Repayment Date: January 31, 2025	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 112% of loan outstanding	CRISIL AA-/Watch Developing	Standard
				Repayment Schedule: Repayment in 11 Half-yearly instalments commencing from January 31, 2020				
66	National Bank for Agriculture and Rural Development	Refinance	150.00	24.00	Repayment Date: March 31, 2026	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 112% of loan outstanding	CRISIL AA-/Watch Developing	Standard
				Repayment Schedule: Repayment in 20 equal Quarterly instalments commencing from June 30, 2021				
67	National Bank	Refinance	200.00	84.00	Repayment Date: December 31, 2026	Exclusive charge on identified	CRISIL AA-/Watch	Standard

S. No	Name of Lender	Type of Facility and Documentation	Total amount of loan Sanctioned (in ₹ crore)	Principal Amount Outstanding as on March 31, 2024* (in ₹ crore)	Repayment Date/Schedule	Security	Credit Rating (if applicable)	Asset Classification
	for Agriculture and Rural Development				Repayment Schedule: Repayment in 19 equal Quarterly instalments commencing from June 30, 2022	standard (Stage 1) loan receivables with a minimum-security cover of 112% of loan outstanding	Developing	
68	National Bank for Agriculture and Rural Development	Refinance	200.00	126.00	Repayment Date: Dec 31, 2025 Repayment Schedule: Repayment in 11 equal Quarterly instalments commencing from June 30, 2023	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing	Standard
69	National Bank for Agriculture and Rural Development	Refinance	350.00	283.50	Repayment Date: June 30, 2026 Repayment Schedule: Repayment in 11 equal Quarterly instalments commencing from December 31, 2023	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing	Standard
70	Nabkisa Finance Limited	Term Loan	25.00	8.33	Repayment Date: February 01, 2025 Repayment Schedule: Repayment in 12 equal Quarterly instalments commencing from May 01, 2022	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing	Standard
71	Nabkisa Finance Limited	Term Loan	55.00	23.57	Repayment Date: January 01, 2025 Repayment Schedule: Repayment in 7 equal Quarterly instalments commencing from July 01, 2023	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing	Standard
72	Nabkisa Finance Limited	Term Loan	25.00	25.00	Repayment Date: February 01, 2026 Repayment Schedule: Repayment in 7 equal Quarterly instalments commencing from August 01, 2024	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing	Standard
73	Nabsamruddhi	Term Loan	29.00	17.23	Repayment Date: March 31, 2025	Exclusive charge on identified	CRISIL AA-/Watch	Standard

S. No	Name of Lender	Type of Facility and Documentation	Total amount of loan Sanctioned (in ₹ crore)	Principal Amount Outstanding as on March 31, 2024* (in ₹ crore)	Repayment Date/ Schedule	Security	Credit Rating (if applicable)	Asset Classification
	Finance Limited				Repayment Schedule: Repayment in 21 equal Monthly instalments commencing from July 31, 2023	standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	Developing	
74	Punjab & Sind Bank	Term Loan	25.00	9.10	Repayment Date: March 31, 2025 Repayment Schedule: Repayment in 11 equal Quarterly instalments commencing from 30 Sept 2022	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 111% of loan outstanding	CRISIL AA- /Watch Developing	Standard
75	Punjab & Sind Bank	Term Loan	75.00	42.88	Repayment Date: Feb 28, 2025 Repayment Schedule: Repayment in 7 equal Quarterly instalments commencing from August 31, 2023	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 111% of loan outstanding	CRISIL AA- /Watch Developing	Standard
76	RBL Bank Limited	Term Loan	250.00	27.27	Repayment Date: November 16, 2024 Repayment Schedule: Repayment in 22 equal Monthly instalments commencing from February 16, 2023	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA- /Watch Developing	Standard
			27.27	Repayment Date: November 16, 2024 Repayment Schedule: Repayment in 22 equal Monthly instalments commencing from February 16, 2023				
			2.05	Repayment Date: December 30, 2024 Repayment Schedule: Repayment in 22 equal Monthly instalments commencing from March 30, 2023				

S. No	Name of Lender	Type of Facility and Documentation	Total amount of loan Sanctioned (in ₹ crore)	Principal Amount Outstanding as on March 31, 2024* (in ₹ crore)	Repayment Date/ Schedule	Security	Credit Rating (if applicable)	Asset Classification
				2.05	Repayment Date: December 30, 2024 Repayment Schedule: Repayment in 22 equal Monthly instalments commencing from March 30, 2023			
				6.27	Repayment Date: March 21, 2025 Repayment Schedule: Repayment in 22 equal Monthly instalments commencing from June 21, 2023			
				6.27	Repayment Date: March 21, 2025 Repayment Schedule: Repayment in 22 equal Monthly instalments commencing from June 21, 2023			
				7.32	Repayment Date: May 29, 2025 Repayment Schedule: Repayment in 22 equal Monthly instalments commencing from August 29, 2023			
				7.32	Repayment Date: May 29, 2025 Repayment Schedule: Repayment in 22 equal Monthly instalments commencing from August 29, 2023			
				3.41	Repayment Date: June 30, 2025			

S. No	Name of Lender	Type of Facility and Documentation	Total amount of loan Sanctioned (in ₹ crore)	Principal Amount Outstanding as on March 31, 2024* (in ₹ crore)	Repayment Date/Schedule	Security	Credit Rating (if applicable)	Asset Classification
					Repayment Schedule: Repayment in 22 equal Monthly instalments commencing from September 30, 2023			
				3.41	Repayment Date: June 30, 2025 Repayment Schedule: Repayment in 22 equal Monthly instalments commencing from September 30, 2023			
77	RBL Bank Limited	Term Loan	200.00	38.18	Repayment Date: December 30, 2025 Repayment Schedule: Repayment in 22 equal Monthly instalments commencing from March 30, 2024	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing	Standard
				55.00	Repayment Date: January 31, 2026 Repayment Schedule: Repayment in 22 equal Monthly instalments commencing from April 30, 2024			
78	SBM Bank (India) Limited	Term Loan	30.00	3.75	Repayment Date: Jun 23, 2024 Repayment Schedule: Repayment in 8 equal Quarterly instalments commencing from September 23, 2022	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing	Standard
79	SBM Bank (India) Limited	Term Loan	12.50	3.12	Repayment Date: August 28, 2024 Repayment Schedule: Repayment in 8 equal Quarterly instalments commencing from November 29, 2022	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing	Standard
80	SBM Bank	Term Loan	22.00	8.25	Repayment Date: November 29, 2024	Exclusive charge on identified	CRISIL AA-/Watch	Standard

S. No	Name of Lender	Type of Facility and Documentation	Total amount of loan Sanctioned (in ₹ crore)	Principal Amount Outstanding as on March 31, 2024* (in ₹ crore)	Repayment Date/Schedule	Security	Credit Rating (if applicable)	Asset Classification
	(India) Limited				Repayment Schedule: Repayment in 8 equal Quarterly instalments commencing from February 28, 2023	standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	Developing	
81	SBM Bank (India) Limited	Term Loan	38.00	28.50	Repayment Date: August 31, 2025 Repayment Schedule: Repayment in 8 equal Quarterly instalments commencing from November 30, 2023	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing	Standard
82	SBM Bank (India) Limited	Term Loan	19.00	16.62	Repayment Date: December 25, 2025 Repayment Schedule: Repayment in 8 equal Quarterly instalments commencing from March 25, 2024	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing	Standard
83	Small Industries Development Bank of India	Refinance	150.00	35.00	Repayment Date: October 10, 2024 Repayment Schedule: Repayment in 30 equal Monthly instalments commencing from May 10, 2022	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 100% of loan outstanding	CRISIL AA-/Watch Developing	Standard
84	Small Industries Development Bank of India	Refinance	400.00	226.58	Repayment Date: August 10, 2025 Repayment Schedule: Repayment in 30 equal Monthly instalments commencing from March 10, 2023	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 100% of loan outstanding	CRISIL AA-/Watch Developing	Standard
85	Small Industries Development Bank of India	Refinance	500.00	290.00	Repayment Date: August 10, 2026 Repayment Schedule: Repayment in 30 equal Monthly instalments commencing from March 10, 2024	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 100% of loan outstanding	CRISIL AA-/Watch Developing	Standard
				50.00	Repayment Date: February 10, 2027	Exclusive charge on identified	CRISIL AA-/Watch	Standard

S. No	Name of Lender	Type of Facility and Documentation	Total amount of loan Sanctioned (in ₹ crore)	Principal Amount Outstanding as on March 31, 2024* (in ₹ crore)	Repayment Date/Schedule	Security	Credit Rating (if applicable)	Asset Classification
					Repayment Schedule: Repayment in 30 equal Monthly instalments commencing from September 10, 2024	standard (Stage 1) loan receivables with a minimum-security cover of 100% of loan outstanding	Developing	
86	Standard Chartered Bank	Term Loan	114.52	42.95	Repayment Date: November 8, 2024	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing	Standard
					Repayment Schedule: Repayment in 8 equal Quarterly instalments commencing from February 10, 2023			
				8.94	Repayment Date: May 8, 2025			
					Repayment Schedule: Repayment in 8 equal Quarterly instalments commencing from August 09, 2023			
				8.94	Repayment Date: May 16, 2025			
					Repayment Schedule: Repayment in 8 equal Quarterly instalments commencing from August 18, 2023			
				12	Repayment Date: August 14, 2025			
					Repayment Schedule: Repayment in 8 equal Quarterly instalments commencing from November 18, 2023			
3.33	Repayment Date: June 28, 2024							
	Repayment Schedule: Repayment in 6 equal Quarterly instalments commencing from March 28, 2023							
87	Standard Chartered Bank	Term Loan	168.33	41.78	Repayment Date: September 10, 2025	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 105% of loan	CRISIL AA-/Watch Developing	Standard
					Repayment Schedule: Repayment in 8 equal Quarterly instalments commencing from			

S. No	Name of Lender	Type of Facility and Documentation	Total amount of loan Sanctioned (in ₹ crore)	Principal Amount Outstanding as on March 31, 2024* (in ₹ crore)	Repayment Date/Schedule	Security	Credit Rating (if applicable)	Asset Classification
					December 11, 2023	outstanding		
				26.89	Repayment Date: January 15, 2026 Repayment Schedule: Repayment in 4 half yearly instalments commencing from July 15, 2024	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 105% of loan outstanding	CRISIL AA-/Watch Developing	Standard
88	State Bank of India	Term Loan	300.00	93.67	Repayment Date: February 11, 2025 Repayment Schedule: Repayment in 32 equal Monthly instalments commencing from June 11, 2022	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 115% of loan outstanding	CRISIL AA-/Watch Developing	Standard
89	State Bank of India	Term Loan	500.00	350.00	Repayment Date: February 26, 2026 Repayment Schedule: Repayment in 21 equal Monthly instalments commencing from May 26, 2024	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 115% of loan outstanding	CRISIL AA-/Watch Developing	Standard
90	Sundaram Finance Limited	Term Loan	50.00	42.32	Repayment Date: November 03, 2025 Repayment Schedule: Repayment in 24 Monthly instalments commencing from December 03 2023	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing	Standard
91	Suryoday Small Finance Bank Limited	Term Loan	33.00	19.36	Repayment Date: Mar 05, 2026 Repayment Schedule: Repayment in 37 Monthly instalments commencing from March 05 2023	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing	Standard
92	Tata Capital Financial Services Limited	Term Loan	30.00	6.67	Repayment Date: September 10, 2024 Repayment Schedule: Repayment in 18 equal Monthly instalments commencing from	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing	Standard

S. No	Name of Lender	Type of Facility and Documentation	Total amount of loan Sanctioned (in ₹ crore)	Principal Amount Outstanding as on March 31, 2024* (in ₹ crore)	Repayment Date/Schedule	Security	Credit Rating (if applicable)	Asset Classification
					April 10, 2023			
93	Piramal Enterprises Limited	Term Loan	75.00	46.88	Repayment Date: May 25, 2025 Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from July 05, 2023	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing	Standard
94	Piramal Enterprises Limited	Term Loan	60.00	57.50	Repayment Date: January 30, 2026 Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from March 05, 2024	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing	Standard
95	UCO Bank	Term Loan	50.00	16.26	Repayment Date: March 31, 2025 Repayment Schedule: Repayment in 12 equal Quarterly instalments commencing from June 30, 2022	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA-/Watch Developing	Standard
96	Union Bank of India	Term Loan	45.00	16.14	Repayment Date: March 31, 2025 Repayment Schedule: Repayment in 11 equal Quarterly instalments commencing from September 30, 2022	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 111% of loan outstanding	CRISIL AA-/Watch Developing	Standard
97	Union Bank of India	Term Loan	40.00	25.17	Repayment Date: December 31, 2025 Repayment Schedule: Repayment in 11 equal Quarterly instalments commencing from June 30, 2023	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 111% of loan outstanding	CRISIL AA-/Watch Developing	Standard
98	Union Bank of	Term Loan	50.00	44.45	Repayment Date: March 31, 2026	Exclusive charge on identified	CRISIL AA-/Watch	Standard

S. No	Name of Lender	Type of Facility and Documentation	Total amount of loan Sanctioned (in ₹ crore)	Principal Amount Outstanding as on March 31, 2024* (in ₹ crore)	Repayment Date/Schedule	Security	Credit Rating (if applicable)	Asset Classification
	India				Repayment Schedule: Repayment in 9 Quarterly instalments commencing from March 30, 2024	standard (Stage 1) loan receivables with a minimum-security cover of 111% of loan outstanding	Developing	
99	Uthkars h Small Finance Bank	Term Loan	23.00	5.75	Repayment Date: September 25, 2024 Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from October 25, 2022	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA- /Watch Developing	Standard
100	Uthkars h Small Finance Bank	Term Loan	35.00	27.71	Repayment Date: October 25, 2025 Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from November 25, 2023	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA- /Watch Developing	Standard
101	Woori Bank	Term Loan	35.00	3.04	Repayment Date: June 30 2024 Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from July 30, 2022	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA- /Watch Developing	Standard
102	Woori Bank	Term Loan	41.00	18.79	Repayment Date: February 28, 2025 Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from March 31, 2023	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA- /Watch Developing	Standard
103	Woori Bank	Term Loan	25.00	17.39	Repayment Date: August 30, 2025 Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from September 30, 2023	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	CRISIL AA- /Watch Developing	Standard
104	Woori Bank	Term Loan	34.00	32.52	Repayment Date: January 31, 2026	Exclusive charge on identified	CRISIL AA- /Watch	Standard

S. No	Name of Lender	Type of Facility and Documentation	Total amount of loan Sanctioned (in ₹ crore)	Principal Amount Outstanding as on March 31, 2024* (in ₹ crore)	Repayment Date/ Schedule	Security	Credit Rating (if applicable)	Asset Classification
					Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from March 31, 2024	standard (Stage 1) loan receivables with a minimum-security cover of 110% of loan outstanding	Developing	
105	YES Bank Limited	Term Loan	50.00	25.00	Repayment Date: March 31, 2025 Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from April 30, 2023	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 112% of loan outstanding	CRISIL AA- /Watch Developing	Standard
106	YES Bank Limited	Term Loan	150.00	52.50	Repayment Date: December 21, 2025 Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from January 21, 2024	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 112% of loan outstanding	CRISIL AA- /Watch Developing	Standard
				55.00	Repayment Date: January 31, 2026 Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from February 29, 2024	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 112% of loan outstanding	CRISIL AA- /Watch Developing	Standard
107	YES Bank Limited	Term Loan	150.00	150.00	Repayment Date: March 05, 2026 Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from April 05, 2024	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 112% of loan outstanding	CRISIL AA- /Watch Developing	Standard
108	Odhisha Gramya Bank	Term Loan	250.00	218.74	Repayment Date: December 31, 2025 Repayment Schedule: Repayment in 24 equal Monthly instalments commencing from January 31, 2024	Exclusive charge on identified standard (Stage 1) loan receivables with a minimum-security cover of 112% of loan outstanding	CRISIL AA- /Watch Developing	Standard
TOTAL				7,116.19				

* The total principal amount outstanding of secured term loans from banks/ financial institutions before Ind AS adjustment on account of Effective Interest Rate and interest accrued but not due is ₹ 15.72crore.

Penalty: The loan documentation executed with respect to the term loans mentioned above set out penalty provisions for compliance with the provisions of the loan documents. Such provisions include, but are not limited to:

1. Any default in payment for dues or of any of the terms and conditions would entail an additional interest charge of 2% on the entire loan, leviable from the date of the default and on default/ failure to pay the same.
2. The additional interest rate shall be 2% in case of payment related default and 1% in case of non-creation of security.
3. Pre-payment premium at 1% p.a. of the outstanding loan being prepaid, up to the maturity.
4. 2% plus applicable rate of interest due non-payment of interest/principal or any other amount on the due date or breach of terms and conditions of finance documents.
5. Default interest is payable on unpaid amounts at the rate of 2% per annum above the relevant interest rate (or other relevant applicable rate or commission) or the default rate prescribed by the RBI for the relevant Facility, whichever is lower.
6. Penal interest at 2% p.a. for non-compliance with key financial covenants or other covenants, apart from any actions necessitated due to triggering of any events of default.

Rescheduling: None of the loan documents provides for rescheduling provisions.

Events of Default: The facility documents executed by the Company stipulates certain events as “Events of Default”, pursuant to which the Company may be required to immediately repay the entire loan facility availed by it and be subject to additional penalties by the relevant lenders. Such events include, but are not limited to:

1. Failure to pay on the due date any amount payable pursuant to a facility document, (including but not limiting to principal and interest amount payable with respect to any loan), at the place at and in the currency in which it is expressed to be payable;
2. Failure to comply with any provision of the facility documents, to which it is a party;
3. Any representation or statement made or deemed to be made by the Company in the facility documents (to which it is a party) or any other document delivered by or on behalf of the Company under or in connection with any facility documents, is or proves to have been incorrect or misleading in any material respect when made or deemed to be made;
4. Occurring of a cross default event as mentioned in facility documents;
5. The Company is unable to, is presumed or deemed to be unable to or admits its inability to, pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness or the value of its assets is less than its liabilities (taking into account contingent and prospective liabilities) or a moratorium is declared in respect of any of its indebtedness;
6. An application or petition has been admitted by any relevant Governmental Agency under the Insolvency and Bankruptcy Code, 2016 (as may be amended, modified or supplemented from time to time) in relation to the Company;
7. Any action, legal proceedings or other procedure or step is taken in relation to: (a) dissolution of the Company; (b) the suspension of material payments, a moratorium of any material indebtedness of the Company; (c) a composition, assignment or arrangement with any creditor of the Company in accordance with applicable law; (d) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of the Borrower or any of its material assets; or (e) a reference to the relevant Governmental Agency under the provisions of the Insolvency and Bankruptcy Code, 2016; (f) enforcement of any Security Interest over any material assets of the Company, or any analogous procedure or step is taken in any jurisdiction;
8. It is or becomes unlawful for the Company to perform any of its obligations under the facility documents or any of the facility documents or any material provision is or becomes ineffective, invalid, illegal or unenforceable;
9. The Company suspends or ceases to carry on (or threatens to suspend or cease to carry on) or gives notice of its intention to cease to carry on all or any substantial part of its business / fulfil its objects as conducted as at the date of the facility documents;
10. The Company repudiates a facility document or evidences an intention to repudiate a facility document;
11. Any governmental agency (whether de jure or de facto) nationalises, compulsorily acquires, expropriates or seizes all or any part of the business or assets of the Company;

12. Any litigation, arbitration, investigative or administrative proceeding or enquiry is current, pending or threatened: (a) to restrain the Company's entry into, the exercise of the Company's rights under, or compliance by the Company with any of its obligations under, the facility documents;
13. Any event or circumstance occurs which the lenders reasonably believe has or is likely to have a material adverse effect;
14. In the opinion of the lenders: (a) the security is in jeopardy or ceases to have effect or is inadequate or insufficient; or (b) any security document pertaining to it, executed or furnished by or on behalf of the Company becomes illegal, invalid or unenforceable; or (c) a security document does not create the security Interest it purports to create over the relevant secured asset (which is subject to that security document); or (d) or if any such security document shall be assigned or otherwise transferred, amended or terminated, repudiated or revoked without the approval of the lenders;
15. The Company or any of its assets and receivables are or become entitled to claim immunity from suit, execution, attachment or other legal process.

Secured External Commercial Borrowings

As on March 31, 2024 our Company has not taken any secured external commercial borrowings.

Details of Outstanding Secured Non-Convertible Securities

Private placement of secured redeemable non-convertible debentures

Our Company has issued on private placement basis, secured, redeemable, non-convertible debentures under various series of which ₹ 283.80 crore is outstanding as on March 31, 2024 the details of which are set forth below:

Sr. No.	Series of the Debentures	ISIN	Principal Amount Outstanding as on March 31, 2024* (₹ in crore)	Date of Allotment	Tenure /Period of Maturity (Months)	Coupon (p.a.) in %	Redemption date / Schedule	Secured/ Unsecured	Security	Credit Rating
1.	Gsec Linked Secured Rated Listed Redeemable Market Linked Principal Protected Non Convertible Debentures	INE413U07178 (Reissue)	74.80	May 31, 2021	37	9.00%	April 30, 2024	Secured	First raking exclusive charge over the receivables, with minimum security cover of atleast 110% of the loan outstanding	CRISIL PPMLD AA-/Watch Developing
2.	Gsec Linked Secured Rated Listed Redeemable Market Linked Principal Protected Non Convertible Debentures	INE413U07178	59.00	March 30, 2021	37	9.00%	April 30, 2024	Secured	First raking exclusive charge over the receivables, with minimum security cover of atleast 110% of the loan outstanding	CRISIL PPMLD AA-/Watch Developing
3.	10% Secured Rated Listed Redeemable Non Convertible Debentures	INE413U07210	150.00	May 25, 2023	36	10.00%	November 26, 2026	Secured	First raking exclusive charge over the receivables, with minimum security cover of atleast 100% of the loan outstanding	CRISIL AA-/Watch Developing
Total			283.80							

* The total amount outstanding of privately placed secured redeemable non-convertible debentures before Ind AS adjustment on

account of Effective Interest Rate and interest accrued but not due is ₹ 52.38 crore.

Collateralised borrowing and lending obligation

Our Company has neither availed collateralised borrowing nor extended any lending obligation.

Secured Redeemable non-convertible debentures (public issue):

Our Company has issued on public issue basis, secured, redeemable, non-convertible debentures under various series of which ₹ 512.02 crore is outstanding as on March 31, 2024 the details of which are set forth below:

Sr. No.	Series of the Debentures	ISIN	Principal Amount Outstanding as on March 31, 2024*	Date of Allotment	Tenure /Period of Maturity (Months)	Coupon (p.a.) in %	Redemption date /Schedule	Secured/Unsecured	Security	Credit Rating
1	Public Issuance - NCD - Series I	INE413 U07244	49.57	December 21, 2023	24	9.21%	December 21, 2025	Secured	105% of Public Issue	CRISIL AA-/Watch Developing ACUITE AA (Rating Watch Negative Implications)
2	Public Issuance - NCD - Series II	INE413 U07228	116.84	December 21, 2023	24	9.60%	December 21, 2025	Secured	105% of Public Issue	CRISIL AA-/Watch Developing ACUITE AA (Rating Watch Negative Implications)
3	Public Issuance - NCD - Series III	INE413 U07236	34.05	December 21, 2023	36	9.57%	December 21, 2026	Secured	105% of Public Issue	CRISIL AA-/Watch Developing ACUITE AA (Rating Watch Negative Implications)
4	Public Issuance - NCD - Series IV	INE413 U07277	73.45	December 21, 2023	36	10.00%	December 21, 2026	Secured	105% of Public Issue	CRISIL AA-/Watch Developing ACUITE

										AA (Rating Watch Negative Implication s)
5	Public Issuance - NCD - Series V	INE413 U07269	80.39	December 21, 2023	60	10.03%	December 21, 2028	Secured	105% of Public Issue	CRISIL AA- /Watch Developin g ACUITE AA (Rating Watch Negative Implication s)
6	Public Issuance - NCD - Series VI	INE413 U07251	157.72	December 21, 2023	60	10.50%	December 21, 2028	Secured	105% of Public Issue	CRISIL AA- /Watch Developin g ACUITE AA (Rating Watch Negative Implication s)
Total			512.02							

* The total amount outstanding of public issue of secured redeemable non-convertible debentures before Ind AS adjustment on account of Effective Interest Rate and interest accrued but not due is ₹ 9.81 crore.

Details of unsecured borrowings:

Our Company's unsecured outstanding borrowings as on March 31, 2024 amounts to ₹ 990.90 crore. The details of the unsecured borrowings are set out below:

Unsecured Term Loans from Banks/ Financial Institutions

Sr. No.	Lender's Name	Type of facility and Documentation	Amount Sanctioned (in ₹ crore)	Principal amount Outstanding as on March 31, 2024* (in ₹ crore)	Rate of Interest (% p.a.)	Repayment Date/ Schedule	Credit rating, if applicable	Asset Classification
1.	Northern Arc Capital Limited	Term Loan	50.00	26.40	10.90%	Repayment Date: March 17, 2025 Repayment Schedule: Repayment in 24 monthly instalments commencing from 17 Apr 2023	CRISIL AA- /Watch Developin g	Standard
Total			50.00	26.40				

*The total amount outstanding of unsecured term loans from banks/financial institutions before Ind AS adjustment on account of Effective Interest Rate and interest accrued but not due is ₹ 0.12 crore.

Private Placement of Unsecured Redeemable Non-Convertible Debentures

Our Company has issued on private placement basis, unsecured, redeemable, non-convertible debentures under various series of which ₹ 107.50 crore is outstanding as on March 31, 2024 the details of which are set forth below:

Sr. No.	Series of the Debentures	ISIN	Amount Outstanding as on March 31, 2024* (₹ in crore)	Date of Allotment	Tenure /Period of Maturity (Months)	Coupon (p.a.) in %	Redemption date/ Schedule	Secured/ Unsecured	Security	Credit Rating
1.	INE413U08085 - UNIFI-AIF	UNIFI-INE413U08085	20.00	February 16, 2023	24	10.75%	February 23, 2025	Unsecured	NA	CRISIL AA- /Watch Developing
2.	Northern Arc Capital Limited	Northern Arc Capital Limited-INE413U08069	37.50	December 19, 2022	24	11.40%	December 19, 2024	Unsecured	NA	CRISIL AA- /Watch Developing
3.	AK Capital Services Limited	AK Capital INE413U08119	50.00	February 29, 2024	36	10.48%	February 28, 2027	Unsecured	NA	CRISIL AA- /Watch Developing
Total			107.50							

* The total amount outstanding of privately placed unsecured redeemable non-convertible debentures before Ind AS adjustment on account of Effective Interest Rate and interest accrued but not due is ₹ 0.41 crore.

Subordinated Debts

Sr. No.	Series of the Debentures	ISIN	Amount Outstanding as on March 31, 2024* (₹ in crore)	Date of Allotment	Tenure /Period of Maturity (Months)	Coupon (p.a.) in %	Redemption date/ Schedule	Secured/ Unsecured	Security	Credit Rating
1	Nifty 50 Index Linked Unsecured Rated Listed Redeemable Non Convertible Debentures	INE413U08036	67.15	July 20, 2018	68	10.15 %	April 19, 2024	Unsecured	NA	CRISIL PPMLD AA- /Watch Developing
2	Nifty 50 Index Linked Unsecured Rated Listed Redeemable Non Convertible Debentures	INE413U08036	21.85	July 20, 2018	68	10.24 %	April 19, 2024	Unsecured	NA	CRISIL PPMLD AA- /Watch Developing
3	Nifty 50 Index Linked Unsecured Rated Listed Redeemable Non Convertible Debentures	INE413U08028	11.00	July 20, 2018	68	9.05 %	April 18 2024	Unsecured	NA	CRISIL AA- /Watch Developing

Sr. No.	Series of the Debentures	ISIN	Amount Outstanding as on March 31, 2024* (₹ in crore)	Date of Allotment	Tenure /Period of Maturity (Months)	Coupon (p.a.) in %	Redemption date/ Schedule	Secured/ Unsecured	Security	Credit Rating
4	11.25% Unsecured Rated Listed Subordinate Tier II Redeemable Non Convertible Debenture	INE413 U08044	100.00	August 19, 2022	71	11.25 %	July 19, 2028	Unsecured	NA	CRISIL AA- /Watch Developing
5	11% Unsecured Rated Listed Redeemable Non Convertible Debentures	INE413 U08101	100.00	June 13, 2023	84	11.00 %	June 13, 2030	Unsecured	NA	CRISIL AA- /Watch Developing
6	11.25% Unsecured Rated Listed Subordinate Tier II Redeemable Non Convertible Debenture	INE413 U08044	50.00	August 19, 2022	71	11.25 %	July 19, 2028	Unsecured	NA	CRISIL AA- /Watch Developing
7	11.25% Unsecured Rated Listed Redeemable Non Convertible Debenture.	INE413 U08077	25.00	February 02, 2023	74	11.25 %	April 2, 2029	Unsecured	NA	CRISIL AA- /Watch Developing
8	11% Unsecured Rated Listed Redeemable Non Convertible Debentures	INE413 U08093	150.00	May 18, 2023	84	11.00 %	May 18, 2030	Unsecured	NA	CRISIL AA- /Watch Developing
9	10.77% Unsecured Rated Listed Redeemable Non Convertible Debenture	INE413 U08127	97.00	March 07, 2024	71	10.77 %	February 07, 2030	Unsecured	NA	CRISIL AA- /Watch Developing
Total			622.00							

* The total amount outstanding of subordinated debts before Ind AS adjustment on account of Effective Interest Rate and interest accrued but not due is ₹ 104.62 crore

Details of outstanding Unsecured Commercial Papers

Our Company has issued the following unsecured commercial papers as on March 31, 2024.

Sr. No.	Series of the Commercial Papers	ISIN	Amount Outstanding as on March 31, 2024* (₹ in crore)	Date of Allotment	Tenure /Period of Maturity (Months)	Coupon (p.a.) in %	Redemption date/ Schedule	Details of Credit Rating Agency and Credit Rating	Details of Issuing and Paying Agent
1	Mirae Asset	INE413U14224	75	October 25, 2023	6	9.85%	April 24, 2024	CRISIL A1+	-
2	Northern Arc Capital	INE413U14216	60	October 12, 2023	6	9.85%	April 9, 2024	CRISIL A1+	-
3	Sundaram Finance Limited	INE413U14190	50	August 10, 2023	12	9.95%	August 9, 2024	CRISIL A1+	-

Sr. No.	Series of the Commercial Papers	ISIN	Amount Outstanding as on March 31, 2024* (₹ in crore)	Date of Allotment	Tenure /Period of Maturity (Months)	Coupon (p.a.) in %	Redemption date/ Schedule	Details of Credit Rating Agency and Credit Rating	Details of Issuing and Paying Agent
4	Quant Mutual Fund - A/C Quant Liquidd Plan	INE413U14240	50	March 04, 2024	3	9.00%	June 4, 2024	CRISIL A1+	-
		Total	235.00						

* The total amount outstanding of unsecured commercial papers before Ind AS adjustment on account of Effective Interest Rate and interest accrued but not due is Nil.

Other Borrowings

Inter-Corporate Loans, Deposits and other borrowings

Our Company does not have any inter-corporate loans, deposits and other borrowings as on March 31, 2024.

Loan from Directors and Relatives of Directors

Our Company has not raised any loan from the directors of the Company and relatives of such directors as on March 31, 2024.

Servicing behaviour on existing debt securities, payment of due interest on due dates on financing facilities or debt securities

Our Company confirms that there has not been any servicing behaviour on existing debt securities as on the date of this Tranche II Prospectus.

List of top 10 holders of non-convertible securities as on March 31, 2024 (on cumulative basis):

Sr. No.	Name of the holder of non-convertible securities	Category of Holder	Debentures having face value of ₹1,000	Debentures having face value of ₹ 1,00,000	Debentures having face value of ₹10,00,000	Debentures having face value of ₹ 1,00,00,000	Total Amount	Holding as a % of outstanding non-convertible securities
							(in ₹ crore)	
1.	The South Indian Bank Ltd	Bank	-	98.00	-	97.0	195.0	12.78%
2.	Sporta Technologies Private Limited	Corporate	-	100.00	5.00	-	105.0	6.88%
3.	Go Digit General Insurance Limited	Corporate	100.00	-	-	-	100.0	6.56%
4.	Global Access Fund Iv Lp	Corporate	-	97.00	-	-	97.0	6.36%
5.	The Karnataka Bank Ltd	Bank	-	-	-	75.0	75.0	4.92%
6.	Alpha Alternatives Equity Absolute Return Fund .	Corporate	-	73.00	-	-	73.0	4.79%
7.	Aditya Birla Money Limited	Corporate	-	60.00	-	-	60.0	3.93%
8.	HDFC Life Insurance Company Limited	Corporate	50.00	-	-	-	50.0	3.28%

Sr. No.	Name of the holder of non-convertible securities	Category of Holder	Debentures having face value of ₹1,00,000	Debentures having face value of ₹ 1,00,000	Debentures having face value of ₹10,00,000	Debentures having face value of ₹ 1,00,00,000	Total Amount	Holding as a % of outstanding non-convertible securities
							(in ₹ crore)	
9.	Northern Arc Capital Limited	Financial Institution	-	-	36.2	-	36.2	2.37%
10.	Kotak Mahindra Life Insurance Company Ltd.	Corporate	35.00	-	-	-	35.0	2.29%

List of top 10 holders of commercial paper in terms of value (cumulative basis) as on March 31, 2024

Sr. No.	Name of Holder	Category of Holder	Amount (in ₹ crore) Face Value of holding	Holding as a % of total commercial paper outstanding of the Company
1.	Mirae Assets	Mutual Fund	75.00	31.91%
2.	Northern Arc Money Market Alpha Trust	Financial Institution	60.00	25.53%
3.	Quant Mutual Fund – A/C Quant Liquidd Plan	Mutual Fund	50.00	21.28%
4.	Sundaram Finance Limited	NBFC	50.00	21.28%

Details of bank fund based facilities/ rest of borrowings (if any, including hybrid debt like such as foreign currency convertible bonds (FCCB), optionally convertible debentures/ preference shares) from financial institutions or financial creditors as on March 31, 2024

Our Company has not taken any fund based facilities including hybrid debt such as foreign currency convertible bonds (FCCB), optionally convertible debentures/ preference shares) from financial institutions or financial creditors as on March 31, 2024.

Corporate Guarantee issued by our Company

In the preceding three financial years and under the current financial year our Company has not issued any corporate guarantee.

Details of any outstanding borrowings taken/ debt securities issued where taken/ issued (a) for consideration other than cash, whether in whole or in part, (b) at a premium or discount, or (c) in pursuance of an option as on March 31, 2024.

Our Company has nil outstanding borrowings taken / debt securities issued where taken/issued (a) for consideration other than cash, whether in whole or in part, (b) at a premium or discount, or (c) in pursuance of an option as on March 31, 2024.

Letter of Comfort issued by our Company

In the preceding three financial years and under the current year our Company has not issued any letter of comforts.

Restrictive covenants under the financing arrangements

Many of our financing arrangements include various restrictive conditions and covenants restricting certain corporate actions and our Company is required to take the prior approval of the lenders before carrying out such activities. For instance, our Company, inter alia, is required to obtain the prior written consent or intimation, as the case may be, including but not limited to the following cases:

1. To raise finances by way of loans, overdrafts or otherwise in any manner from any other bank or financial institution

or any other person whatsoever against the same security as created under the agreement for securing the interest of banks/lender;

2. Effect any change in the Company's capital structure;
3. Formulate any scheme of amalgamation, restructuring, reconstruction, merger or demerger;
4. Implement any scheme of expansion and acquisition of fixed assets except in the ordinary course of business or if such investments result into breach of financial covenants or diversion of working capital funds for financing long term assets;
5. Make any investments /advances/ loans or deposit amounts, except in the ordinary course of business with any other concern (including group companies);
6. Entering into borrowing arrangement either secured or unsecured with any other bank, financial institution, company or otherwise or accept deposits which increases indebtedness beyond permitted limits, stipulated if any at the time of sanction;
7. Undertake/Issuing any guarantee or obligations or letter of comfort on behalf of any other company/entity including group company;
8. Declare dividend of any year except out of profit relating to that year and buyback of shares after making all due and necessary provisions and provided further that, no default is subsisting in any repayment to the obligations to the bank/lender;
9. To enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, assign, lease, transfer, mortgage including any securitization / portfolio sale of assets undertaken by the Company in its ordinary course of business or otherwise encumber or make permanent or temporary modifications except in the ordinary course of business of repair, maintenance, improvement, replacement, which may be detrimental to bank/lender's interest or dispose the assets provided as security or any part thereof;
10. Entering into any contractual obligation of a long-term nature (i.e. 2 years or more) or which, in the reasonable assessment of the bank/lender, is an unrelated activity and is detrimental to bank's/lender's interest;
11. Change the practice with regard to remuneration of directors by means of ordinary remuneration or commission, scale of sitting fees etc. except where mandated by any legal or regulatory provisions;
12. Do, commit or omit any act, deed or thing whatsoever so as to incur winding up or liquidation proceedings or dissolution (in case the Company is a partnership firm);
13. Change the composition of the board of directors, transfer of controlling interest or making any drastic change in the management set-up including resignation of promoter directors (includes key managerial personnel);
14. Repay monies brought in by the promoters/directors/principal shareholders and their friends and relatives by way of deposits/loans /advances. Further, the rate of interest, if any, payable on such deposits/loans/advances should be lower than the rate of interest charged by the bank/lender on its term loan and payment of such interest will be subject to regular repayment instalments to term loans granted/deferred payment guarantees executed by the bank/lender or other repayment obligations, if any, due from the borrower to the bank/lender;
15. Payment of commission to the guarantors) for guaranteeing the credit facilities sanctioned by the bank/lender;
16. To make material modification to the structure of the debentures issued, in terms of coupon, conversion, redemption, or otherwise. Provided that prior approval of the stock exchanges would also be required to make such modifications;
17. to make any change in the nature and conduct of its business (from what is being carried out as on the date hereof); and
18. to make any amendment or change in constitutional documents or purchase or redemption of share capital, transaction documents, financial year, business or acquisition and joint venture if such acquisition and joint ventures results into breach of any of the financial covenant.
19. This is an indicative list and there may be such other additional terms under the various borrowing arrangements entered into by our Company.
20. For the purpose of the Issue, our Company has obtained the necessary consent from our lenders, as required under the relevant borrowing arrangements for undertaking activities relating to the Issue.

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

letters of comfort issued by the Company, in the past three financial years and the current financial year.

There have been no default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities, commercial papers (including technical delay) and other financial indebtedness including corporate guarantee or letters of comfort issued by the Company, in the past three financial years and the current financial year.

OUTSTANDING LITIGATIONS AND DEFAULTS

Our Company from time to time, is involved in various litigation proceedings in the ordinary course of our business. These legal proceedings are primarily in the nature of criminal cases, civil cases and tax proceedings.

Except as disclosed in this section, there are no outstanding legal proceedings which have been considered material in accordance with the resolution dated September 13, 2023 passed by the Board of Directors of our Company on 'Materiality Threshold'. Further, as on the date of this Tranche II Prospectus, except as disclosed hereunder, our Company, Group Companies, Promoters and Directors are not involved in: (i) any outstanding action initiated by regulatory and statutory authorities (such as SEBI, RBI, Stock Exchanges or such similar authorities); (ii) any outstanding civil litigation or tax proceedings involving our Company, Promoters, Directors, Group companies or any other person where the amount is ₹ 4.09 crore (being 5% of the average of absolute value of profit or loss after tax, as per the last three audited financial statements of our Company) or above; (iii) any outstanding criminal litigation; (iv) pending proceedings initiated against the issuer for economic offences and (v) any other pending litigation involving the Company, Promoter, Directors, Group companies or any other person, which may be considered material by our Company for the purposes of disclosure in this section of this Shelf Prospectus, solely for the purpose of this Issue and whose outcome could have material adverse effect on the financial position of the issuer, which may affect the issue or the investor's decision to invest / continue to invest in the debt securities and (vi) any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Company /Promoter, litigations resulting in material liabilities, corporate restructuring event etc.) which may affect the issue or the investor's decision to invest / continue to invest in the debt securities.

Except as disclosed in this section, there are no (i) inquiries, inspections or investigations initiated or conducted (for which notices have been issued) under the Companies Act, 2013 in the last three years preceding the year of this Shelf Prospectus involving our Company, any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of this Shelf Prospectus involving our Company; (ii) any material fraud committed against our Company in the last three financial years and current financial year, and if so, the action taken by our Company; (iii) any significant and material order passed by the regulators, courts and tribunals impacting the going concern status of our Company or its future operations; (iv) default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities, commercial paper (including technical delay) and other financial indebtedness including corporate guarantee or letters of comfort issued by the company, in the preceding three years and the current financial year; (v) any default in annual filing of our Company under the Companies Act, 2013; and (vi) any litigation or legal actions, pending or taken, by any ministry or department of the government or a statutory authority or regulatory authority against the Promoters of our Company during the last three years immediately preceding the year of this Shelf Prospectus, and any direction issued by such ministry or department or statutory authority upon conclusion of such litigation or legal action, if any.

It is clarified that for the purposes of the above, pre-litigation notices received by our Company, our Promoter, our Group Companies or our Directors as the case may be, have not been considered as litigation until such time that the above-mentioned entities are not impleaded as a defendant in litigation proceedings before any judicial forum.

I. Litigation involving our Company

Material Civil Litigation by our Company

Nil

Material Civil Litigation against our Company

Nil

Criminal Litigation by our Company

1. Our Company has filed 1019 proceedings against various borrowers under Section 138 of the Negotiable Instruments Act, 1881, for dishonour of cheques at various courts. The aggregate of claim amounts filed is approximately ₹ 15.47 crore. The matters are pending before the courts at various stages of adjudication.
2. A complaint was filed by Ayusha Dairy Private Limited, which has now amalgamated with IIFL Samasta Finance Limited, before the Judicial Magistrate, Coimbatore against Sabari Dairy Private Limited under section 138 of the Negotiable Instruments Act, 1881, for dishonor of cheques for an amount involving ₹ 0.25 crore. The Judicial Magistrate, Coimbatore, directed the case to be transferred to Judicial Magistrate, Udumalpet, as the cheques,

which were dishonored, were initially presented at Udumalpet. The parties mutually agreed that Sabari Dairy Private Limited will pay ₹ 0.23 crore to IIFL Samasta Finance Limited. However, IIFL Samasta Finance Limited has only received ₹ 0.01 crore, as of date. The matter is currently pending before the Judicial Magistrate, Udumalpet for hearing. Next date of hearing is on; 07-06-2024 - Issue of service.

3. IIFL Samasta Finance Limited has lodged 223 first information reports with amount involving about INR 2.84 crore, inter alia, including fraud against employees and various other persons for offences under sections 395, 405, 406, 409, 415, 419, 420, 441, 447, 467, 468, 471, 120(b) and 34 of Indian Penal Code, 1860. The matters are currently pending investigation at various police stations.
4. Criminal appeal has been filed by IIFL Samasta Finance Limited before the Karnataka High Court under section 378(4) of the Code of Criminal Procedure, 1973. The appeal has been against Shwetha (customer) with case No 624/2024 with amount involved of ₹ 0.022 crore. The appeal is against the acquittal order by the lower court in section 138 case under the Negotiable Instruments Act, 1881. The cheque drawn by the customer against the dues got bounced and the lower court has erred in the judgement to consider the default amount and liability, hence the appeal has been filed.
5. Criminal appeal has been filed by IIFL Samasta Finance Limited before the Karnataka High Court under section 378(4) of the Code of Criminal Procedure, 1973. The appeal has been filed against Narashimha Murthy (customer) with case No 591/2024 with amount involved of ₹ 0.016 crore. The appeal is against the acquittal order by the lower court in section 138 case under the Negotiable Instruments Act, 1881. The cheque drawn by the customer against the dues got bounced and the lower court has erred in the judgement to consider the default amount and liability, hence the appeal has been filed.

Actions Taken by Regulatory and Statutory Authorities against our Company

Nil

II. Litigation involving our Subsidiary.

As on date of this Tranche II Prospectus, the company does not have any subsidiaries.

III. Litigation involving our Directors.

Civil Litigation involving our Directors

Nil

Criminal Litigation involving our Directors

Nil

Actions Taken by Regulatory and Statutory Authorities against our Directors

Nil

IV. Material litigation or legal or regulatory actions involving our Promoters as on the date of this Tranche II Prospectus

Material Civil Litigations by our Promoters

1. Company application nos.222/2019 to 227/2019 dated May 22, 2019 were filed by IIFL Finance Limited before the High Court, Bombay (“**Court**”) against Shree Urban Infrastructure Limited to seek leave of this Hon’ble Court under Section 446 of the Companies Act, 1956 to file proceedings against the Company i.e. Shree Ram Urban Infrastructure Limited, before this Hon’ble Court thereby seeking specific performance of the Agreement for sale of the premises. The Company Applications are currently on stay as Corporate Insolvency Resolution Process (“**CIRP**”) has commenced against Shree Urban Infrastructure Limited and claims filed by the Company.
2. A petition under Section 9 of the Arbitration and Conciliation Act (‘Act’) has been filed by IIFL (‘**Petitioner**’) against Mr. Praful Satra (‘**Respondent**’) before the hon’ble Delhi High Court. The Petitioner, before the hon’ble

court, claimed for an interim relief in the form of an injunction from creating rights against the properties of the Respondent. The High Court, via order dated May 24, 2021, directed the Petitioner to approach the Arbitration tribunal under Section 17 of the Act for claiming interim reliefs. The matter is *sine die* adjourned due to personal insolvency proceedings initiated against the Respondent.

3. A Composite Scheme of Arrangement amongst IIFL Holdings Limited, India Infoline Media & Research Services Limited, IIFL Securities Limited, IIFL Wealth Management Limited, India Infoline Finance Limited and IIFL Distribution Services Limited and their respective shareholders (“**Composite Scheme of Arrangement**”), was sanctioned by NCLT, Mumbai by an order dated 7th March 2019, on which, IIFL Finance Limited (“IIFL”) was required to pay stamp duty. Upon submission of the sanctioned Composite Scheme of Arrangement to the Additional Controller of Stamps for adjudication, the Collector of Stamps issued a demand notice for ₹ 75,11,60,700 towards stamp duty dated 10th January 2022 and thereafter confirmed the demand on 3rd February 2022. IIFL filed an Appeal before the Chief Controlling Revenue Authority which was rejected vide order dated 12th September 2022 and issued a Demand Notice dated 3rd October 2022. Subsequently, IIFL by way of a Writ Petition No. 12202 of 2022 filed before the Bombay High Court challenged the said Order dated 12th September 2022 and Demand Notice dated 3rd October 2022. The matter is currently pending in court.
4. Our Company has filed an arbitration petition against Best View Properties Limited, the guarantor to the borrower company, AVJ Developers (India) Private Limited (“**Borrower**”). Another arbitration petition has been filed by our Company against Vinay Jain, the proprietor of the Borrower. The Borrower had obtained a credit facility from our Company which subsequently was classified as a non-performing asset by our Company due to defaults by the Borrower. The arbitration petition is for recovery of a claim amounting to ₹246.28 crore. The matter is currently pending.

Material Civil Litigation against our Promoters

1. A Securitisation Application No. 39 of 2021 was filed by Shattaf Construction Company Pvt Ltd (“Guarantor”) before the Debt Recovery Tribunal, at Mumbai (“DRT”) against India Infoline Finance Limited praying that the possession notice dated September 27, 2019, issued by India Infoline Finance Limited in relation to the alleged default in repayment of ₹51.18 crore by the Borrower, be declared null and void. The matter is currently pending.
2. Rakesh Sheth (“Petitioner”) had filed a public interest litigation on January 21, 2019 against SEBI, the Ministry of Corporate Affairs, Serious Fraud Investigation Office and India Infoline Finance Limited before the High Court of Madras. The Petitioner had stated that India Infoline Finance Limited is set to raise ₹ 2000 crore via retail bonds and since India Infoline Finance Limited Commodities Limited (an associate company of India Infoline Finance Limited with common shareholders and common directors) is an accused in the NSEL scam case, India Infoline Finance Limited should not be allowed to access funds from the market. The matter is currently pending.
3. Amit Mavi has filed a company petition against our Company before NCLT Mumbai seeking an investigation in the affairs of our Company, a forensic audit to be conducted into the accounts and entries of our Company, and conduct an inspection and audit into the accounts of the IIFL entities.
4. NCLT Case no CP/153/2017 was filed by Dnyaneshwar S. Malvankar and Ors. of Akshay Developers Sion Pvt Ltd (ADSPL), before the NCLT Mumbai against mismanagement and oppression by majority shareholders of ADSPL. NCLT imposed a stay on ADSPL from discharging any liability towards our Company vide order dated May 1, 2017. Currently, the matter is pending before the authority.
5. A company appeal was filed by Vinay Jain before National Company Law Appellate, Delhi (“NCLAT”) against our Company seeking setting aside of the order passed by NCLT, New Delhi wherein, the direction regarding the handing over the property back to AVJ Developers (India) Private Limited obtained pursuant to SARFAESI proceedings initiated by our Company was dismissed and the admission of the outstanding dues amounting to ₹134.15 crore under the insolvency proceeding of AVJ Developers (India) Private Limited was granted. The said matter is currently reserved for orders. AVJ Heights Apartment Owners Association and Vinay Jain have filed civil appeals under Section 62 of the Insolvency and Bankruptcy Code, 2016, before the Supreme Court of India seeking against the admission of a claim amounting to ₹134.15 crore under the insolvency proceeding of AVJ Developers (India) Private Limited. The said matters are pending before the Supreme Court of India.
6. A commercial suit admitted on January 19, 2017 was filed by Harish Thawani a client of National Spot Exchange Limited (“NSE”), before the Bombay High Court (“Court”), against India Infoline Commodities Limited (“IICL”) its directors and IIFL Securities Limited, IIFL Finance Limited, directors, including key managerial personnel and employees, alleging losses, refund of brokerage, warehouse charges, damages and legal costs. IICL

has filed its written statement before the Court and the matter is currently pending for hearing.

7. Purnima Chaudhary (“Petitioner”) has filed a contempt petition under Section 12 of The Contempt of Courts Act 1971, at the High Court of Delhi, New Delhi in respect of the Plot No. C Community Center, Anand Vihar, Delhi (“Shop Property”). It was alleged that some of the respondents have started to demolish the Shop Property which has in turn interfered with the lawful and peaceful possession of the same allowed vide order dated July 7, 2018 and the actions of the respondents is in contravention of the same. The matter is currently pending in court for hearing.

Criminal Litigation by our Promoters

1. IIFL Finance Limited (“**IIFL**”) in the ordinary course of business, in relation to its home loan/loan against property portfolio, has lodged the first information report dated November 16, 2015 against Uttam Kr. Asrani for cheating under various sections - 420,406,463,464,467,468,471, 120B of Indian Penal Code, 1860. The matter is pending for further investigation by the concerned officers. Chargesheet has been filed by the I.O.
2. IIFL Finance Limited (“**IIFL**”) filed an appeal bearing No. 3085/2019 admitted on June 24, 2019 before the PMLA Appellate Tribunal, Delhi against the order passed by the Adjudicating Authority (PMLA Tribunal). In this matter, the Enforcement Directorate has attached the property which is mortgaged with India Infoline Finance Limited and India Infoline Finance Limited challenged the before the PMLA Appellate Tribunal. In this matter, India Infoline Finance Limited initiated SARFAESI proceedings due to the alleged non-repayment of ₹1.32 crore in relation to a loan availed by the Borrower (Arvind Casting). India Infoline Finance Limited is contesting the matter and the matter is pending before the PMLA Appellate Tribunal, Delhi.
3. A complaint was filed by Praveen Murthy at the Cubbon Park Police Station, Bengaluru against certain third parties namely Ramesh Mangoji & Others suspected alleging involvement in the unauthorised sale and auction of gold jewels, who were in no way connected with our Company. However, a storage room containing 63 kilograms of gold at the Bengaluru gold loan office of our Company, was sealed by the police on September 6, 2014 in connection with the investigation of the said complaint. Aggrieved by the action of the police, our Company filed a writ petition dated September 30, 2014 before the Karnataka High Court requesting the court to direct the police to release the gold. During the pendency of the writ petition, the police vide its letter dated January 5, 2015 addressed to our Company, permitted the auction of the gold under the supervision of one of their investigating officers. The gold was duly auctioned. The writ petition is presently pending before the High Court of Karnataka.
4. A Complaint having Complaint number 77 of 21 was filed with the Economic Offence Wing by our Company against M/s Shattaf Construction Company and Mr. Shrenik Siroya for misusing the money sum disbursed to them and illegally selling the units of the mortgaged property without our consent. Currently, an FIR having reference number 0970 of 2021 has been registered under section 403, 420 and 120B in relation to the same. Here, the matter is pending for further investigation.

Criminal Litigation against our Promoters

1. Manju Rajesh (“**Complainant**”) filed a criminal complaint bearing number C.M.P. No. 1479/2018 dated November, 30 2018 before the Learned Judicial Magistrate First Class, Chenganoor (“**Complaint**”), against IIFL Finance Limited (“**IIFL**”) and its director Nirmal Jain under Section 190 of the Code for Criminal Procedure, 1973 levelling charges under Section 420 and 34 of the Indian Penal Code, 1860 alleging cheating for not returning the pledged gold. IIFL and its director Nirmal Jain is contesting the said Complaint and Quashing petition bearing number 1 of 2018 under section 482 of the Cr.p.c has been filed Before the Hon’ble High Court of Kerala at Ernakulam, wherein by an interim order dated December 3, 2018, all further proceedings in the said complaint have been stayed. The matter is adjourned and the interim relief is extended until further orders.
2. A FIR 541/2018 dated June 10, 2019 was registered upon the complaint of Mr. Sushil Jainarayan Karva at Pune Police Station under Sections 120B, 406, 420, 467, 468 and 471 of IPC against India Infoline Finance Limited, Mr. Nirmal Jain, Mr. Venkataramanan Rajamani and others independent directors alleging that India Infoline Finance Limited (“**IIFL**”) did not reduce the EMI amount despite he had repaid substantial loan amount and that without his permission a co-borrower and the IIFL settled the arbitration proceedings for ₹ 70,000 and released the mortgaged property without his permission. He further alleged that IIFL misused his blank cheques given as security and filed false complaints under Section 138 of the Negotiable Instruments Act, 1881 in Gurgaon court. The police filed the closure report treating the matter as civil in nature and the matter is pending before court for final order to close the Complaint.

3. A first information report has been filed under Sections 406, 420, 445, 453, 409 and 120(b) of the Indian Penal Code, 1860 read with Sections 7, 9 and 13 of the Prevention and Corruption Act, 1988 by Sunil Shinde, on behalf of Ultra Space Developers Private Limited, JVPD One Builder LLP, Wadhawan Lifestyle Retail Private Limited, Wadhawan Retail Private Limited, Wadhawan Holdings Private Limited and RKW Developers Private Limited (“**Borrowers**”) against IIFL Facilities Services Limited, Chaudhri Hotels Private Limited, our Company and its directors at Chembur police station. It is alleged that our Company along with IIFL Facilities Services Limited has illegally transferred and sold the properties mortgaged by them as security cover for the loan obtained by Borrowers. We have filed quashing petitions before the Bombay High Court. The matter is currently pending.
4. A first information report was registered upon the complaint of Muneer Gazi at Boisar police station, Maharashtra under Sections 409, 420, 467, 471 read with section 34 of the Indian Penal Code, 1860 against our Company, Nirmal Jain, R. Venkataraman and others. Muneer Gazi alleged that he owns certain parcel of land in Palghar, Maharashtra and had entered into a development agreement with Gold Star Realtors Limited to develop the said land and subsequently, Gold Star Realtors Limited entered into an arrangement with respect to the said land with JE Marketing. Further JE Marketing availed a secured loan facility from our Company against the parcel of land. It was further alleged that they had terminated the arrangement with Gold Star Realtors Limited thus nullifying the arrangement between JE Marketing and Goldstar Realty rendering the symbolic possession of the land under SARFAESI invalid. Our Company has filed a quashing petition before the Bombay High Court. The matter is currently pending.
5. Asset Care & Reconstruction Enterprise Limited has filed a criminal complaint under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881 before the Chief Metropolitan Magistrate, Ballard Pier, Mazgaon against our Company for alleged dishonour of repayment instrument amounting to ₹ 15.00 crores which was issued by our Company to secure payment of management fee payable to Asset Care & Reconstruction Enterprise Limited for certain arrangement pursuant to a trust deed entered into between the parties. The matter is currently pending before the court.
6. Sanjeev Kumar Singh has filed criminal application before J.M.F.C, Thane against our Company, R Venkataraman, Nirmal Jain and certain others (“**Accused**”) for registration of a first information report under Section 403, 406, 420, 467, 468, 471, 472, 474, 120(b) and 34 of Indian Penal Code, 1860 alleging that he was a successful bidder of 2 houses in an auction conducted by our Company and thereafter applied for a loan but the loan amount disbursed to him and the EMI amount deducted is higher than the amount agreed. The Court has passed an order directing Kasarwadi Police Station to register a first information report against the Accused and investigate the matter. Our Company and others have filed a criminal writ petition for quashing the FIR. The matter is currently pending.
7. A first information report was filed by Manoj R Kumar before Hari Parvat police station, Agra under Sections 420, 120B and 506 of the India Penal Code, 1860, alleging our Company has charged excessive rate of interest in the loan availed by him and has filled in the blank cheques provided as security with the intention that they bounce and initiated proceedings for the same. Consequently, the matter was settled with Manoj R Kumar on an amount of ₹ 0.18 crores and a settlement deed was executed in month of July 2020. The first information report has also been quashed by the High Court of Allahabad. The closure report is pending in the matter.
8. In relation to our gold loan portfolio, 6 first information reports have been lodged by various borrowers against our Company for offences under Sections *inter alia* 34, 120B, 294, 406, 409, 418, 420 of Indian Penal Code, 1860. The said matters are under investigation by various police stations and pending trials

Cases filed by the Promoters under Section 138 of the Negotiable Instruments Act, 1881

1. Our Promoters have filed 8098 proceedings against various borrowers under Section 138 of the Negotiable Instruments Act, 1881 and/or Section 25 of the Payment and Settlement Systems Act, 2007 for dishonour of cheques / electronic clearing system in various courts. The cases are pending before various courts at various stages of adjudication.

Gold Loan cases

1. In relation to our gold loan portfolio, the Company has lodged 184 first information reports (“**FIR**”) against various borrowers and other persons for offences under Sections 395, 405, 406, 409, 415, 419, 420, 441, 447, 467, 468, 471, 120(b), 156(3) and 34 of Indian Penal Code, 1860,. The said FIRs are under investigation by various police

stations and pending trials.

2. In relation to our gold loan portfolio, the Company has filed 17 proceedings against defaulting customers under Section 138 of the Negotiable Instruments Act, 1881 for dishonour of cheques, in various courts. The matters are pending before various courts at various stages of adjudication.

Regulatory proceedings against our Promoter

1. A direction dated July 17, 2018 was received by our Company from Pension Fund Regulatory and Development Authority (“**PFRDA**”), listing out the required actions to be complied with, in regard to pending amount of ₹.7.6 lakh by the subscribers’ deposits with our Company as registered point of presence for National Pension Scheme as on March 31, 2018. In this regard, IIFL Finance Limited (“**IIFL**”) had transferred The un-reconciled balance payment as on date to PFRDA account. Also, IIFL is in the process of initiating the closure of HDFC bank account, once the account is closed, the Company will update the PFRDA and process the de-registration process.
2. Investigations Department of SEBI has by way of a letter dated June 7, 2022 (“**Letter**”) directed us to provide certain specific information and documents with respect to suspected insider trading activities, including (amongst others) (a) chronology of events in relation to declaration of financial results for the period ended December 31, 2020 on January 29, 2021; (b) details of all persons who were involved in the process of/ having access to unpublished price sensitive information vis-a-vis the aforesaid financial results; (c) all relevant documentary evidence with respect to communications with members of board of directors for the period August 31, 2020 to May 3, 2021; (d) details of all on market and off market trades undertaken by the directors, promoters, key managerial personnel, compliance officer of the Company and their family members during the period August 31, 2020 to May 3, 2021; (e) relationship of Company and/or any of its Promoters/ Directors/ employees or any other person with the entities as mentioned in the letter issued by SEBI, etc. Each of these requests were responded by our Company to SEBI in July 2022. We have and we will respond to any further queries from SEBI.

V. Litigation involving group companies

(a) IIFL Facilities Services Limited

Material Civil Litigation against IIFL Facilities Services Limited

1. A civil suit bearing number 613/2017 was filed on October 12, 2017 by Abhijit Kabir (Plaintiff) against Sidhivinayak Constructions Pvt. Limited (Defendant No. 1) and others including IIFL Facilities Services Limited (formerly known as Ultra Sign & Display Pvt. Limited – Defendant No. 15) before the High Court of Bombay praying that: i) to grant a decree and order of specific Siddhivinayak Construction Pvt Ltd performance of MOU dated August 17, 2013, executed by and between the Plaintiff and the Defendant No. 1 for a sum of ₹ 15,43,00,000/- along with the interest @ 24% pa from date of filing of suit till payment or realization; ii) to pass an order and decree declaring the Plaintiff’s charge over the properties; iii) to pass an order and decree of perpetual injunction restraining the Defendant No. 1 to 13; iv) to pass an order and decree against Defendant No. 13 to handover the vacant and peaceful possession of Penthouse-A; v) to cancel and set aside the Agreement for Sale dated October 16, 2014 in relation to Penthouse-B; vi) an order and decree of perpetual injunction restraining the Defendant No. 1 to 14; vii) to cancel and set aside the agreement for sale dated October 16, 2014 in relation to Penthouse-B; viii) an order and decree of perpetual injunction restraining the Defendant No. 1, 14 & 15 for acting upon agreement for sale dated October 16, 2014; ix) to pass an order and decree against Defendant No. 15 to handover the vacant and peaceful possession of Penthouse-B; ix) to direct the Defendant No. 1 to 9 to produce various documents of Defendant No. 1 etc. The matter is currently pending before the court.

Criminal Litigation against IIFL Facilities Services Limited

Nil

Material Civil Litigation by IIFL Facilities Services Limited

Nil

Criminal Litigation by IIFL Facilities Services Limited

Nil

Actions Taken by Regulatory and Statutory Authorities against IIFL Facilities Services Limited

Nil

(b) *IIFL Home Finance Limited*

Criminal proceedings against IIFL Home Finance Limited (IIHFL)

1. An FIR dated June 18, 2019 was registered by Devender Kumar at the Faridabad Kotwali Police Station under Section 120B, 406, 419, 420, 467, 468 and 471 of Indian Penal Code (IPC) against unknown person and IIHFL alleging that fraud committed against him. The complainant availed loan from our IIHFL for the purchase of the property and IIHFL is asked to present the transaction documents to support the investigation. The matter is currently pending.
2. Borrowers of IIHFL have filed Criminal Revision before Sessions Court, Gurugram against the summoning orders passed by Judicial Magistrate, Gurugram in complaints filed under section 25 of Payment and Settlement Act. These petitions have been filed by James Pasckal D'Silva and Ashok. The matter is currently pending.
3. Borrowers of IIHFL have filed Criminal Revisions Petitions in Punjab and Haryana High Court against the summoning orders passed by Judicial Magistrate, Gurugram. These petitions have been filed by Harshad Ganesh Kachhara, A.R Casting Pvt Ltd, Ranjeet Bhardwaj, Prabhat Kumar, Vijay Pratap Singh, M/S Orbit Foods Inc, Indrashis Sinha, MRG Auto Pvt. Limited, Ishwar Dass, Kajal Gupta, Anita Dhiman, and Yamuna Reality has filed 59 Civil Revisions u/s 482 of Cr.P.C. for quashing / transfer the pending litigation filed against him u/s 25 of PASA Act . These petitions are pending.
4. An FIR 541/2019 dated June 10, 2019 was registered upon the complaint of Mr. Sushil Jainarayan Karva at Pune Police Station under Sections 120B, 406, 420, 467, 468 and 471 of IPC against India Infoline Finance Limited, Mr. Nirmal Jain, Mr. Venkataramanan Rajamani and others independent directors alleging that India Infoline Finance Limited ("IIFL") did not reduce the EMI amount despite the complainant had repaid a substantial loan amount and that without his permission a co-borrower and IIFL settled the Arbitration proceedings for ₹ 70,000 and released the mortgaged property without his permission. He further alleged that IIFL misused his blank cheques given by him as security and filed false complaints under Section 138 of the N.I Act before the Gurgaon court. The police filed the closure report treating the matter as civil in nature and the matter is pending before court for final order to close the complaint.
5. A First Information Report 359/2021 dated March 5, 2021, was registered upon the complaint of Mrs. Kamlesh Devi at Sahibabad, Ghaziabad under sections 420, 467, 468, 471, 504, 506 and 406 of IPC against IIHFL employee Mr. Onkar Singh alleging that officers made false promise of giving loan at lower rate of interest but disbursed the loan amount at the rate of 21%. She had been paying the loan amount regularly, but the accused allegedly went for collection of the EMI which she had already paid and showed her bank passbook to reconfirm but he refused to agree the same. We have filed 482 Cr.P.C and got stay against arrest and - now matter is pending for investigation by the police.
6. An FIR 153/2023 dated April 8, 2023 was registered upon the complaint of Mr. Rohit Yadav S/o Mr Dara Singh, (borrower) at Kapashera Police Station under Sections 406/420/34 of IPC against India Infoline Home Finance Limited, and ICICI Prudential, alleging that after death of borrower the ICICI Prudential has rejected his claim. There is a. Insurance policy of ₹ 40 Lakhs was signed at the time of loan. We have received a Notice from PS Kapashera u/s 91 of Cr.P.C. And we have submitted our reply to the I.O. The Insurance Company has approached to legal heirs of borrower to settle the disputes.
7. An FIR 1131/2022 dated December 7, 2022, was registered upon the complaint of Mr. Manoj Kumar Shukla (borrower) at Moti Nagar Police Station against India Infoline Home Finance Limited and Mr. Lekhraj (IIHFL Customer Care-Moti Nagar), alleged that after closing the loan, when he was going home after receiving the original property documents from IIHFL, he was approached by some unknown person from outside the office of IIHFL. The men snatched the papers from him. In this he has alleged that IIHFL's customer care officer Lekhraj is also involved. We have received a notice from PS Moti Nagar for statement of Mr. Lekhraj and submitted our reply to IO. The matter is pending under Investigation.

8. An FIR 0383/2022 dated November 23, 2022 was registered upon the complaint of Mr. Sanjiv Kumar (borrower) at Kasarvadavali police station against India Infoline Home Finance Limited and its Directors, alleged that the IIHFL has disbursed Higher loan amount than the amount applied for and due to this Higher EMI amount deducted than the amount agreed by him at the time of loan. The matter is in Investigation. The matter has been settled with the complainant. We have also filed an application u/s 482 of Cr.P.C. to quashing the FIR.
9. An FIR 05/2021 Dated May 05, 2021 was registered upon the complaint Mr. Shyamsundar Bhagvanram Jangid, Age-56, R/o Patalipada, Thane has filed complaint at BKC Police Station vide complaint No. M/5 of 2021 u/s 420,467,468,471,409 and 34of IPC against India Infoline Home Finance Limited, alleged that he was not availed any loan facility from IIHFL but a loan has been booked in their company name i.e. Balaji Cars vide loan prospect No-704302, 702930, 704302. In FIR he states that he has availed loan facility from IIFL Finance in year of 2013 and in 2016 he was in settlement talks with them and later on he was paid ₹ 1.66 crore in part payment of settlement of loan account of IIFL. A loan of ₹ 780,49,000 was showing disbursed in his name by IIHFL, but he was not availed any loan facility from IIHFL. After registration of FIR, the I.O. has sent a notice u/s 91 of Cr.P.C. And we have submitted our reply to them. We have also filed an application u/s 482 of Cr.P.C. to quashing the FIR.
10. An FIR 55/2023 u/s 420 / 406 / 467 / 471 of the Indian Penal Code was registered upon the complaint of Ms. Manju Devi (borrower) at Police station Krishna Nagar, Delhi against India Infoline Home Finance Limited and its Directors, alleged that she was cheated of Rs 13.5 Lakhs by Chander Mohan by using her forged signature on her Canara Bank Cheque and taking her in good faith after her husband death. The matter is in Investigation
11. Yamuna Realty Private Limited (“**Borrower**”) and two of its Directors have filed a petition against IIHFL before the Punjab and Haryana High Court under Section 482 of the Code of Criminal Procedure, 1973 for quashing proceedings initiated by IIHFL under Section 25 of the Payment and Settlement Act, 2007. Further, Gunit Narang and Dilip Narang, Directors of Yamuna Realty Private Limited have filed criminal applications against IIHFL before the Punjab and Haryana High Court under Section 482 of the Code of Criminal Procedure, 1973 for quashing proceedings initiated by IIHFL before the court of the 1st Class Judicial Magistrate, Gurugram, Haryana, under Section 25 read with Section 27 of the Payment and Settlement Act, 2007 read with Section 357 of the Code of Criminal Procedure, 1973. The matters are currently pending before the Punjab and Haryana High Court.
12. Henry Vijay Sirdar Masih has filed a criminal application against IIHFL before the Punjab and Haryana High Court at Chandigarh under Section 482 of the Code of Criminal Procedure, 1973 for quashing criminal complaint proceedings initiated by IIHFL under Section 25 read with Section 27 of the Payment and Settlement Act, 2007, read with Section 357 of the Code of Criminal Procedure, 1973 before the court of Judicial Magistrate, Gurugram. The matter is currently pending before the Punjab and Haryana High Court.
13. Anu Ahuja has filed a petition under Section 482 of the Code of Criminal Procedure, 1973 against IIHFL before the Punjab and Haryana High Court at Chandigarh, for quashing a first information report registered at Police Station Shivaji Nagar, Gurugram. The first information report was filed by IIHFL under section 174-A of the Indian Penal Code, 1860 at the Shivaji Nagar, Gurugram police station, under the Negotiable Instruments Act, 1881. The matter is currently pending before the Punjab and Haryana High Court at Chandigarh.
14. Narendra Kumar and certain others have filed a contempt petition under Section 340 of the Code of Criminal Procedure, 1973, before the Dwarka Court, New Delhi against the proceedings initiated under Section 14 of the SARFAESI Act against them by IIHFL. The matter is currently pending before the Dwarka Court, New Delhi.
15. Sumehak Bansal has filed a petition against IIHFL before the Punjab and Haryana High Court under Section 482 of the Code of Criminal Procedure, 1973 for quashing proceedings initiated by IIHFL under Section 25 of the Payment and Settlement Act, 2007. The matter is currently pending before the Punjab and Haryana High Court.
16. Ramesh Chand Bachani has filed a petition against IIHFL before the Punjab and Haryana High Court under Section 482 of the Code of Criminal Procedure, 1973 for quashing proceedings initiated by IIHFL under section 25 of the Payment and Settlement Act, 2007. The matter is currently pending before the Punjab and Haryana High Court.
17. Prabhat Kumar has filed a criminal miscellaneous petition before the Punjab and Haryana High Court at Chandigarh under Section 482 of the Code of Criminal Procedure, 1973 seeking annulment of the summoning

order passed by the lower court in a complaint filed under Section 25 of the Payment and Settlement Act, 2007, initiated by IIHFL. The matter is currently pending before the Punjab and Haryana High Court.

18. Vijay Pratap Singh has filed a criminal miscellaneous petition before the Punjab and Haryana High Court at Chandigarh under Section 482 of the Code of Criminal Procedure, 1973 seeking quashing of the summoning order passed by the lower court in a complaint filed under Section 25 of the Payment and Settlement Act, 2007, initiated by IIHFL. The matter is currently pending before the Punjab and Haryana High Court.
19. Indrashis Singh has filed a criminal miscellaneous petition before the Punjab and Haryana High Court at Chandigarh under Section 482 of the Code of Criminal Procedure, 1973 seeking quashing of the summoning order passed by the lower court in a complaint filed under Section 25 of the Payment and Settlement Act, 2007, initiated by IIHFL. The matter is currently pending before the Punjab and Haryana High Court.
20. Rachit Katyal and Orbit Foods Inc. have filed a criminal miscellaneous petition before the Punjab and Haryana High Court at Chandigarh under Section 482 of the Code of Criminal Procedure, 1973 seeking annulment of the summoning order passed by the lower court in a complaint filed under Section 25 of the Payment and Settlement Act, 2007 in favour of IIHFL. The matter is currently pending before the Punjab and Haryana High Court.
21. Ranjeet Bharaj filed a transfer application under Section 408 of the Code of Criminal Procedure, 1973 before the District & Session Court, Gurugram seeking permission to transfer all the cases arisen from his home loan account to one court. The matter is currently pending before the District & Session Court, Gurugram.
22. Raghbir Singh has filed criminal applications against IIHFL before the Punjab and Haryana High Court at Chandigarh under Section 482 of the Code of Criminal Procedure, 1973 for quashing proceedings under Section 25 of the Payment and Settlement Act, 2007, initiated by IIHFL before the court of the 1st Class Judicial Magistrate, Gurugram. The matter is currently pending before the Punjab and Haryana High Court.
23. Subhash T Gopalkrupa has filed a petition under Section 482 of the Code of Criminal Procedure, 1973 for quashing of a first information report filed against him dated April 18, 2023. The first information report was filed by IIHFL under Section 174-A of the Indian Penal Code, 1860 at the Shivaji Nagar, Gurugram police station, initiated under the Negotiable Instruments Act. The matter is currently pending before the court.
24. Ashok have filed a criminal revision application before the Sessions Court, Gurugram against the summoning orders passed by Judicial Magistrate, Gurugram in relation to the complaints filed under Section 25 of Payment and Settlement Act, 2007 by IIHFL. The matter is currently pending before the Sessions Court, Gurugram.

Criminal proceedings by IIFL Home Finance Limited (IIHFL)

1. First information report dated February 15, 2017 was lodged by IIHFL at the Navrangpura Police Station, Ahmedabad, against Mihir Desai and other co-borrowers (“Accused”) alleging inter alia, cheating and criminal breach of trust under Sections 420 and 406 of the Indian Penal Code, 1860. It was alleged that the Accused had conspired to cause a loss to IIHFL by creating a subsequent mortgage and making a transfer of title and possession of the mortgage property to third parties despite the subsistence of an existing mortgage on the property in favour of IIHFL. Subsequently, IIHFL filed an appeal before City Civil and Session Court and prayed cancellation of bail given by Ld. Court below. The matter is pending investigation and IIHFL contesting the matter. Further, IIHFL has sold the secured asset as per the provisions of SARAFESI Act. The matter is pending investigation.
2. A first information report 130/2016 dated April 6, 2016 was filed by IIHFL at the Ashok Nagar Police Station, Bengaluru, against Tanveer Pasha and other co-borrowers (“Accused”) alleging, inter alia, cheating and criminal breach of trust under Sections 420, 465, 467 and 468 of the Indian Penal Code, 1860. It was alleged that the Accused had conspired with certain builders to cause a loss to IIHFL by way of wrongfully inducing IIHFL to disburse a loan in their favour. The claim involved in the matter is ₹1.18 crore. The matter is pending investigation.
3. A first information report 347/2015 dated September 10, 2015 was lodged by IIHFL at the Vidhayak Puri, Police Station, Jaipur against Prem Chand Sharma and other co-borrowers (“Accused”) alleging inter alia, cheating and criminal breach of trust under Sections 420 and 406 of the Indian Penal Code, 1860. It was alleged that the Accused had conspired to cause a loss to IIHFL by transferring the title and possession of the mortgage property to third parties, despite the subsistence of an existing mortgage on the property, in favour of IIHFL and entering

into an agreement for transfer of title and possession of the mortgaged property to third parties. Chargesheet has been filed by police.

4. A first information report dated November 8, 2016 (“FIR”) was registered by IIHFL at the Kalyan Police Station, District Thane, Mumbai under Section 467, 420, 468, 120(B) of the Indian Penal Code, 1860 against Anand Rajaram Yadav and other co-borrowers (“Accused”), alleging inter alia, cheating and criminal breach of trust. It was alleged that the Accused had conspired to cause a loss to IIHFL by raising funds on the same property from different lenders multiple times. The matter is pending investigation.
5. A first information report dated May 21, 2019 and October 16, 2018 (“FIR”) was registered by IIHFL at the Malad Police Station, District Mumbai under Sections 448,427 and 34 of the Indian Penal Code, 1860 against Subir Chakraborty and other co-borrowers and also at the Jahangirabad Police Station under Section 448 of the Indian Penal Code, 1860, against Ramesh Bachhani (“Accused”), alleging inter alia, trespassing and damaging the mortgaged property. It was alleged that the Accused had conspired to cause a loss to IIHFL. Chargesheet has been filed by police
6. A first information report 262/2019 dated October 21, 2019 (“FIR”) was registered by IIHFL at Kotwali Police Station, Kanpur City against Rajveer Singh Bhaduria and other co-borrowers under Section 120B, 504, 406 and 420 of the Indian Penal Code, 1860, alleging that the accused had conspired to commit cheating, criminal breach of trust and cause a wrongful loss to our Company. IIHFL had disbursed a loan of ₹ 34.6 lakhs in favour of the accused. Chargesheet has been filed by the Police.
7. A first information report 381/2019 dated 7 September 2019 (“FIR”) was registered by Udyog Vihar Police Station on September 7, 2019 under Section 420 and 120B of the Indian Penal Code, 1860 after getting direction from Judicial Magistrate, Gurgaon against Dwarkadheesh Project Private Limited and also against 6 customers of IIHFL who had conspired to cause loss to IIHFL. Matter is pending for Investigation and filing of Chargesheet.
8. A first information report no. 266/20 dated June 11, 2020 was registered by IIHFL at the Para Police Station, Lucknow against Ankit Gupta, Santosh Kumar and Meewati (“Accused”) under Section 419, 420, 467, 468 and 471 of Indian Penal Code, 1860, alleging inter alia, cheating and criminal breach of trust, forgery and caused a wrongful loss to IIHFL. The matter is under investigation.
9. A first information report 37/2020 dated January 24, 2020 was registered by IIHFL at the Ashok Nagar Police Station, Jaipur against Giriraj Ratan Daga and other co-borrowers under Section 120B, 406, 409, 420, 467, 468 and 471 of the Indian Penal Code, 1860, alleging that the accused had conspired to commit cheating, forgery and cause a wrongful loss to IIHFL. IIHFL had disbursed a loan of ₹ 3.8 crore in favour of the accused. Chargesheet has been filed by the Police.
10. A first information report 16/2021 dated January 27, 2021 was registered by IIHFL at the Udyog Vihar Police Station, Gurugram against Ashok Kumar and others co-borrowers under Section 120B, 419, 420, 467, 468 and 471 of IPC, alleging that the accused had conspired to commit cheating, cheating by personation, forgery and cause a wrongful loss to IIHFL. IIHFL had disbursed a loan of ₹ 2.25 crore in favour of the Accused. The matter is under investigation.
11. A first information report 192/2022 dated April 10, 2022 was registered under various Sections 406, 419, 420, 467, 468, 471 and 120B of IPC against M/s Yazdan Constructions and others upon the complaint made by IIHFL in the ordinary course of its business, in relation to its home loan/loan against property portfolio. The complaint is under investigation stage.
12. First information report 316/2023 dated 18-Oct-2023 was lodged under sections 448,427,379 r/w 34 IPC by IIHFL at the Nawabpet Police Station, Sri Potti Sriramulu Nellore, against accused persons named (1) Patan Mahaboob Basha, (2) Patan Vahida, (3) Shaik Mahaboob Basha, (4) Shaik Ayisha were criminally trespassed in to a house which was seized by the India Infoline Home Finance Limited authorities by damaging the sealed and locks and living there without prior permission from the bank authorities.
13. Our Company has, in the ordinary course of business, in relation to our home loan and/or loan against property portfolio, has lodged a first information report against Uttam Kr. Asrani for cheating under Sections 420, 406, 463, 464, 467, 468, 471, 120B of the Indian Penal Code, 1860. The matter is pending for further investigation by the concerned officers.

14. India Infoline has filed a case in the PMLA Court under the Prevention of Money Laundering Act (“PMLA”) for release of mortgaged property seized by the Enforcement Directorate (“ED”). In the captioned case, IIFL had financed a loan-against-property facility of ₹ 0.80 crores December 2012 through LAN-10125. The mortgaged property was seized by the ED on account of fraud allegations. IIFL had financed the loan facility prior to registration of FIR. Accordingly, IIFL filed appeal bearing reference no. 3085/2019 before the PMLA Court seeking relief. The matter is pending before the PMLA Court, Delhi. The matter is currently pending adjudication.
15. IIFL filed a petition CRL MP/1272/2023 before the High Court of Rajasthan under Section 482 of the Code of Criminal Procedure, 1973 against the State of Rajasthan for quashing of an FIR. Quashing order passed by the High Court of Rajasthan.
16. IIFL has filed a writ petition against Venus Traders before the High Court of Punjab and Haryana for obtaining a dasti warrant in a case filed under Section 138 of the Negotiable Instruments Act, 1881, against certain borrowers of IIFL before the Gurugram court as the Gurugram court did not issue a dasti warrant despite several requests. The matter is currently pending before the High Court of Punjab and Haryana.
17. A case bearing Appeal No. 6907/2023 was filed by IIFL in PMLA Court under the Prevention of Money Laundering Act (“PMLA”) under Section 26 against impugned order dated 26.10.2023 passed by the Adjudicating Authority in regard to property listing at serial number 3 & 4 of Impugned Order. This property is mortgaged with IIFL through LAN-715487 & 771626. The matter is pending before the PMLA Court, Delhi. The matter is currently pending adjudication.

Cases filed by IIFL Home Finance Limited (IIFL) under Section 138 of the Negotiable Instruments Act, 1881

IIFL has filed 10504 proceedings against various borrowers under Section 138 of the Negotiable Instruments Act, 1881 and Section 25 of Payment and Settlement System Act, 2007, for dishonour of cheques/ electronic clearance service/ automated clearing house in Judicial Magistrate, Gurgaon. The aggregate of claim amounts filed by IIFL is approximately ₹ 201.74. crore. The matters are pending before the courts at various stages of adjudication.

(c) *IIFL Management Services Limited*

Material Civil Litigations involving IIFL Management Services Limited as determined by board of directors of their promoter, IIFL Securities Limited i.e., above ₹2.83 crore.

Civil Proceeding by IIFL Management Services Limited (IMSL)

Nil

Civil Proceeding against IIFL Management Services Limited (IMSL)

Nil

Criminal proceedings by IIFL Management Services Limited (IMSL)

Nil

Criminal proceedings against IIFL Management Services Limited (IMSL)

Nil

(d) *360 ONE WAM Limited (formerly known as IIFL Wealth Management Limited)*

Material Civil Litigations against 360 ONE WAM Limited (formerly known as IIFL Wealth Management Limited)

1. IIFL Wealth (UK) Ltd (“IIFL UK”) is defending a civil suit brought by Mr. Prashant Hasmukh Manek & Others (Claimants) in the High Court of England & Wales (“Court”). In the civil suit, the Claimants have claimed damages, alleging that they were led to sell their shares in Hermes i-Tickets Pvt. Ltd. at undervalued amount. In February 2022, the Claimants commenced proceedings to add 360 ONE WAM LIMITED, 360 ONE Asset

Management (Mauritius) Ltd. and 360 ONE CAPITAL PTE. LTD. (together, “**360 ONE WAM Entities**”) before the High Court of England & Wales in respect of the same above civil suit. The Court convened a Case Management Conference (“**CMC**”) on March 14, 2024. During CMC the parties to the suit agreed that i) the old and new proceeding are to be heard together; and ii) the list of issues was identified. Trial will commence during the quarter of October to December 2025.

Criminal Litigations against 360 ONE WAM Limited (formerly known as IIFL Wealth Management Limited)

Nil

Material Civil Litigations by 360 ONE WAM Limited (formerly known as IIFL Wealth Management Limited)

Nil

Actions Taken by Regulatory and Statutory Authorities against IIFL Facilities Services Limited

Nil

(e) IIFL Securities Limited (“ISL”) (Formerly India Infoline Ltd.)

Civil Proceedings by ISL

1. An arbitration application dated April 1, 2010 was filed by GHCL Employees Trust (“**GHCL**”) before the NSE Arbitration Tribunal (“**Tribunal**”) against ISL, alleging unauthorized sale of shares by ISL. The Tribunal partly passed an award (“**Award**”) dated September 17, 2013 in favour of GHCL stating that: (i) GHCL was entitled to an interest of ₹ 0.52 million and ISL was required to pay interest at the rate of 9% per annum from the date on which the arbitration started till the final payment is made. (ii) ISL must retrieve the 856,466 shares which were sold on the NSE, failing which it should pay ₹ 41.65 million to GHCL within 30 days of the Award; and (iii) 466,273 shares of GHCL with ISL should be released to GHCL immediately or the present-day value of the same i.e., ₹ 14.15 million should be paid to it. ISL and GHCL filed applications (“**Applications**”) dated May 13, 2014 and May 20, 2014 respectively, before the Delhi High Court (“**Court**”) under Section 34 of the Arbitration and Conciliation Act, 1996, (“**Act**”) challenging the Award. An application was filed by GHCL under Section 9 of the Act before the Court, seeking return the shares lying with NSE. The Court allowed the release of shares to GHCL subject to providing a bank guarantee by GHCL and the outcome of pending Applications. GHCL had also filed an application under Section 9 of the Act claiming voting rights and dividends in respect of the shares lying with NSE. The GHCL shares were deposited by ISL with NSE in compliance with the award dated September 17, 2013 passed by Tribunal. The Court clubbed the Applications filed by GHCL as well as ISL and directed the parties to file their respective written synopsis. The matters are pending for arguments. The claim is valued at approximately ₹ 56.32 million as on the date of Award i.e., September 17, 2013, along with 9% per annum interest from the date of award till the actual payment. The matter is currently pending.
2. An arbitration application dated June 17, 2013 (“**Claim**”) was filed by Ranjit Makkuni before the NSE Arbitration Tribunal (“**Tribunal**”) against ISL, claiming a sum of ₹ 3,49,72,161. The Tribunal rejected the application vide its award dated April 2, 2014 (“**Award**”), on the grounds of the claim not being maintainable. Ranjit Makkuni filed an appeal before the NSE Appellate Arbitration Panel. The NSE Appellate Arbitration Panel by its order dated September 9, 2014, set aside the Award and remanded the case to the Arbitration Panel below for deciding the claim afresh on merit. Aggrieved by the award passed by the NSE Appellate Arbitration Panel, ISL filed an appeal before the Delhi High Court (“**Court**”), under Section 34 of the Arbitration and Conciliation Act, 1996, challenging the findings of the NSE Appellate Arbitration Panel. The matter is currently pending.
3. An application u/s section 9 of the Arbitration Act dated February 13, 2019 was filed by ISL before the High Court, Mumbai (“**Court**”) against Harshad Thakkar, claiming an amount of ₹ 30,29,49,793 for defaulting in the payment of outstanding dues. The Court was pleased to allow the application and issued an interim order. The Court issued an order of injunction on the pledged shares and also attachment order on all the properties disclosed in income tax returns. The matter is currently pending.
4. An application u/s section 9 of the Arbitration Act dated February 13, 2019 was filed by ISL before the High Court, Mumbai (“**Court**”) against Harshben Hirji Thakkar, claiming an amount of ₹ 3,30,27,351 for defaulting in the payment of the outstanding dues. The Court was pleased to allow the application and issued an interim

order in the petition. The Court issued an Order of Injunction on the pledged shares and also attachment Order on all the properties disclosed in Income Tax Returns. The matter is currently pending.

Civil Proceedings against ISL

1. An arbitration application dated April 1, 2010 was filed by GHCL Employees Trust (“**GHCL**”) before the NSE Arbitration Tribunal (“**Tribunal**”) against ISL, alleging unauthorized sale of shares by ISL. The Tribunal partly passed an award (“**Award**”) dated September 17, 2013 in favour of GHCL stating that: (i) GHCL was entitled to an interest of ₹ 0.52 million and ISL was required to pay interest at the rate of 9% per annum from the date on which the arbitration started till the final payment is made. (ii) ISL must retrieve the 856,466 shares which were sold on the NSE, failing which it should pay ₹ 41.65 million to GHCL within 30 days of the Award; and (iii) 466,273 shares of GHCL with ISL should be released to GHCL immediately or the present-day value of the same i.e., ₹ 14.15 million should be paid to it. ISL and GHCL filed applications (“**Applications**”) dated May 13, 2014 and May 20, 2014 respectively, before the Delhi High Court (“**Court**”) under Section 34 of the Arbitration and Conciliation Act, 1996, (“**Act**”) challenging the Award. An application was filed by GHCL under Section 9 of the Act before the Court, seeking return of the shares lying with NSE. The Court allowed the release of shares to GHCL subject to providing a bank guarantee by GHCL and the outcome of pending Applications. GHCL had also filed an application under Section 9 of the Act claiming voting rights and dividends in respect of the shares lying with NSE. The GHCL shares were deposited by ISL with NSE in compliance with the award dated September 17, 2013 passed by Tribunal. The Court clubbed the Applications filed by GHCL as well as ISL and directed the parties to file their respective written synopsis. The matters are pending for arguments. The claim is valued at approximately ₹ 56.32 million as on the date of Award i.e., September 17, 2013, along with 9% per annum interest from the date of award till the actual payment. The matter is currently pending.
2. A suit dated December 15, 2010 was filed by official liquidator Delhi in the matter of Dimension Invest & Securities, the official liquidator, Delhi before the High Court at Delhi against ISL u/s 446 of Companies Act, 1956 seeking recovery of ₹ 3,27,44,400/- from ISL for wrongfully withholding the funds of Dimension Investment & Securities. The matter is currently pending.
3. An arbitration application dated August 25, 2015 was filed by Central Business Services Limited (“**CBSL**”) along with Jain Industrial & Commercial Services Private Limited (“**JICSL**”) (collectively, “**Claimants**”) before a private arbitration tribunal (“**Tribunal**”) against ISL. A consolidated statement of claim (“**Claims**”) for an amount of ₹ 26,33,67,723 along with interest thereon was filed before the Tribunal. An award dated October 3, 2018 (“**Award**”) was received partly in favour of ISL and partly in favour of CBSL. CBSL has filed an Arbitration Application u/s 34 of the Arbitration Act before the High Court, Kolkata challenging the Award. The matter is currently pending.
4. An arbitration application dated August 25, 2015 was filed by Central Business Services Limited (“**CBSL**”) along with Jain Industrial & Commercial Services Private Limited (“**JICSL**”) (collectively, “**Claimants**”) before a private arbitration tribunal (“**Tribunal**”) against ISL. A consolidated statement of claim (“**Claims**”) for an amount of ₹ 26,33,67,723 along with interest thereon was filed before the Tribunal. An award dated October 3, 2018 (“**Award**”) was received partly in favour of ISL and partly in favour of CBSL. Central Business Services Limited & Anr. filed an execution application before High Court Kolkata against ISL for executing an award for an amount of ₹ 3,48,35,299. The matter is currently pending.
5. A commercial suit dated January 19, 2017 was filed by Harish Thawani a client of National Spot Exchange Limited (“**NSEL**”), before the Bombay High Court (“**Court**”), against ISL, IIFL Commodities Limited, its directors and the directors of its group companies including its key managerial personnel and employees, alleging losses, refund of brokerage, warehouse charges, damages and legal costs. The claim is valued at ₹16,80,90,982. The matter is currently pending.

Criminal proceedings against ISL

1. A summons received by ISL on November 24, 2008 (“**Complaint**”) was filed by GHCL Employees Stock Option Trust (“**GHCL ESOP Trust**”) under the Indian Penal Code, 1860, before the Court of Additional Chief Judicial Magistrate, Patiala House Court, New Delhi (“**Lower Court**”) against ISL. The trustees of the GHCL ESOP Trust had opened a dematerialized account with ISL and continued purchasing shares through the dematerialized account. By its letter dated April 30, 2008, ISL informed the GHCL ESOP Trust of its outstanding debit of ₹10.48 crore and the existence of lien on the 2,046,195 shares purchased by it. In its response, GHCL ESOP Trust: (a) claimed that ₹ 10.48 crore had been duly paid by it, and later it had noted that the correct amount, as reflected in its statement of account was ₹10.22 crore; and (b) alleged that ISL instead of refunding the difference amount of

- ₹25.2 lakhs asked the GHCL ESOP Trust to clear the debits of five companies, and on failing to do so, ISL sold 876,668 shares belonging to the GHCL ESOP Trust illegally and without any authorization. A summons order dated September 27, 2008 (“**Summons Order**”) was passed by the Lower Court, summoning ISL to face trial for the offences under the provisions of the Indian Penal Code, 1860. ISL filed a petition in the Delhi High Court (“**Petition**”) on March 22, 2009 challenging the Summons order. The Delhi High Court by its order dated December 14, 2009 quashed and set aside the Complaint and the summons order as against ISL. GHCL ESOP Trust filed an Appeal before the Supreme Court against the order of the Delhi High Court on March 11, 2010. By its order dated March 22, 2013, the Supreme Court confirmed the order of the Delhi High Court and held that no offence of cheating is made out against ISL. The matter is currently pending.
2. A complaint dated July 12, 2011 was filed by Sushama Agarwal before Chief Judicial Magistrate, Meerut, against ISL under Sections 406, 420 and 464 of the Indian Penal Code, 1860, alleging unauthorised trading, criminal breach of trust, cheating and forgery. Pursuant to the complaint, the Court, passed an order for issuance of process on July 25, 2011. ISL filed a Petition before the Allahabad High Court on April 7, 2014 (“petition”) for quashing the order of the Court. The petition was admitted and the Allahabad High Court vide its order dated April 22, 2014 stayed the proceedings before the Chief Judicial Magistrate, Meerut. The matter is currently pending before the Allahabad High Court.
 3. A Complaint received by ISL on December 9, 2012 was filed by Arunava Patra before the Chief Metropolitan Magistrate, Paschim Medinipur, West Bengal, against IIFL, ISL, its directors Nirmal Bhanwarlal Jain, Venkataraman Rajamani and others under Sections 406 and 120B of the Indian Penal Code, 1860, alleging inter-alia, forgery and criminal conspiracy and certain offences under the Companies Act, 1956. Pursuant to the complaint, the Court passed an order for issuance of process on June 16, 2014. ISL filed a writ petition dated April 10, 2015 (“Petition”) before the Calcutta High Court for quashing of the proceedings before Chief Metropolitan Magistrate, Paschim Medinipur, West Bengal. The Calcutta High Court passed an order and the certified copy of the order was received by us on June 18, 2015 staying the proceedings before Chief Metropolitan Magistrate, Paschim Medinipur, West Bengal. The Calcutta High Court dismissed the Revision and we are in the process of preferring an appeal. The matter is currently pending.
 4. A complaint dated November 23, 2011 was filed by Seema Bulsara (“**Complainant**”) with the Economic Offence Wing (“**EOW**”), Mumbai, and the first information report was lodged against Mukti Laheri and ‘unknown officials’ of ISL, alleging unauthorized trading. A charge sheet was filed by the EOW, Mumbai before the 19th Court, Esplanade, Mumbai against Mukti Laheri and Manish Kumar, an ex-employee of ISL. Further, a supplementary charge sheet (“**Supplementary Charge Sheet**”) was filed by EOW, Mumbai against ISL on April 17, 2015. The matter is currently pending.
 5. A criminal complaint dated May 25, 2013 was filed by Ravindra Kumar Thakur before Chief Judicial Magistrate, Bhagalpur, Bihar against ISL and others, alleging, inter alia, criminal breach of trust, cheating and forgery under sections 406, 417, 420, 467, 468 & 471 of Indian Penal Code, 1860. A summons dated May 04, 2019 was received by ISL on May 08, 2019. The matter is currently pending.
 6. A criminal revision dated October 12, 2022 was filed by Vivek Prakash Khanna before Sessions Court Gurugram against IIFLSL and others, challenging the order passed by lower court wherein the lower court dismissed the application filed by Vivek Prakash Khanna under section 156(3) of CrPC praying for registration of FIR against the Accused. A notice dated January 17, 2023 was received by IIFLSL on February 7, 2023. The matter is currently pending.
 7. A summons dated May 11, 2023 received by ISL in Complaint (“**Complaint**”) was filed by GHCL Employees Stock Option Trust (“**GHCL ESOP Trust**”) under the Indian Penal Code, 1860, before Metropolitan Magistrate, Patiala House Courts, New Delhi (“**Lower Court**”) against ISL & its directors namely Mr. Nirmal Jain, Mr. Venkataraman Rajamani Mr. Nilesh Vikamsey, Mr. A. K. Purwar, Mr. Kranti Sinha & Mr. Nimesh Mehta. The trustees of the GHCL ESOP Trust had opened a dematerialized account with ISL and continued purchasing shares through the dematerialized account. By its letter dated April 30, 2008, ISL informed the GHCL ESOP Trust of its outstanding debit of ₹104.80 million and the existence of lien on the 2,046,195 shares purchased by it. In its response, GHCL ESOP Trust: (a) claimed that ₹ 104.80 million had been duly paid by it, and later it had noted that the correct amount, as reflected in its statement of account was ₹102.28 million; and (b) alleged that ISL instead of refunding the difference amount of ₹2.52 million asked the GHCL ESOP Trust to clear the debits of five companies, and on failing to do so, ISL sold 876,668 shares belonging to the GHCL ESOP Trust illegally and without any authorization. The directors of ISL are in process of preferring writ petition before High Court of Delhi against the said Summons.

8. A summons dated May 11, 2023 received by ISL in Complaint (“Complaint”) was filed by GHCL Employees Stock Option Trust (“**GHCL ESOP Trust**”) under the Indian Penal Code, 1860, before Metropolitan Magistrate, Patiala House Courts, New Delhi (“**Lower Court**”) against ISL & its directors namely Mr. Nirmal Jain, Mr. Venkatraman Rajamani Mr. Nilesh Vikamsey, Mr. A. K. Purwar, Mr. Kranti Sinha & Mr. Nimesh Mehta. The trustees of the GHCL ESOP Trust had opened a dematerialized account with ISL and continued purchasing shares through the dematerialized account. By its letter dated April 30, 2008, ISL informed the GHCL ESOP Trust of its outstanding debit of ₹104.80 million and the existence of lien on the 2,046,195 shares purchased by it. In its response, GHCL ESOP Trust: (a) claimed that ₹ 104.80 million had been duly paid by it, and later it had noted that the correct amount, as reflected in its statement of account was ₹102.28 million; and (b) alleged that ISL instead of refunding the difference amount of ₹2.52 million asked the GHCL ESOP Trust to clear the debits of five companies, and on failing to do so, ISL sold 876,668 shares belonging to the GHCL ESOP Trust illegally and without any authorization. The directors of ISL are in process of preferring writ petition before High Court of Delhi against the said Summons.
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10. A first information report dated October 12, 2012 (“**FIR**”) was lodged by Mohinder Singh (“**Complainant**”) at the Moti Nagar Police Station, New Delhi against ISL under Sections 420 and 120B of the Indian Penal Code, 1860, alleging unauthorised trading and cheating. A notice was received from the police directing ISL to provide the details of the transactions of the Complainant along with the supporting documents. The same has been provided by the Complainant. No further communication received from the police.
11. A first information report dated March 19, 2014 was lodged by Devender Mohan Singh Negi (“**Complainant**”) at the Moti Nagar Police Station, New Delhi, against ISL, under Sections 420, 468, 471, 406, 34 and 120B of the Indian Penal Code, 1860, alleging unauthorised trading and cheating, forgery and criminal breach of trust. The notice received from the police directing ISL to provide the details of the transactions of the Complainant along with the supporting documents and the same has been provided by ISL. No further communication received from the police.
12. A first information report dated May 20, 2014 (“**FIR**”) was lodged by Renu Jain (“**Complainant**”) at the Moti Nagar Police Station, New Delhi, against ISL under Sections 406, 420 and 468 of the Indian Penal Code, 1860 for unauthorised trading and cheating, forgery and criminal breach of trust. The notice received from the police in respect of the FIR directing ISL to provide the details of the transactions of the Complainant along with the supporting documents and the same has been provided. No further communication received from the police.
13. A first information report bearing number 76/2015 (“**FIR**”) was lodged by Mohit Gujral (“**Complainant**”) at the Economic Offences Wing (“**EOW**”), New Delhi against ISL under Sections 405, 120B, 420 and 120B of the Indian Penal Code, 1860, alleging unauthorised trading, cheating and criminal breach of trust. A notice was received from the EOW to provide the details of the transactions of the Complainant along with the supporting documents. The same has been provided by the Complainant. No further communication received from the EOW.
14. Muralidhar Vyas filed a petition u/s 482 of Cr.P.C. before High Court of Delhi against IIFL Securities Limited & Ors. seeking quashing of the summoning order passed by the Trial Court for the offence u/s 138 of NI Act.
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17. Muralidhar Vyas filed a petition u/s 482 of Cr.P.C. before High Court of Delhi against IIFL Securities Limited & Ors. seeking quashing of the summoning order passed by the Trial Court for the offence u/s 138 of NI Act.

Criminal proceedings by ISL

1. A complaint dated March 7, 2008 was filed by ISL before the Metropolitan Magistrate's Court, Tis Hazari, Delhi, against Kuldeep Singh and Surender Kumar, Ex-employees, for theft and criminal conspiracy under sections 120A and 379 of Indian Penal Code, 1860. The matter is currently pending.
2. A complaint dated February 25, 2013 was filed by ISL before Chief Judicial Magistrate Court, Pune against Devdutt Musale a former employee of ISL, for, the offences of criminal breach of trust, cheating and forgery. The matter is currently pending.
3. A complaint dated November 2, 2007 was filed by ISL before the Metropolitan Magistrate Court, Ahmedabad against Ragvendra Singh (former employee), Harsh Dinesh Kaushik (former employee) for offences of, cheating and criminal breach of trust for carrying out unauthorized trading in a client account. The matter is currently pending.
4. A complaint was filed by ISL before Police Station PS Kotwali, Bharatpur, Rajasthan against Mukesh Kuntal ("Accused") for the offences of, cheating, forgery and theft. Thereafter, a first information report ("FIR") was registered against the Accused. The FIR is presently being investigated by the police.
5. A complaint was filed by ISL before Civil Line Police Station, Amritsar against Pankaj Ohri ("Accused") for the offences of, cheating, forgery and theft. Thereafter, a first information report ("FIR") was registered against the Accused. The FIR is presently being investigated by the police.
6. A complaint dated May 20, 2011 was filed by ISL before Gautam Buddha Nagar Police Station, Uttar Pradesh against Mohd. Tariq ("Accused") for the offences of cheating and forgery of documents. Thereafter, a first information report ("FIR") was registered against the Accused. The FIR is presently being investigated by the police.
7. A complaint dated December 23, 2015 was filed by ISL before Kothrud Police Station, Pune against Ashpak Hamid Sayyad, Rakesh Natwarlal Solanki, Kalpesh Kantilal Waghela, Prabhat Bhura Patel, ex- employees of ISL ("Accused") for the offence of cheating and forgery of documents. Thereafter, a first information report ("FIR") was registered against the Accused. The FIR is presently being investigated by the police.
8. A complaint dated February 24, 2022 was filed by ISL before Chief Judicial Magistrate Arrah Bihar for praying for directions to the police to lodge a complaint against Mrs. Shalini Jain ("Accused") for the offences under section 406, 420, 467, 468, 471 and 120B of the Indian Penal Code, 1860. The matter is currently pending.
9. A FIR is lodged on April 5, 2022 by ISL before Birsa Nagar Police Station, Jamshedpur, Patna against Mr. Anand Rao ("Accused") for the offences under section 420, 467, 468, 471 of the Indian Penal Code, 1860. The matter is currently pending.

Cases filed by ISL under Section 138 of the Negotiable Instruments Act, 1881

1. ISL has filed 20 proceedings against defaulting customers under Section 138 of the Negotiable Instruments Act, 1881 for dishonour of cheques, in various courts. The aggregate of claim amounts filed by ISL are approximately ₹ 43.50 crore. The matters are pending before various courts at various stages of adjudication.]

Other material pending litigation involving ISL

2. A demand notice dated June 5, 2014 ("Notice") was received by ISL from the Rajasthan Stamp Office, demanding payment of stamp duty for the period commencing from September 2007 to March 2012, in relation to the trades carried out by ISL's clients residing in the state of Rajasthan. ISL, through its reply dated June 21, 2014, stated that the stamp duty with respect to the trades was paid to the State of Maharashtra as the central office of ISL is located in Mumbai and contract notes were issued to the clients from the Mumbai office.

Aggrieved by the notice, ISL filed a writ petition before Rajasthan High Court on in April 25, 2015, requesting it to quash the notice. The matter has not been listed and is presently pending before the Rajasthan High Court.

- IIFL (“Petitioner”) filed a writ petition numbered 1650 of 2012 (“Writ”) dated January 27, 2012 before the High Court of Madhya Pradesh (“Jabalpur High Court”) against the State of Madhya Pradesh (“Respondent”) under Article 226 of the Constitution of India (“Constitution”) challenging the demand notice dated December 1, 2012 issued by the State of Madhya Pradesh seeking to levy stamp duty on the transactions done by the clients of the Petitioner through their trading accounts. The contention raised by the Petition is that unless there is a provision made under the relevant act, no demand for payment of stamp duty in such transaction can be made. The Madhya Pradesh High Court passed an order dated February 10, 2012 directing that no coercive steps be taken against the petitioner till further consideration of the interim prayer. The matter is currently pending.

(f) 360 ONE Prime Limited (Formerly known as IIFL Wealth Prime Limited) (“360 ONE”)

Material Civil Litigations against 360 ONE

- A Company Petition bearing reference number 25841 of 2021 was filed by Fastgrowth Hospitality LLP (“FHL”) and Others in High Court of Bombay against 360 ONE. 360 ONE had sanctioned a loan of ₹ 23,00,00,000/- to FHL and Others. Pursuant to the default, 360 ONE initiated commercial suit before High Court of Bombay against FHL and Others for recovery of ₹ 24,39,28,178/-. The Court in the above suit had ordered appointment of Court Receiver to take possession of the mortgaged properties. Meanwhile 360 ONE assigned the above loan along with the underlying securities to ASREC India Limited (ASREC) under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act. Pursuant to above assignment, a Contempt Petition was filed in Bombay High Court by FHL and Others and others against 360 ONE and ASREC India Limited and its directors (respondents/contemnors) on the grounds that the contemnors have committed contempt of the court order appointing Court Receiver and have sought imposition of penalty of ₹ 2000/- on each contemnors and civil imprisonment for all directors of 360 ONE and ASREC India Limited and also sought direction to cancel the assignment agreement pending the disposal of the Contempt Petition. The petition has till date not come up for hearing.

Criminal Litigations against 360 ONE

Nil

Material Civil Litigations by 360 ONE

Nil

Actions Taken by Regulatory and Statutory Authorities against 360 ONE

Nil

VI. Taxation

Details of tax proceedings against our Company, our Promoters and the group companies:

Our Company

Please see below the table setting out details of tax proceeding against our Company-

(₹ in crores)

Entity	No. of Cases		Amount Involved	
	Direct	Indirect Tax	Direct Tax	Indirect Tax
IIFL Samasta Finance Limited	1	Nil	0.84	Nil

Our Group Companies

Please see below the table setting out details of tax proceeding against our group companies:

(₹ in crores)

Sr No.	Entity	No. of Cases		Amount Involved	
		Direct	Indirect Tax	Direct Tax	Indirect Tax
1.	360 One Prime Limited (formerly known as IIFL Wealth Prime Limited)	2	0	21.11	0
2.	360 One WAM Limited (formerly known as IIFL Wealth Management Limited)	5	1	12.18	0.76
3.	IIFL Home Finance Limited	Nil	Nil	Nil	Nil
4.	IIFL Securities Limited	Nil	Nil	Nil	Nil
5.	IIFL Facilities Services Limited (Formerly IIFL Real Estate Limited)	Nil	Nil	Nil	Nil
6.	IIFL Management Services Limited	Nil	Nil	Nil	Nil

Our Promoter

Please see below the table setting out details of tax proceeding against our Promoter-

(₹ in crore)

Entity	No. of Cases		Amount Involved	
	Direct	Indirect Tax	Direct Tax	Indirect Tax
IIFL Finance Limited (earlier known as "IIFL Holdings Limited)	9	3	65.94	68.50
India Infoline Finance Limited (now merged with IIFL Finance Limited)	5	5	20.01	1.00

1. Our Company (IIFL Finance Limited "earlier known as "IIFL Holdings Limited") has earned exempt income i.e. dividend during the period AY 2010-11 to AY 2020-21, being 8 different assessment years. The assessing officer has disallowed expenses in proportionate to the exempt income earned as per Section 14A of Income Tax Act by applying Rule 8D of Income Tax Rules. The total tax impact of such disallowance amounts to ₹ 48.93 crore. Our Company has filed the appeal against such disallowances made under Section 14A of the Income Tax Act and the matters are pending for disposal before various Income Tax Appellate Authorities. In AY 2021-22, the assessing officer has disallowed ESOP expense and deduction claimed u/s 80M, the tax impact of such disallowance is ₹ 17.00 crore. IIFL has filed an appeal against these disallowances.
2. In the similar line, India Infoline Finance Limited now (now merged with IIFL Finance Limited), has earned exempt income i.e. dividend during the period AY 2012-13 to AY 2018-19, being 6 different assessment years. The assessing officer has disallowed expenses in proportionate to the exempt income earned as per Section 14A of Income Tax Act by applying Rule 8D of Income Tax Rules. The total tax impact of such disallowance amounts to 20.01 crore Our Company has filed the appeal against such disallowances made under Section 14A of the Income Tax Act and the matters are pending for disposal before various Income Tax Appellate Authorities.
3. The Show Cause Notice. No. 1358/COMMR/2014-15 dated September 19, 2014 has been issued to the Company demanding Service Tax amounting to ₹ 17.79 crore plus interest & penalty aggregating to ₹ 53.80 crore as on March 31, 2024 for the period July 1, 2012 to March 31, 2014 on the Brokerage Income earned from FII Clients considering the same as taxable income. However, the Company has treated such Brokerage Income as an exempt income while filling its service tax return. The Department has confirmed the said service tax demand on such FII Brokerage by issuing the Order No. 143-144/COMMR/(Dr. KNR)/CGST&CEX/MC/2018-19 dated January 10, 2019. The Company has litigated the said addition & has filed an appeal against the order of the Service Tax authorities before the CESTAT Mumbai. The matter is pending for disposal before CESTAT Mumbai.
4. The Show cause notice. F No. 06/COMMR/ST-III/2015-16 dated April 7, 2016 has been issued to the Company demanding Service Tax on the Exchange Transaction charges earned by the Company during period April 1, 2007 to May 13, 2008 amounting to ₹ 2.86 crore plus interest & penalty aggregating to 14.44 crore as at March 31, 2024 considering it as a taxable transaction and not as a pure agent service. The department has confirmed the said demand of Exchange Transaction Charges by issuing an order. The Company has litigated the said addition and filed an appeal against the Order of the Service Tax authorities before the CESTAT Mumbai. The matter is pending for disposal before CESTAT Mumbai.

5. The Show Cause Notice. C. No. V(H)Adj-I/ST/140/2012/2077 dated September 19, 2015 has been issued to the company by Sriganganagar, Rajasthan Jurisdiction demanding Service Tax on the Exchange Transaction charges earned by the Company during the period April 2007 to March 2012 April 1, 2007 to May 13, 2008 amounting to ₹ 0.05 crore plus interest & penalty aggregating to ₹ 0.26 crore as at March 31, 2024 considering it as a taxable transaction. The department has confirmed the said demand of Exchange Transaction Charges by issuing an Order. The Company has litigated the said addition and filed an appeal against the Order of the Service Tax authorities before the Commissioner Appeal, Rajasthan. The matter is pending for disposal.
6. The company has received order from Andhra Pradesh GST Authorities raising a demand of ₹ 0.44 crore plus interest for the gap in the turnover reported in GSTR-1 vs GSTR-3B during the period July 1, 2017 to March 31, 2019 in the case of India Infoline Finance Limited (now merged with IIFL Finance Limited). The company has litigated such demand and filed an appeal against the order of the GST authorities before the GST Commissioner Appeals. The matter is pending for disposal.
7. The company has received order from Maharashtra GST Authorities raising a demand of ₹ 0.07 cr plus interest & penalty aggregating to 0.15 cr for the input tax credit related issues during the period July 1, 2017 to March 31, 2018 in the case of India Infoline Finance Limited (now merged with IIFL Finance Limited). The Company has litigated such demand and filed an appeal against the order of the GST authorities before the GST Commissioner Appeals. The matter is pending for disposal.
8. The company has received order from Karnataka GST Authorities raising a demand of ₹ 0.27 cr plus interest & penalty aggregating to 0.30 cr for the gap in GSTR-1 vs GSTR-3B for the period September 2019 in the case of India Infoline Finance Limited (now merged with IIFL Finance Limited). The Company has litigated such demand and filed an appeal against the order of the GST authorities before the GST Commissioner Appeals. The matter is pending for disposal.
9. The company has received order from Telangana GST Authorities raising a demand of ₹ 0.02 cr plus interest & penalty aggregating to 0.03 cr for the gap in GSTR-1 vs GSTR-3B for the period July 1, 2017 to March 31, 2018 in the case of India Infoline Finance Limited (now merged with IIFL Finance Limited). The Company has litigated such demand and filed an appeal against the order of the GST authorities before the GST Commissioner Appeals. The matter is pending for disposal.
10. The company has received order from Uttar Pradesh GST Authorities raising a demand of ₹ 0.08 cr plus interest & penalty aggregating to 0.09 cr for the gap in GSTR-1 vs GSTR-3B for the period July 1, 2017 to March 31, 2018 in the case of India Infoline Finance Limited (now merged with IIFL Finance Limited). The Company has litigated such demand and filed an appeal against the order of the GST authorities before the GST Commissioner Appeals. The matter is pending for disposal.

VII. Details of acts of material frauds committed against our Company in the last three financial years and current financial year, if any, and if so, the action taken by our Company

In accordance with the Master Directions – Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016 dated September 29, 2016, the Audit Committee of our Company monitors and reviews all frauds involving an amount of ₹1 crore or more. There have been no acts of material frauds, i.e., frauds involving an amount of ₹1 crore or more, committed against our Company in the last three financial years and current financial year.

There have been instances of fraud (more than ₹1 lakh), which are inherent in the nature of the business of our Company. However, there is no material fraud committed against our Company from financial year beginning from April 01, 2021 till May 21, 2024.

The list of material frauds against the Company in the last three fiscals and current financial year:

For the current year as on May 21, 2024	For the year ended March 31, 2024	For the year ended March 31, 20223	For the year ended March 31, 2022
182 instances aggregating to ₹ 0.51 crores were reported	1239 instances aggregating to ₹ 3.65 crores were reported	365 instances aggregating to ₹ 1.56 crores were reported	156 instances aggregating to ₹ 0.62 crores were reported

The total amount involved in all acts of fraud committed against our Company is set forth below:

S. No.	Year	Gross Amount (₹ in crore)	Committed by	Modus Operandi	Recovery (₹ in crore)	Provisions (₹ in crore)	Action Taken by the Company
1.	From April 1, 2024 to as of May 21, 2024	0.51	Internal staffs	Misused of Collection by Collected EMI	0.30	0.13	We have initiated strict action by the DAC committee (Termination, Forced Resign & etc.)
2.	Financial Year 2023-2024	3.65	Internal Staffs	in Advance or arrear collection	2.18	1.47	We have initiated strict action by the DAC committee (Termination, Forced Resign & etc.)
3.	Financial Year 2022-2023	1.56	Internal Staffs	CRO processed the loans for his relatives he has confessed that his mistakes & agreed closed the accounts. HR inquiry conducted. CRO confessed & agreed close balance amount. the same was recovered and staff has been terminated. The balance amount members are paying as EMI confirmation received from FCU team The confirmation mail received from case has been discussed and The Loss amount is from Customers side, we cannot recover the loss amount from Employee. Write off has been made	1.00	0.56	Terminated / Suspension ask to resign Warning letter on immediate basis to concern accused as well as updated on Equifax
4.	Financial Year 2021-2022	0.64	Internal Staffs	The suspects have committed offenses of Cash misappropriation breach of trust cheating forgery	0.33	0.31	Terminate d/ Suspension ask to resign Warning

S. No.	Year	Gross Amount (₹ in crore)	Committed by	Modus Operandi	Recovery (₹ in crore)	Provisions (₹ in crore)	Action Taken by the Company
				forgery for the purpose of cheating and using the forged documents as genuine committed by the below mentioned persons some of whom have committed while discharging their duties. It was identified during special audit that the branch employees i.e. glove and colluded with few of the clients and manipulated the documents]			letter on immediate basis to concern accused well as updated on Equifax
5.	Financial Year 2020-2021	0.42	Internal staffs	The suspects have committed offences of Cash misappropriation breach of trust cheating forgery forgery for the purpose of cheating and using the forged documents as genuine committed by the below mentioned persons some of whom have committed while discharging their duties.	0.03	0.39	Terminated / Suspension ask to resign Warning letter on immediate basis to concern accused as well as updated on Equifax

VIII. Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of statutory dues, delay in payments of interest and principal of any kind of term loans, debt securities, commercial paper (including technical delay) and other financial indebtedness including corporate guarantee or letters of comfort issued by the company; deposits and interests thereon; and loan from any bank or financial institutions and interest thereon, in the last three financial years and current financial year

Our Company confirms that there has been no default in repayment of statutory dues; delay in payments of interest and principal of any kind of term loans, debt securities, commercial paper (including technical delay) and other financial indebtedness including corporate guarantee or letters of comfort issued by the company repayment of statutory dues; debentures and interests thereon; deposits and interests thereon; and loan from any bank or financial institutions and interest thereon, in the last three financial years and current financial year.

IX. Summary of reservations or qualifications or adverse remarks of auditors in the last three financial years immediately preceding the year of issue of this Shelf Prospectus and of their impact on the financial statements and financial position of the company and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remarks.

Our Company confirms that there was no modification i.e., unmodified opinion given by Statutory Auditors on in their audit report for Fiscal 2022, 2023 and 2024 except that the auditors for the relevant years have included certain emphasis of matters ('EOM') in their respective reports on the audited financial statements issued for the

2022 and 2023. However, the said EOM did not lead to any modification/qualification. For details, please see “*Risk Factor - Our statutory auditors have highlighted certain emphasis of matters to their audit reports relating to our audited financial statements, which may affect our future financial results*”.

X. Any litigation or legal action pending or taken by a Government Department or a statutory body or regulatory body during the three years immediately preceding the year of the issue of the issue document against the promoter of the company.

Apart from the litigations disclosed under ‘*Actions Taken by Regulatory and Statutory Authorities against our Company*’, there are no other legal action pending or taken by a government department or a statutory body or regulatory body during the three years immediately preceding the year of the issue against our Company.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Issuer's Absolute Responsibility

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

Authority for the Issue

At the meeting of the Board of Directors of our Company held on August 19, 2023, the Directors approved the issue of NCDs to the public up to an amount not exceeding ₹ 2,000 crore in multiple tranches. The Issuance and Allotment Committee approved the Tranche II Issue vide its resolution dated May 14, 2024.

Further, the present Tranche II Issue is within the Shelf Limit of ₹ 2,000 crore and borrowing limits of ₹ 20,000 crore approved pursuant to the shareholders resolution dated January 24, 2024 under section 180(1)(c) of Companies Act, 2013.

Prohibition by SEBI/ Eligibility of our Company for the Issue

Our Company, and/or the Promoters and/or our Promoter Group and/or the Directors have not been restrained or prohibited or debarred by SEBI from accessing the securities market or dealing in securities and no such order or direction is in force. None of our Directors and/or our Promoters, is a Director or promoters of another company which has been restrained, prohibited or debarred by SEBI from accessing the securities market or dealing in securities.

Neither the issuer nor any of its promoters or directors has been categorised as a wilful defaulter by any bank or financial institution or consortium thereof.

None of the promoters or whole-time directors of the issuer is a promoters or whole-time director of another company which is a wilful defaulter.

None of our Directors and/or our Promoters has been declared as fugitive economic offenders.

The Company confirms that there are no fines or penalties levied by SEBI or the Stock Exchanges pending to be paid by the Company as on the date of the Shelf Prospectus and this Tranche II Prospectus.

Our Company is not in default of payment of interest or repayment of principal amount in respect of non-convertible securities, for a period of more than six-months as on date of this Tranche II Prospectus.

No regulatory action is pending against the issuer or its promoters or directors before SEBI or the RBI.

Willful Defaulter

Our Company, and/or our Directors and/or our Promoters have not been categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by RBI, ECGC or any government/regulatory authority. The issuer has not defaulted in payment of interest or repayment of principal amount in respect of debt securities issued to the public, for a period of more than six months. None of our Directors and/or our Promoters, is a whole-time director or promoters of another company which has been categorised as a wilful defaulter.

Other confirmations

None of our Company or our Directors or our Promoters, or person(s) in control of our Company was a promoter, director or person in control of any company which was delisted within a period of ten years preceding the date of the Shelf Prospectus and this Tranche II Prospectus, in accordance with Chapter V of the SEBI Delisting Regulations.

Further, it is confirmed that:

- i. Our Company is in compliance with applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and any other guidelines so specified by SEBI;
- ii. Our Company has a net worth of at least rupees five hundred crore, as per the audited balance sheet of the preceding financial years i.e., Fiscal 2024, Fiscal 2023 and Fiscal 2022;
- iii. Our Company has a consistent track record of operating profits for the last three financial years;
- iv. securities to be issued have been assigned a rating of **not less than “AA-”** category or equivalent by a credit rating agency registered with SEBI;
- v. No regulatory action is pending against the issuer or its promoters or directors before SEBI or RBI.
- vi. Our Company is not in default for:
 - a. the repayment of deposits or interest payable thereon; or
 - b. redemption of preference shares; or
 - c. redemption of debt securities and interest payable thereon; or
 - d. payment of dividend to any shareholder; or
 - e. repayment of any term loan or interest payable thereon,

in the last three financial years and the current financial year.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MANAGERS, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MERCHANT BANKERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, TRUST INVESTMENT ADVISORS PRIVATE LIMITED AND NUVAMA WEALTH MANAGEMENT LIMITED (FORMERLY KNOWN AS EDELWEISS SECURITIES LIMITED) HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED MAY 24, 2024 WHICH READS AS FOLLOWS:

- 1. WE CONFIRM THAT NEITHER THE ISSUER NOR ITS PROMOTERS OR DIRECTORS HAVE BEEN PROHIBITED FROM ACCESSING THE CAPITAL MARKET UNDER ANY ORDER OR DIRECTION PASSED BY SEBI. WE ALSO CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.**
- 2. WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE TRANCHE II ISSUE OR RELATING TO THE TRANCHE II ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE NCDS OFFERED THROUGH THE TRANCHE II ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE WILL BE GIVEN.**

3. WE CONFIRM THAT THE PROSPECTUS CONTAINS ALL DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021.
4. WE ALSO CONFIRM THAT ALL RELEVANT PROVISIONS OF THE COMPANIES ACT, SECURITIES CONTRACTS (REGULATION) ACT, 1956, SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 AND THE RULES, REGULATIONS, GUIDELINES, CIRCULARS ISSUED THEREUNDER ARE COMPLIED WITH.

WE CONFIRM THAT NO COMMENTS/COMPLAINTS WERE RECEIVED ON THE DRAFT SHELF PROSPECTUS DATED NOVEMBER 2, 2023 FILED WITH BSE LIMITED AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED. NATIONAL STOCK EXCHANGE OF INDIA LIMITED IS THE DESIGNATED STOCK EXCHANGE FOR THE ISSUE.

**IIFL Securities Limited is deemed to be an associate of the Issuer as per the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended (Merchant Bankers Regulations). Further, in compliance with the provisions of Regulation 21A and explanation to Regulation 21A of the Merchant Bankers Regulations, IIFL Securities Limited would be involved only in marketing of the Issue and as per Regulation 25 (3) of SEBI NCS Regulations shall not issue a due diligence certificate.*

DISCLAIMER CLAUSE OF BSE

BSE LIMITED ("THE EXCHANGE") HAS GIVEN, VIDE ITS APPROVAL LETTER DCS/BM/PI-BOND/017/23-24 DATED NOVEMBER 13, 2023 PERMISSION TO THIS COMPANY TO USE THE EXCHANGE'S NAME IN THIS OFFER DOCUMENT AS ONE OF THE STOCK EXCHANGES ON WHICH THIS COMPANY'S SECURITIES ARE PROPOSED TO BE LISTED. THE EXCHANGE HAS SCRUTINIZED THIS OFFER DOCUMENT FOR ITS LIMITED INTERNAL PURPOSE OF DECIDING ON THE MATTER OF GRANTING THE AFORESAID PERMISSION TO THIS COMPANY. THE EXCHANGE DOES NOT IN ANY MANNER:

- A. WARRANT, CERTIFY OR ENDORSE THE CORRECTNESS OR COMPLETENESS OF ANY OF THE CONTENTS OF THIS OFFER DOCUMENT; OR
- B. WARRANT THAT THIS COMPANY'S SECURITIES WILL BE LISTED OR WILL CONTINUE TO BE LISTED ON THE EXCHANGE; OR
- C. TAKE ANY RESPONSIBILITY FOR THE FINANCIAL OR OTHER SOUNDNESS OF THIS COMPANY, ITS PROMOTERS, ITS MANAGEMENT OR ANY SCHEME OR PROJECT OF THIS COMPANY;

AND IT SHOULD NOT FOR ANY REASON BE DEEMED OR CONSTRUED THAT THIS OFFER DOCUMENT HAS BEEN CLEARED OR APPROVED BY THE EXCHANGE. EVERY PERSON WHO DESIRES TO APPLY FOR, OR OTHERWISE ACQUIRES ANY SECURITIES OF THIS COMPANY MAY DO SO PURSUANT TO INDEPENDENT INQUIRY, INVESTIGATION AND ANALYSIS AND SHALL NOT HAVE ANY CLAIM AGAINST THE EXCHANGE WHATSOEVER BY ANY REASON OF ANY LOSS WHICH MAY BE SUFFERED BY SUCH PERSON CONSEQUENT TO OR IN CONNECTION WITH SUCH SUBSCRIPTION/ACQUISITION WHETHER BY REASON OF ANYTHING STATED OR OMITTED TO BE STATED HEREIN OR FOR ANY OTHER REASON WHATSOEVER.

DISCLAIMER CLAUSE OF NSE

AS REQUIRED, A COPY OF THIS OFFER DOCUMENT HAS BEEN SUBMITTED TO NATIONAL STOCK EXCHANGES OF INDIA LIMITED (HEREINAFTER REFERRED TO AS NSE). NSE HAS GIVEN VIDE ITS LETTER REF.: NSE/LIST/D/2023/0296 DATED NOVEMBER 9, 2023 PERMISSION TO THE ISSUER TO USE THE EXCHANGE'S NAME IN THIS OFFER DOCUMENT AS ONE OF THE STOCK EXCHANGES ON WHICH THE ISSUER'S SECURITIES ARE PROPOSED TO BE LISTED. THE EXCHANGE HAS SCRUTINIZED THIS OFFER DOCUMENT FOR ITS LIMITED INTERNAL PURPOSE OF DECIDING ON THE MATTER OF GRANTING THE AFORESAID PERMISSION TO THE ISSUER.

IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE AFORESAID PERMISSION GIVEN BY NSE SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE OFFER DOCUMENT HAS BEEN CLEARED OR APPROVED BY NSE; NOR DOES IT IN ANY MANNER WARRANT, CERTIFY OR ENDORSE THE CORRECTNESS OR COMPLETENESS OF ANY OF THE CONTENTS OF THIS OFFER DOCUMENT; NOR DOES IT WARRANT THAT THE ISSUER'S SECURITIES WILL BE LISTED OR WILL CONTINUE TO BE LISTED ON THE EXCHANGE; NOR DOES IT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL OR OTHER SOUNDNESS OF THE ISSUER, ITS PROMOTERS, ITS MANAGEMENT OR ANY SCHEME OR PROJECT OF THE ISSUER.

EVERY PERSON WHO DESIRES TO APPLY FOR OR OTHERWISE ACQUIRE ANY SECURITIES OF THE ISSUER MAY DO SO PURSUANT TO INDEPENDENT INQUIRY, INVESTIGATION AND ANALYSIS AND SHALL NOT HAVE ANY CLAIM AGAINST THE EXCHANGE WHATSOEVER BY REASON OF ANY LOSS WHICH MAY BE SUFFERED BY SUCH PERSON CONSEQUENT TO OR IN CONNECTION WITH SUCH SUBSCRIPTION /ACQUISITION WHETHER BY REASON OF ANYTHING STATED OR OMITTED TO BE STATED HEREIN OR ANY OTHER REASON WHATSOEVER.

DISCLAIMER CLAUSE OF RBI

THE COMPANY IS HAVING A VALID CERTIFICATE OF REGISTRATION DATED SEPTEMBER 20, 2021 ISSUED BY THE RESERVE BANK OF INDIA UNDER SECTION 45 IA OF THE RESERVE BANK OF INDIA ACT, 1934. A COPY OF THE SHELF PROSPECTUS AND THIS TRANCHE II PROSPECTUS HAS NOT BEEN FILED WITH OR SUBMITTED TO THE RESERVE BANK OF INDIA ("RBI"). IT IS DISTINCTLY UNDERSTOOD THAT THE SHELF PROSPECTUS AND TRANCHE II PROSPECTUS SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO BE APPROVED OR VETTED BY RBI. RBI DOES NOT ACCEPT ANY RESPONSIBILITY OR GUARANTEE ABOUT THE PRESENT POSITION AS TO THE FINANCIAL SOUNDNESS OF THE ISSUER OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS OR REPRESENTATIONS MADE OR OPINIONS EXPRESSED BY THE ISSUER AND FOR DISCHARGE OF LIABILITY BY THE ISSUER. RBI NEITHER ACCEPTS ANY RESPONSIBILITY NOR GUARANTEE FOR THE PAYMENT OF ANY AMOUNT DUE TO ANY INVESTOR IN RESPECT OF THE PROPOSED NCDS.

DISCLAIMER STATEMENT OF CREDIT RATING AGENCY (CRISIL RATINGS LIMITED)

CRISIL RATINGS LIMITED (CRISIL RATINGS) HAS TAKEN DUE CARE AND CAUTION IN PREPARING THE MATERIAL BASED ON THE INFORMATION PROVIDED BY ITS CLIENT AND / OR OBTAINED BY CRISIL RATINGS FROM SOURCES WHICH IT CONSIDERS RELIABLE (INFORMATION). A RATING BY CRISIL RATINGS REFLECTS ITS CURRENT OPINION ON THE LIKELIHOOD OF TIMELY PAYMENT OF THE OBLIGATIONS UNDER THE RATED INSTRUMENT AND DOES NOT CONSTITUTE AN AUDIT OF THE RATED ENTITY BY CRISIL RATINGS. CRISIL RATINGS DOES NOT GUARANTEE THE COMPLETENESS OR ACCURACY OF THE INFORMATION ON WHICH THE RATING IS BASED. A RATING BY CRISIL RATINGS IS NOT A RECOMMENDATION TO BUY, SELL, OR HOLD THE RATED INSTRUMENT; IT DOES NOT COMMENT ON THE MARKET PRICE OR SUITABILITY FOR A PARTICULAR INVESTOR. THE RATING IS NOT A RECOMMENDATION TO INVEST / DISINVEST IN ANY ENTITY COVERED IN THE MATERIAL AND NO PART OF THE MATERIAL SHOULD BE CONSTRUED AS AN EXPERT ADVICE OR INVESTMENT ADVICE OR ANY FORM OF INVESTMENT BANKING WITHIN THE MEANING OF ANY LAW OR REGULATION. CRISIL RATINGS ESPECIALLY STATES THAT IT HAS NO LIABILITY WHATSOEVER TO THE SUBSCRIBERS / USERS / TRANSMITTERS/ DISTRIBUTORS OF THE MATERIAL. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, NOTHING IN THE MATERIAL IS TO BE CONSTRUED AS CRISIL RATINGS PROVIDING OR INTENDING TO PROVIDE ANY SERVICES IN JURISDICTIONS WHERE CRISIL RATINGS DOES NOT HAVE THE NECESSARY PERMISSION AND/OR REGISTRATION TO CARRY OUT ITS BUSINESS ACTIVITIES IN THIS REGARD. IIFL SAMASTA FINANCE LIMITED WILL BE RESPONSIBLE FOR ENSURING COMPLIANCES AND CONSEQUENCES OF NON-COMPLIANCES FOR USE OF THE MATERIAL OR PART THEREOF OUTSIDE INDIA. CURRENT RATING STATUS AND CRISIL RATINGS RATING CRITERIA ARE AVAILABLE WITHOUT CHARGE TO THE PUBLIC ON THE WEBSITE, WWW.CRISIL.COM. FOR THE LATEST RATING INFORMATION ON ANY INSTRUMENT OF ANY COMPANY RATED BY CRISIL RATINGS, PLEASE CONTACT CUSTOMER SERVICE HELPDESK AT 1800-267-1301.

DISCLAIMER STATEMENT OF CREDIT RATING AGENCY (ACUITE RATINGS & RESEARCH LIMITED)

AN ACUITE RATING DOES NOT CONSTITUTE AN AUDIT OF THE RATED ENTITY AND SHOULD NOT BE TREATED AS A RECOMMENDATION OR OPINION THAT IS INTENDED TO SUBSTITUTE FOR A FINANCIAL ADVISER'S OR INVESTOR'S INDEPENDENT ASSESSMENT OF WHETHER TO BUY, SELL OR HOLD ANY SECURITY. ACUITE RATINGS ARE BASED ON THE DATA AND INFORMATION PROVIDED BY THE ISSUER AND OBTAINED FROM OTHER RELIABLE SOURCES. ALTHOUGH REASONABLE CARE HAS BEEN TAKEN TO ENSURE THAT THE DATA AND INFORMATION IS TRUE, ACUITE, IN PARTICULAR MAKES NO REPRESENTATION OR WARRANTY, EXPRESSED OR IMPLIED WITH RESPECT TO THE ADEQUACY, ACCURACY OR COMPLETENESS OF THE INFORMATION RELIED UPON. ACUITE IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS AND ESPECIALLY STATES THAT IT HAS NO FINANCIAL LIABILITY WHATSOEVER FOR ANY DIRECT, INDIRECT OR CONSEQUENTIAL LOSS OF ANY KIND ARISING FROM THE USE OF ITS RATINGS. ACUITE RATINGS ARE SUBJECT TO A PROCESS OF SURVEILLANCE WHICH MAY LEAD TO A REVISION IN RATINGS AS AND WHEN THE CIRCUMSTANCES SO WARRANT. PLEASE VISIT OUR WEBSITE (WWW.ACUIE.IN) FOR THE LATEST INFORMATION ON ANY INSTRUMENT RATED BY ACUITE, ACUITE'S RATING SCALE AND ITS DEFINITIONS.

DISCLAIMER STATEMENT OF INDUSTRY REPORT PROVIDER (CRISIL MARKET INTELLIGENCE & ANALYTICS)

CRISIL MARKET INTELLIGENCE & ANALYTICS (CRISIL MI&A), A DIVISION OF CRISIL LIMITED (CRISIL) HAS TAKEN DUE CARE AND CAUTION IN PREPARING THIS REPORT (REPORT) BASED ON THE INFORMATION OBTAINED BY CRISIL FROM SOURCES WHICH IT CONSIDERS RELIABLE (DATA). HOWEVER, CRISIL DOES NOT GUARANTEE THE ACCURACY, ADEQUACY OR COMPLETENESS OF THE DATA / REPORT AND IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS OR FOR THE RESULTS OBTAINED FROM THE USE OF DATA / REPORT. THIS REPORT IS NOT A RECOMMENDATION TO INVEST / DISINVEST IN ANY ENTITY COVERED IN THE REPORT AND NO PART OF THIS REPORT SHOULD BE CONSTRUED AS AN EXPERT ADVICE OR INVESTMENT ADVICE OR ANY FORM OF INVESTMENT BANKING WITHIN THE MEANING OF ANY LAW OR REGULATION. CRISIL ESPECIALLY STATES THAT IT HAS NO LIABILITY WHATSOEVER TO THE SUBSCRIBERS / USERS / TRANSMITTERS/ DISTRIBUTORS OF THIS REPORT. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, NOTHING IN THE REPORT IS TO BE CONSTRUED AS CRISIL PROVIDING OR INTENDING TO PROVIDE ANY SERVICES IN JURISDICTIONS WHERE CRISIL DOES NOT HAVE THE NECESSARY PERMISSION AND/OR REGISTRATION TO CARRY OUT ITS BUSINESS ACTIVITIES IN THIS REGARD. IIFL SAMASTA FINANCE LIMITED WILL BE RESPONSIBLE FOR ENSURING COMPLIANCES AND CONSEQUENCES OF NON-COMPLIANCES FOR USE OF THE REPORT OR PART THEREOF OUTSIDE INDIA. CRISIL MI&A OPERATES INDEPENDENTLY OF, AND DOES NOT HAVE ACCESS TO INFORMATION OBTAINED BY CRISIL RATINGS LIMITED, WHICH MAY, IN THEIR REGULAR OPERATIONS, OBTAIN INFORMATION OF A CONFIDENTIAL NATURE. THE VIEWS EXPRESSED IN THIS REPORT ARE THAT OF CRISIL MI&A AND NOT OF CRISIL RATINGS LIMITED. NO PART OF THIS REPORT MAY BE PUBLISHED/REPRODUCED IN ANY FORM WITHOUT CRISIL'S PRIOR WRITTEN APPROVAL.

DISCLAIMER STATEMENT FROM THE LEAD MANAGERS

THE LEAD MANAGERS ACCEPTS NO RESPONSIBILITY FOR STATEMENTS MADE OTHERWISE THAN IN THE SHELF PROSPECTUS OR TRANCHE II PROSPECTUS OR IN THE ADVERTISEMENT OR ANY OTHER MATERIAL ISSUED BY OR AT THE INSTANCE OF THE COMPANY AND THAT ANYONE PLACING RELIANCE ON ANY OTHER SOURCE OF INFORMATION WOULD BE DOING SO AT THEIR OWN RISK.

DISCLAIMER IN RESPECT OF JURISDICTION

THE ISSUE IS BEING MADE IN INDIA, TO INVESTORS FROM CATEGORY I, CATEGORY II, CATEGORY III AND CATEGORY IV. THE SHELF PROSPECTUS AND TRANCHE II PROSPECTUS WILL NOT, HOWEVER CONSTITUTE AN OFFER TO SELL OR AN INVITATION TO SUBSCRIBE FOR THE NCDS OFFERED HEREBY IN ANY JURISDICTION OTHER THAN INDIA TO ANY PERSON TO WHOM

IT IS UNLAWFUL TO MAKE AN OFFER OR INVITATION IN SUCH JURISDICTION. ANY PERSON INTO WHOSE POSSESSION THE DRAFT SHELF PROSPECTUS, THE SHELF PROSPECTUS AND THE TRANCHE II PROSPECTUS COMES IS REQUIRED TO INFORM HIMSELF OR HERSELF ABOUT, AND TO OBSERVE, ANY SUCH RESTRICTIONS.

DISCLAIMER STATEMENT FROM THE ISSUER

THE ISSUER ACCEPTS NO RESPONSIBILITY FOR STATEMENTS MADE OTHER THAN IN THE SHELF PROSPECTUS AND THIS TRANCHE II PROSPECTUS ISSUED BY OUR COMPANY IN CONNECTION WITH THE TRANCHE II ISSUE OF THE NCDs AND ANYONE PLACING RELIANCE ON ANY OTHER SOURCE OF INFORMATION WOULD BE DOING SO AT HIS / HER / THEIR OWN RISK.

UNDERTAKING BY THE ISSUER

INVESTORS ARE ADVISED TO READ THE RISK FACTORS CAREFULLY BEFORE TAKING AN INVESTMENT DECISION IN THIS TRANCHE II ISSUE. FOR TAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE OFFER INCLUDING THE RISKS INVOLVED. THE NCDs HAVE NOT BEEN RECOMMENDED OR APPROVED BY ANY REGULATORY AUTHORITY IN INDIA, INCLUDING THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) NOR DOES SEBI GUARANTEE THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. SPECIFIC ATTENTION OF INVESTORS IS INVITED TO THE STATEMENT OF THE “RISK FACTORS” CHAPTER ON PAGE 18.

OUR COMPANY, HAVING MADE ALL REASONABLE INQUIRIES, ACCEPTS RESPONSIBILITY FOR, AND CONFIRMS THAT THE SHELF PROSPECTUS AND THIS TRANCHE II PROSPECTUS CONTAINS ALL INFORMATION WITH REGARD TO THE ISSUER AND THE ISSUE, THAT THE INFORMATION CONTAINED IN THE SHELF PROSPECTUS AND THIS TRANCHE II PROSPECTUS IS TRUE AND CORRECT IN ALL MATERIAL ASPECTS AND IS NOT MISLEADING IN ANY MATERIAL RESPECT, THAT THE OPINIONS AND INTENTIONS EXPRESSED HEREIN ARE HONESTLY HELD AND THAT THERE ARE NO OTHER FACTS, THE OMISSION OF WHICH MAKE THE SHELF PROSPECTUS AND THIS TRANCHE II PROSPECTUS AS A WHOLE OR ANY OF SUCH INFORMATION OR THE EXPRESSION OF ANY SUCH OPINIONS OR INTENTIONS MISLEADING IN ANY MATERIAL RESPECT.

THE COMPANY HAS NO SIDE LETTER WITH ANY DEBT SECURITIES HOLDER EXCEPT THE ONE(S) DISCLOSED IN THE SHELF PROSPECTUS AND THIS TRANCHE II PROSPECTUS. ANY COVENANTS LATER ADDED SHALL BE DISCLOSED ON THE STOCK EXCHANGES WEBSITES WHERE THE NCDs ARE PROPOSED TO BE LISTED.

THE COMPANY UNDERTAKES THAT CHARGE SHALL BE CREATED IN FAVOUR OF DEBENTURE TRUSTEE AS PER TERMS OF ISSUE BEFORE FILING OF LISTING APPLICATION.

OUR COMPANY DECLARES THAT NOTHING IN THE SHELF PROSPECTUS AND TRANCHE II PROSPECTUS IS CONTRARY TO THE PROVISIONS OF COMPANIES ACT, 2013 (18 OF 2013), THE SECURITIES CONTRACTS (REGULATION) ACT, 1956 AND THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 AND THE RULES AND REGULATIONS MADE THEREUNDER.

Track record of past public issues handled by the Lead Managers

The track record of past issues handled by the Lead Managers, as required by SEBI circular number CIR/MIRSD/1/2012 dated January 10, 2012, are available at the following websites:

Name of Lead Manager	Website
IIFL Securities Limited	www.iiflcap.com
Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited)	www.nuvama.com
Trust Investment Advisors Private Limited	www.trustgroup.in

Listing

The NCDs proposed to be offered through this Tranche II Issue are proposed to be listed on NSE and BSE. An application will be made to the Stock Exchanges for permission to deal in and for an official quotation of our NCDs. NSE has been

appointed as the Designated Stock Exchange.

If permissions to deal in and for an official quotation of our NCDs are not granted by the Stock Exchanges, our Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Draft Shelf Prospectus.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges mentioned above are taken within 6 Working Days from the date of closure of the Tranche II Issue.

For the avoidance of doubt, it is hereby clarified that in the event of under subscription, NCDs shall not be listed and in the event of zero subscription to any one or more of the series, such NCDs with series shall not be listed.

Our Company shall pay interest at 15% (fifteen) per annum if allotment is not made and refund orders/allotment letters are not dispatched and/or demat credits are not made to investors within five Working Days of the Tranche II Issue Closing Date of the Tranche II Issue or date of refusal of the Stock Exchange(s), whichever is earlier. In case listing permission is not granted by the Stock Exchange(s) to our Company and if such money is not repaid within the day our Company becomes liable to repay it on such account, our Company and every officer in default shall, on and from expiry of such date, be liable to repay the money with interest at the rate of 15% as prescribed under Rule 3 of Companies (Prospectus and Allotment of Securities) Rules, 2014 read with Section 26 of the 2013 Act, provided that the beneficiary particulars relating to such Applicants as given by the Applicants is valid at the time of the upload of the demat credit.

Consents

Consents in writing of: (a) Our Directors, (b) Company Secretary and Compliance Officer, (c) Chief Financial Officer, (d) Lead Managers, (e) the Registrar to the Issue, (f) Legal Advisor to the Issue; (g) CRISIL Ratings Limited; (h) Acuité Ratings & Research Limited; (i) the Debenture Trustee for the Issue; (j) Consortium Members; (k) Public Issue Account Bank, Refund Bank and Sponsor Bank; (l) CRISIL Market Intelligence & Analytics in relation to the CRISIL MI&A on NBFC Industry Report to act in their respective capacities, have been obtained from them and the same will be filed along with a copy of this Tranche II Prospectus with ROC as required under Section 26 and Section 31 of the Companies Act, 2013. Further, such consents have not been withdrawn up to the time of delivery of this Tranche II Prospectus with the Stock Exchanges.

Our Company has received the written consent dated May 24, 2024 from Brahmayya & Co our Statutory Auditor, to include their name as required under section 26 (1) of the Companies Act, 2013 read with SEBI NCS Regulations, in the Shelf Prospectus and this Tranche II Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditor, and in respect of (i) their report dated April 24, 2024 on the Audited Financial Statements for Fiscal 2024; (ii) report dated April 21, 2023 on the Audited Financial Statements for Fiscal 2023 (iii) report dated April 23, 2022 on the Audited Financial Statements for Fiscal 2022 and such consent has not been withdrawn as on the date of the Shelf Prospectus and this Tranche II Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act, 1993.

Our Company has received the written consent dated May 24, 2024 from Gowthama & Company, Chartered Accountants to include its report on statement of possible tax benefits dated May 24, 2024 in this Tranche II Prospectus.

Expert Opinion

Except for the following, our Company has not obtained any expert opinions in connection with the Shelf Prospectus and this Tranche II Prospectus:

Our Company has received the written consent dated May 24, 2024 from Brahmayya & Co our Statutory Auditor, to include their name as required under section 26 (1) of the Companies Act, 2013 read with SEBI NCS Regulations, in the Shelf Prospectus and this Tranche II Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditor, and in respect of (i) their report dated April 24, 2024 on the Audited Financial Statements for Fiscal 2024; (ii) report dated April 21, 2023 on the Audited Financial Statements for Fiscal 2023 (iii) report dated April 23, 2022 on the Audited Financial Statements for Fiscal 2022 and such consent has not been withdrawn as on the date of the Shelf Prospectus and this Tranche II Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act, 1993.

The above experts are not, and has not been, engaged or interested in the formation or promotion or management, of the Company and have given their written consent to the Company as stated in the paragraph above and has not withdrawn such consent before the filing of the Shelf Prospectus and this Tranche II Prospectus with the Stock Exchanges and SEBI.

Common form of Transfer

Our Company undertakes that there shall be a common form of transfer for the NCDs, and the provisions of the Companies Act, 2013 applicable as on the date of the Shelf Prospectus and Tranche II Prospectus and all applicable laws shall be duly complied with in respect of all transfer of debentures and registration thereof.

Minimum Subscription

In terms of the SEBI NCS Regulations, for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue Size i.e., ₹ 150 crores. If our Company does not receive the minimum subscription of 75% of Base Issue Size, prior to the Tranche II Issue Closing Date of the Tranche II Issue, the entire Application Amount shall be unblocked in the relevant ASBA Account(s) of the Applicants within 8 Working Days from the Tranche II Issue Closing Date or such time as may be specified by SEBI. In the event, there is a delay by our Company in unblocking the aforesaid ASBA Account within the prescribed time limit our Company will become liable to refund the Application Amount along with interest at the rate of 15 (fifteen) percent per annum for the delayed period.

Under Section 39(3) of the Companies Act, 2013 and Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar does not have the necessary information for making such refunds, our Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard included in the SEBI Master Circular.

Filing of the Draft Shelf Prospectus

A copy of the Draft Shelf Prospectus was filed with the Stock Exchanges in terms of Regulation 27 of the SEBI NCS Regulations for dissemination on their website(s) prior to opening of the Tranche II Issue. The Draft Shelf Prospectus has also been displayed on the websites of the Company and the Lead Managers. The Draft Shelf Prospectus has also been submitted with SEBI for record purpose.

Filing of the Shelf Prospectus and this Tranche II Prospectus with ROC

A copy of the Shelf Prospectus has been filed and this Tranche II Prospectus has been filed with ROC in accordance with Section 26 and Section 31 of the Companies Act, 2013.

Debenture Redemption Reserve (“DRR”)

In accordance with amendments to the Companies Act, 2013, and the Companies (Share Capital & Debentures) Rules 2014, read with the SEBI NCS Regulations, an NBFC registered with RBI under section 45 IA of the Reserve Bank of India Act, 1934, is not required to create a DRR for the purpose of redemption of debentures. Pursuant to the amendment to the Companies (Share Capital & Debentures) Rules 2014, notified on August 16, 2019, and as on the date of filing of the Shelf Prospectus and this Tranche II Prospectus, our Company is not required to create DRR for the purpose of redemption of the NCDs. Accordingly, no debenture redemption reserve shall be created by our Company for the purpose of redemption of the NCDs or in connection with the Tranche II Issue.

Our Company shall, as per the Companies (Share Capital & Debentures) Rules 2014 and other laws applicable from time to time, invest or deposit, as the case may be, the applicable amounts, within the specified timelines, in respect of debentures maturing during the year ending on the 31st day of March of the next year, in any one or more methods of investments or deposits stipulated under the applicable law. Provided that the amount remaining invested or deposited, as the case may be, shall not at any time fall below the specified percentage, which is presently stipulated at 15% (fifteen percent) of the amount of the debentures maturing during the year ending on March 31 of the next year, in any of the following instruments or such other instruments as may be permitted under the applicable laws.

1. in deposits with any scheduled bank, free from any charge or lien;

2. in unencumbered securities of the Central Government or any State Government;
3. in unencumbered securities mentioned in sub-clause (a) to (d) and (ee) of section 20 of the Indian Trusts Act, 1882;
4. in unencumbered bonds issued by any other company which is notified under sub-clause (f) of section 20 of the Indian Trusts Act, 1882:

Provided further that the amount invested or deposited as above shall not be used for any purpose other than for redemption of debentures maturing during the year referred above.

Recovery Expense Fund

Our Company has created a recovery expense fund in the manner as specified by SEBI in SEBI Debenture Trustee Master Circular as amended from time to time and Regulation 11 of SEBI NCS Regulations with the Designated Stock Exchanges and has informed the Debenture Trustee regarding the creation of such fund. The recovery expense fund may be utilised by Debenture Trustee, in the event of default by our Company under the terms of the Debenture Trust Deed, for taking appropriate legal action to enforce the security.

Kindly note, any default committed by the Company in terms of the NCDs proposed to be issued shall be reckoned at each respective International Securities Identification Number level assigned to the respective Option(s) of NCDs issued.

Settlement Guarantee Fund

Our Company will deposit amounts in the settlement guarantee fund, as applicable, in the manner as specified in the SEBI Master Circular. This fund has been created under the SEBI Master Circular to ensure upfront collection of charges from eligible issuers at the time of allotment of debt securities.

Reservation

No portion of the Tranche II Issue has been reserved.

Underwriting

This Tranche II Issue will not be underwritten.

Disclosures in accordance with the SEBI Debenture Trustee Master Circular

Appointment of Debenture Trustee

The Company has appointed Beacon Trusteeship Limited as Debenture Trustee in accordance with the terms of the Debenture Trustee Agreement.

Terms and Conditions of Debenture Trustee Agreement

Fees charged by Debenture Trustee

Separately, the Company and the Debenture Trustee have agreed the payment of an acceptance fee of ₹ 7.5 lakh and annuity fees ₹ 5 lakh excluding applicable taxes on an annual basis, plus applicable taxes in terms of the letter dated September 11, 2023.

Debenture Trustee Agreement provides for, inter alia, the following terms and conditions:

1. The Debenture Trustee, either through itself or its agents /advisors/consultants, shall carry out requisite diligence to verify the status of encumbrance and valuation of the assets and whether all permissions or consents (if any) as may be required to create the security as stipulated in the Issue Documents and the Applicable Laws, has been obtained. Prior to appointment of any agents /advisors/consultants, the Debenture Trustee shall obtain necessary confirmation from the said agents/ advisors/ consultants that they do not have any conflict-of-interest in conducting the diligence under the transaction.
2. The Issuer shall provide all assistance to the Debenture Trustee to enable verification from the Registrar of Companies, Sub-registrar of Assurances (as applicable), CERSAI, depositories, information utility or any other

authority, as may be required, where the assets and/or prior encumbrances in relation to the assets of the Company or any third-party security provider for securing the Debentures, are registered / disclosed.

3. The Debenture Trustee shall have the power to independently appoint intermediaries, valuers, chartered accountant firms, practicing company secretaries, consultants, lawyers and other entities in order to assist in the diligence by the Debenture Trustee as may be required under Applicable Laws. All costs, charges, fees and expenses that are associated with and incurred in relation to the diligence as well as preparation of the reports/certificates/documentation, including all out of pocket expenses towards legal or inspection costs, travelling and other costs, shall be solely borne by the Issuer.
4. The Debenture Trustee shall obtain the following certificates from an empaneled agency as a part of due diligence:
 - a. ROC Search Report
 - b. CERSAI Search Report
 - c. Security Cover Certificate
 - d. Valuation of Security and Security Cover Certificate
 - e. Any other document as may be required for concluding the due diligence
5. The Debenture Trustee, *ipso facto* does not have the obligations of a borrower or a principal debtor or a guarantor as to the monies paid/invested by investors for the NCDs.

Terms of carrying out due diligence

As per the SEBI Debenture Trustee Master Circular, as amended and/ or supplemented from time to time, the Debenture Trustee is required to exercise independent due diligence to ensure that the assets of the Issuer company are sufficient to discharge the interest and principal amount with respect to the debt securities of the Issuer at all times. Accordingly, the Debenture Trustee shall exercise due diligence as per the following process, for which our company has consented to.

- a. The Debenture Trustee, either through itself or its agents /advisors/consultants, shall carry out requisite diligence to verify the status of encumbrance and valuation of the assets and whether all permissions or consents (if any) as may be required to create the security as stipulated in the offer document and other applicable laws has been obtained. For the purpose of carrying out the due diligence as required in terms of the Relevant Laws, the Debenture Trustee, either through itself or its agents /advisors/consultants, shall have the power to examine the books of account of the Company and to have the Company's assets inspected by its officers and/or external auditors/ valuers/ consultants/ lawyers/ technical experts/ management consultants appointed by the Debenture Trustee.
- b. The Company shall provide all assistance to the Debenture Trustee to enable verification from the Registrar of Companies, Sub-registrar of Assurances (as applicable), CERSAI, depositories, information utility or any other authority, as may be relevant, where the assets and/or encumbrances in relation to the assets of the Company or any third-party security provider are registered / disclosed.
- c. Further, in the event that existing charge holders have provided conditional consent / permissions to the Company to create further charge on the assets, the Debenture Trustee shall also have the power to verify such conditions by reviewing the relevant transaction documents or any other documents executed between existing charge holders and the Company. The Debenture Trustee shall also have the power to intimate the existing charge holders about proposal of creation of further encumbrance and seeking their comments/ objections, if any, if Company is required to do so under the respective financing documents executed with the said existing charge holders.
- d. Without prejudice to the aforesaid, the Company shall ensure that it provides and procures all information, representations, confirmations and disclosures as may be required in the sole discretion of the Debenture Trustee to carry out the requisite diligence in connection with the issuance and allotment of the Debentures, in accordance with the relevant laws/ Applicable Law.
- e. The Debenture Trustee shall have the power to either independently appoint or direct the Company to (after consultation with the Debenture Trustee) appoint intermediaries, valuers, chartered accountant firms, practicing company secretaries, consultants, lawyers and other entities in order to assist in the diligence by the Debenture Trustee. All costs, charges, fees and expenses that are associated with and incurred in relation to the diligence as well as preparation of the reports/certificates/documentation, including all out of pocket expenses towards legal or inspection costs, travelling and other costs, shall be solely borne by the Company.

In addition to the above terms of carrying out the due diligence, the Debenture Trustee Agreement provides for, inter alia, the following terms and conditions:

- a. The Company undertakes to promptly furnish all and any information as may be required by the Debenture Trustee in terms of the Companies Act and the Debenture Trust Deed on a regular basis, including without limitation the following documents, as may be applicable
- b. The Debenture Trustee does not have the obligations of a borrower or a principal debtor or a guarantor as to the monies paid/invested by investors for the NCDs.

Process of Due Diligence to be carried out by the Debenture Trustee

Due Diligence will be carried out as per SEBI (Debenture Trustees) Regulations, 1993, SEBI NCS Regulations and circulars issued by SEBI from time to time.

While the NCDs are secured as per terms of the Offer Document and charge is held in favor of the Debenture Trustee, the extent of recovery would depend upon realization of asset value and the Debenture Trustee in no way guarantees / assures full recovery / partial of either principal or interest.

Other Confirmations

The Debenture Trustee confirms that they have undertaken the necessary due diligence in accordance with Applicable Law, including the SEBI (Debenture Trustees) Regulations, 1993, read with the SEBI Debenture Trustee Master Circular.

The Debenture Trustee undertakes that the NCDs shall be considered as secured only if the charged asset is registered with sub-registrar and Registrar of Companies or CERSAI or depository, etc., as applicable, or is independently verifiable by the Debenture Trustee.

BEACON TRUSTEESHIP LIMITED HAVE FURNISHED TO STOCK EXCHANGES A DUE DILIGENCE CERTIFICATE DATED MAY 24, 2024 AS PER THE FORMAT SPECIFIED IN THE SEBI DEBENTURE TRUSTEE MASTER CIRCULAR AND SCHEDULE IV OF THE SEBI NCS REGULATIONS WHICH READS AS FOLLOWS:

- 1. WE HAVE EXAMINED DOCUMENTS PERTAINING TO THE SAID ISSUE AND OTHER SUCH RELEVANT DOCUMENTS, REPORTS AND CERTIFICATIONS.**
- 2. ON THE BASIS OF SUCH EXAMINATION AND OF THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES AND ON INDEPENDENT VERIFICATION OF THE VARIOUS RELEVANT DOCUMENTS, REPORTS AND CERTIFICATIONS:**

WE CONFIRM THAT:

- a. THE ISSUER HAS MADE ADEQUATE PROVISIONS FOR AND/OR HAS TAKEN STEPS TO PROVIDE FOR ADEQUATE SECURITY FOR THE DEBT SECURITIES TO BE ISSUED AND LISTED.**
- b. THE ISSUER HAS OBTAINED THE PERMISSIONS / CONSENTS NECESSARY FOR CREATING SECURITY ON THE SAID PROPERTY(IES).**
- c. THE ISSUER HAS MADE ALL THE RELEVANT DISCLOSURES ABOUT THE SECURITY AND ALSO ITS CONTINUED OBLIGATIONS TOWARDS THE HOLDERS OF DEBT SECURITIES.**
- d. ISSUER HAS ADEQUATELY DISCLOSED ALL CONSENTS/ PERMISSIONS REQUIRED FOR CREATION OF FURTHER CHARGE ON ASSETS IN OFFER DOCUMENT AND ALL DISCLOSURES MADE IN THE OFFER DOCUMENT WITH RESPECT TO CREATION OF SECURITY ARE IN CONFIRMATION WITH THE CLAUSES OF DEBENTURE TRUSTEE AGREEMENT.**
- e. ISSUER HAS DISCLOSED ALL COVENANTS PROPOSED TO BE INCLUDED IN DEBENTURE TRUST DEED (INCLUDING ANY SIDE LETTER, ACCELERATED PAYMENT CLAUSE ETC.) AND, OFFER DOCUMENT AND GIVEN AN UNDERTAKING THAT DEBENTURE TRUST DEED WOULD BE EXECUTED BEFORE FILING OF LISTING APPLICATION.**

- f. **ISSUER HAS GIVEN AN UNDERTAKING THAT CHARGE SHALL BE CREATED IN FAVOUR OF DEBENTURE TRUSTEE AS PER TERMS OF ISSUE BEFORE FILING OF LISTING APPLICATION.**
- g. **ALL DISCLOSURES MADE IN THE DRAFT OFFER DOCUMENT WITH RESPECT TO THE DEBT SECURITIES ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE.**

WE HAVE SATISFIED OURSELVES ABOUT THE ABILITY OF THE ISSUER TO SERVICE THE DEBT SECURITIES.

Our Company undertakes that it shall submit the due diligence certificate from Debenture Trustee to the Stock Exchanges as per format specified in Annexure II - A of the SEBI Debenture Trustee Master Circular.

Debenture Trust Deed

Our Company and the Debenture Trustee will execute a Debenture Trust Deed, inter alia, specifying the powers, authorities and obligations of the Debenture Trustee and us, as per the extant SEBI regulations applicable for the proposed NCD Issue.

Issue Related Expenses

The expenses of the Tranche II Issue include, inter alia, lead management fees and selling commission to the Lead Managers, Consortium Member, fees payable to debenture trustees, the Registrar to the Issue, SCSBs' commission/ fees, fees payable to the sponsor bank, printing and distribution expenses, legal fees, advertisement expenses and listing fees. The Tranche II Issue expenses and listing fees will be paid by our Company.

For estimated breakdown of the total expenses for Tranche II Issue see "*Objects of the Tranche II Issue*" on page 69.

Utilisation of Issue Proceeds

Our Board of Directors certifies that:

- i. all monies received out of the Tranche II Issue of the NCDs to the public shall be transferred to a separate bank account maintained with a scheduled bank, other than the bank account referred to in section 40(3) of the Companies Act and the SEBI NCS Regulations, and our Company will comply with the conditions as stated therein, and these monies will be transferred to Company's bank account after receipt of listing and trading approvals;
- ii. details of all monies utilised out of the Tranche II Issue referred to in sub-item (i) shall be disclosed under an appropriate separate head in our balance sheet indicating the purpose for which such monies were utilised;
- iii. details of all unutilised monies out of the Tranche II Issue referred to in sub-item (i), if any, shall be disclosed under an appropriate separate head in our balance sheet indicating the form of financial assets in which such unutilised monies have been invested;
- iv. we shall utilize the Tranche II Issue proceeds only upon creation of security as stated in this Tranche II Prospectus in the section titled "*Terms of the Issue*" on page 260 and after (a) permissions or consents for creation of charge over the assets of the Company and for further raising of funds have been obtained from the creditors; (b) receipt of the minimum subscription of 75% of the Base Issue Size pertaining to this Tranche II Issue; (c) completion of Allotment and refund process in compliance with Section 40 of the Companies Act, 2013; (d) creation of security and confirmation of the same in terms of NCDs and (e) receipt of listing and trading approval from Stock Exchanges;
- v. the Tranche II Issue proceeds shall not be utilized towards full or part consideration for the purchase or any other acquisition, *inter alia* by way of a lease, of any of any immoveable property or in the purchase of any business or in the purchase of an interest in any business property;
- vi. the Tranche II Issue proceeds shall be utilized in compliance with various guidelines, regulations and clarifications issued by RBI, SEBI or any other statutory authority from time to time. Further the Tranche II Issue proceeds shall be utilised only for the purpose and objects stated in the Tranche II Prospectus; and

- vii. If Allotment is not made, application monies will be refunded/unblocked in the ASBA Accounts within 8 Working Days from the Tranche II Issue Closing Date or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Applicants in accordance with applicable laws.

Utilization details regarding previous issues

Our Company and Group Companies, as applicable, have issued non-convertible debentures by way of various private placements, for which, our Company and Subsidiaries have utilised the proceeds from such issuances in accordance with the use of proceeds set out in the respective offer documents and/or information memorandums under which such non-convertible debentures were issued

Public / Rights Issues of Equity Shares in the last three years from this Tranche II Prospectus

A. IIFL Samasta Finance Limited ('the Company')

i. Public issue of equity shares by the Company

The Company has not undertaken any public issue of equity shares in past three years.

ii. Previous public issues of non-convertible debentures by the Company

Except as disclosed below, the Company has not undertaken any public issue of non-convertible debentures in past three years.

Public Issue Tranche I

Particulars	ISIN – INE413U07244 , INE413U07228 , INE413U07236 , INE413U07277 , INE413U07269 INE413U07251
Date of opening	December 04, 2023
Date of closing	December 15, 2023
Total issue size	₹ 1000 crore
Date of allotment	December 21, 2023
Date of listing	December 26, 2023
Utilisation of proceeds	For the purpose of onward lending, financing / refinancing the existing indebtedness of our Company, and/or debt servicing (payment of interest and/or repayment / prepayment of interest and principal of existing borrowings of our Company) and for general corporate purposes.

iii. Previous private placement of non-convertible debentures by the Company

The Company has made private placement of non-convertible debentures in the financial years 2021-22, 2022-23 and 2023-24 and the funds have been utilized towards the object of the issue as stated in relevant information memorandum. Details of utilisation of issue proceeds are listed below:

For Fiscal 2024:

Particulars	ISIN – INE413U08093
Date of opening	May 17, 2023
Date of closing	May 17, 2023
Total issue size	Total issue size including green shoe option is ₹ 300 crore
Date of allotment	May 18, 2023
Date of listing	May 19, 2023
Utilisation of proceeds	Onward lending and general corporate purpose and to augment the long-term resources of the company to meet working capital requirement.

Particulars	ISIN – INE413U07210
Date of opening	May 25, 2023
Date of closing	May 25, 2023

Particulars	ISIN – INE413U07210
Total issue size	Total issue size including green shoe option is ₹ 200 crore
Date of allotment	May 26, 2023
Date of listing	May 29, 2023
Utilisation of proceeds	Onward lending and general corporate purpose and to augment the long-term resources of the company to meet working capital requirement.

Particulars	ISIN – INE413U08101
Date of opening	June 12, 2023
Date of closing	June 12, 2023
Total issue size	₹ 100 crore
Date of allotment	June 13, 2023
Date of listing	June 15, 2023
Utilisation of proceeds	Onward lending and general corporate purpose and to augment the long-term resources of the company to meet working capital requirement.

Particulars	ISIN – INE413U08119
Date of opening	February 28, 2024
Date of closing	February 28, 2024
Total issue size	Total issue size including green shoe option is 100 crores
Date of allotment	February 29, 2024
Date of refunds/ unblocking of funds	Not Applicable
Date of listing	March 04, 2024
Utilisation of proceeds	The Issue Proceeds equivalent to 100% of the funds raised by the Issue will be utilized towards the on-lending purpose

Particulars	ISIN – INE413U08127
Date of opening	March 6, 2024
Date of closing	March 6, 2024
Total issue size	Total issue size is 97 crores
Date of allotment	March 7, 2024
Date of refunds/ unblocking of funds	Not Applicable
Date of listing	March 11, 2024
Utilisation of proceeds	To disburse microloans for the express purpose of financing water and sanitation improvement.

For Fiscal 2023:

Particulars	ISIN – INE41307202
Date of opening	June 1, 2022
Date of closing	June 1, 2022
Total issue size	Total issue size including green shoe option is ₹ 200 crore
Date of allotment	June 1, 2022
Date of listing	June 3, 2022
Utilisation of proceeds	Onward lending and general corporate purpose

Particulars	ISIN – INE41307202 (Reissuance)
Date of opening	June 14, 2022
Date of closing	June 14, 2022
Total issue size	Total issue size including green shoe option is ₹ 175 crore
Date of allotment	June 14, 2022
Date of listing	June 16, 2022
Utilisation of proceeds	Onward lending and general corporate purpose

Particulars	ISIN – INE41308044
Date of opening	August 18, 2022
Date of closing	August 18, 2022
Total issue size	Total issue size including green shoe option is ₹ 200 crore
Date of allotment	August 19, 2022
Date of listing	August 24, 2022
Utilisation of proceeds	Onward lending and general corporate purpose

Particulars	ISIN – INE41308051 and – INE41308069
Date of opening	December 16, 2022
Date of closing	December 16, 2022
Total issue size	Total issue size including green shoe option is ₹ 100 crore
Date of allotment	December 19, 2022
Date of listing	December 20, 2022
Utilisation of proceeds	To augment the long-term resources of the company, & to meet working capital requirement.

Particulars	ISIN – INE41308077
Date of opening	February 1, 2023
Date of closing	February 1, 2023
Total issue size	Total issue size including green shoe option is ₹ 50 crore
Date of allotment	February 2, 2023
Date of listing	February 3, 2023
Utilisation of proceeds	Onward lending and general corporate purpose and to augment the long-term resources of the company to meet working capital requirement.

Particulars	ISIN – INE41308085
Date of opening	February 23, 2023
Date of closing	February 23, 2023
Total issue size	Total issue size including green shoe option is ₹ 40 crore
Date of allotment	February 24, 2023
Date of listing	February 27, 2023
Utilisation of proceeds	To augment the long-term resources of the company, & to meet working capital requirement.

For Fiscal 2022:

Particulars	ISIN – INE41307178
Date of opening	May 31, 2021
Date of closing	May 31, 2021
Total issue size	Total issue size including green shoe option is ₹ 95 crore
Date of allotment	May 31, 2021
Date of listing	June 4, 2021
Utilisation of proceeds	Onward lending and general corporate purpose including repayment/ refinancing of existing Debts.

Particulars	ISIN – INE41307194
Date of opening	October 26, 2021
Date of closing	October 26, 2021
Total issue size	Total issue size including green shoe option is ₹ 100 crore
Date of allotment	October 26, 2021
Date of listing	November 1, 2021
Utilisation of proceeds	Onward lending and general corporate purpose.

iv. Rights issue by the Company

The Company has undertaken following rights issue of equity shares for the current financial year and in past three financial years.

Date of allotment	No. of Equity Shares	Issue price (₹)	Consideration in cash/ Other than cash	Details of Utilisation
June 28, 2021	12,21,00,121	16.38	Cash	For general corporate purposes and working capital requirements
March 30, 2022	4,14,82,300	18.08	Cash	
March 31, 2022	1,38,27,433	18.08	Cash	
February 8, 2023	9,54,19,847	20.96	Cash	
November 15, 2023	7,47,94,315	26.74	Cash	

B. Group Companies-

IIFL Home Finance Limited

i. Public issue of equity shares by the Group Companies

Our Group Companies have not undertaken any public issue of equity shares in past three years.

ii. Previous public issues of non-convertible debentures by the Group Companies

Public issues of Non- Convertible Debentures:

Below are the details of non-convertible debentures (unsecured) issued by our Group Company, IIFL Home Finance Limited

Particulars	ISIN INE477L08147	ISIN INE477L08154	ISIN INE477L08162
Date of opening	July 6, 2021	July 6, 2021	July 6, 2021
Date of closing	July 28, 2021	July 28, 2021	July 28, 2021
Total issue size	₹ 10,000 crore		
Date of allotment	August 03, 2021	August 03, 2021	August 03, 2021
Date of listing	August 04, 2021	August 04, 2021	August 04, 2021
Utilisation of proceeds	The Net Proceeds utilized for increasing capital base, which was utilized towards Company's business and growth including towards onwads lending, payment of operating expenditure, purchase of assets and repayment of outstanding loans and interest thereon as part of our business activities.		

Below are the details of non-convertible debentures (secured)

Particulars	ISIN – INE477L 07AL3	ISIN – INE477L0 7AM1	ISIN – INE477L0 7AN9	ISIN – INE477L0 7AO7	ISIN – INE477L0 7AP4	ISIN – INE477L0 7AQ4	ISIN – INE477L 07AR0	ISIN – INE477L0 7AS8
Date of opening	December 8, 2021	December 8, 2021	December 8, 2021	December 8, 2021	December 8, 2021	December 8, 2021	December 8, 2021	December 8, 2021
Date of closing	December 28, 2021	December 28, 2021	December 28, 2021	December 28, 2021	December 28, 2021	December 28, 2021	December 28, 2021	December 28, 2021
Total issue size (₹ in crore)	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Date of allotment	January 3, 2022	January 3, 2022	January 3, 2022	January 3, 2022	January 3, 2022	January 3, 2022	January 3, 2022	January 3, 2022
Date of refunds/unblocking of funds	-	-	-	-	-	-	-	-
Date of listing	January 4, 2022	January 4, 2022	January 4, 2022	January 4, 2022	January 4, 2022	January 4, 2022	January 4, 2022	January 4, 2022
Utilization	For the purpose of onward lending, financing, refinancing the existing indebtedness of the Company							

Particulars	ISIN – INE477L07AL3	ISIN – INE477L07AM1	ISIN – INE477L07AN9	ISIN – INE477L07AO7	ISIN – INE477L07AP4	ISIN – INE477L07AQ4	ISIN – INE477L07AR0	ISIN – INE477L07AS8
of proceeds	(payment of the interest and/or repayment/prepayment of principal of borrowings) and General Corporate Purpose							

iii. Previous private placement of non-convertible debentures by the Group Companies

Our Group Companies have made private placement of non-convertible debentures in the Fiscal 2022, Fiscal 2023 and Fiscal 2024 and the funds have been utilized towards the object of the issue as stated in relevant information memorandum. Details of utilisation of issue proceeds are listed below:

Private placement of non-convertible debentures by IIFL Home Finance Limited for Fiscal 2022 (H1 Fiscal 2022)

Particulars	ISIN - INE477L07AJ7	ISIN - INE477L07AJ7	ISIN - INE477L07AJ7	ISIN - INE477L07AK5
Date of opening	June 15, 2021	September 9, 2021	September 23, 2021	September 27, 2021
Date of closing	June 15, 2021	September 9, 2021	September 23, 2021	September 27, 2021
Total issue size	Base Issue of ₹10 crore with a green shoe option of ₹ 20 crore. Total Issue Size of ₹ 30 crore	up to ₹20 crore with green shoe option of ₹ 100 crore	Base Issue of ₹15 crore with a green shoe option of ₹ 60 crore.	up to ₹ 100 crore with green shoe option of ₹ 200 crore
Date of allotment	June 16, 2021	September 13, 2021	September 24, 2021	September 28, 2021
Date of listing	June 21, 2021	September 13, 2021	September 28, 2021	October 01, 2021
Utilisation of proceeds	The Proceeds used for various financing activities including onward lending and for the business operations including the general corporate purposes and working capital requirements.			

Private placement of non-convertible debentures by IIFL Home Finance Limited for Fiscal 2022

Particulars	ISIN – INE477L07AI9	ISIN – INE477L07AI9	ISIN – INE477L07AJ7	ISIN – INE477L07AJ7
Date of opening	Thursday, April 15, 2021	Friday, April 23, 2021	Wednesday, May 12, 2021	Monday, May 31, 2021
Date of closing	Thursday, April 15, 2021	Friday, April 23, 2021	Wednesday, May 12, 2021	Monday, May 31, 2021
Total issue size	Base Issue of ₹ 21 crore with a green shoe option of ₹ 29 crore.	Base Issue of ₹ 10 crore with a green shoe option of ₹ 20 crore.	Base Issue of ₹21 crore with a green shoe option of ₹ 29 crore.	Base Issue of ₹ 21 crore with a green shoe option of ₹ 29 crore.
Date of allotment	Friday, April 16, 2021	Monday, April 26, 2021	Friday, May 14, 2021	Tuesday, June 01, 2021
Date of listing	Thursday, April 22, 2021	Thursday, April 29, 2021	Wednesday, May 19, 2021	Friday, June 04, 2021
Utilisation of proceeds	The Proceeds used for various financing activities including onward lending and for the business operations including the general corporate purposes and working capital requirements.			

Particulars	INE477L07AT6	INE477L07AU4
Date of opening	February 24, 2022	February 25, 2022
Date of closing	February 25, 2022	February 25, 2022
Total issue size	₹ 433.30 crore	₹ 74.70 crore
Date of allotment	February 25, 2022	February 28, 2022
Date of listing	NA	NA
Utilisation of	The Proceeds used for various financing	The Proceeds used for various financing

Particulars	INE477L07AT6	INE477L07AU4
proceeds	activities including onward lending and for the business operations including the general corporate purposes and working capital requirements.	activities including onward lending and for the business operations including the general corporate purposes and working capital requirements.

Private placement of non-convertible debentures by our Group Company, IIFL Home Finance Limited for Fiscal 2023

Particulars	ISIN – INE477L07AV2
Date of opening	Wednesday, March 29, 2023
Date of closing	Wednesday, March 29, 2023
Total issue size	Up to ₹ 280 crore (Rupees Two Hundred and Eighty crore only)
Date of allotment	Friday, March 31, 2023
Date of listing	Wednesday, April 05, 2023
Utilisation of proceeds	The proceeds used for various financing activities including onward lending and for the business operations including the general corporate purposes and working capital requirements.

Private placement of non-convertible debentures by our Group Company, IIFL Home Finance Limited for Fiscal 2024

Particulars	ISIN – INE477L07AW0	ISIN – INE477L07AX8
Date of opening	Monday, May 22, 2023	Thursday, August 17, 2023
Date of closing	Monday, May 22, 2023	Friday, August 18, 2023
Total issue size	Total issue size including green shoe option is ₹ 320 crore	₹ 820 Crore
Date of allotment	Tuesday, May 23, 2023	Friday, August 18, 2023
Date of listing	Thursday, May 25, 2023	-
Utilisation of proceeds	The proceeds used for various financing activities including onward lending and for the business operations including the general corporate purposes and working capital requirements.	- 50% of the proceeds from the issue of the Debentures is to be utilized towards extending Green Building Loans to Eligible Sub-Borrowers. - 50% of the proceeds from the issue of the Debentures is to be utilized toward extending affordable housing loans to Eligible Sub-Borrowers who are women from Economically Weaker Sections and Low-Income Group

Issuances of non-convertible debentures by our Group Company, 360 One Prime Limited and 360 One WAM Limited:

a) Public issues of Non- Convertible Debentures:

Below are the details of non-convertible debentures (unsecured) issued by our Group Company, 360 ONE Prime Limited Limited

Particulars	INE248U07EX6, INE248U07EV0, INE248U07EU2, INE248U07EQ0, INE248U07ET4, INE248U07EW8, INE248U07ES6, INE248U07ER8
Date of opening	January 11, 2024
Date of closing	January 15, 2024
Total issue size (₹ in crore)	1,000.00
Date of allotment	January 18, 2024
Date of listing	January 20, 2024
Utilisation of proceeds	For the purpose of onward lending, financing / refinancing the existing indebtedness of our Company, and/or debt servicing (payment of interest and/or repayment / prepayment of interest and principal of existing

Particulars	INE248U07EX6, INE248U07EV0, INE248U07EU2, INE248U07EQ0, INE248U07ET4, INE248U07EW8, INE248U07ES6, INE248U07ER8
	borrowings of our Company) and General Corporate Purpose

b) Private placement of non-convertible debentures by our Group Company, 360 One WAM Limited for Fiscal 2022

NCDs Series Private Placement	Date of Receipt	Proceeds received in A/c no.	Account maintained with Bank	Purpose mentioned in Offer Document	Amount of NCDs Utilization for the year ended March 31, 2022 (₹ in crores)	Unutilized balance of NCDs as at March 31, 2022
INE466L07027, Secured	December 27, 2021	57500000611640	HDFC Bank	General Corporate Purposes	120.00	Nil
INE466L07027, Secured	December 30, 2021	57500000611640	HDFC Bank	General Corporate Purposes and Business Activities	100.06	Nil
INE466L07027, Secured	January 7, 2022	57500000611640	HDFC Bank	General Corporate Purposes and Business Activities	29.86	Nil
Total					249.92	

c) Private placement of non-convertible debentures by our Group Company, 360 One Prime Limited For Fiscal 2025:

Particulars	INE248U07FC7
Date of opening	April 15, 2024
Date of closing	April 15, 2024
Total issue size (₹ in crores)	50
Date of allotment	April 15, 2024
Date of listing	April 18, 2024
Utilisation of proceeds	As mentioned under the object clause of the issue documents.

Particulars	INE248U07EZ1
Date of opening	Wednesday, May 13, 2024
Date of closing	Wednesday, May 13, 2024
Total issue size (₹ in Crores)	102.36
Date of allotment	Friday, May 14, 2024
Date of listing	Applied to exchange
Utilisation of proceeds	-

For Fiscal 2024:

Previous private placements of non-convertible debentures:

Particulars	INE248U07EY4
Date of opening	January 31, 2024
Date of closing	January 31, 2024
Total issue size (₹ in crores)	115
Date of allotment	January 31, 2024
Date of listing	February 02, 2024
Utilisation of proceeds	As mentioned under the object clause of the issue documents.

Particulars	INE248U07EZ1
Date of opening	February 14, 2024

Date of closing	February 14, 2024
Total issue size (₹ in crores)	50
Date of allotment	February 14, 2024
Date of listing	February 16, 2024
Utilisation of proceeds	As mentioned under the object clause of the issue documents.

Particulars	INE248U07FA1
Date of opening	February 28, 2024
Date of closing	February 28, 2024
Total issue size (₹ in crores)	400
Date of allotment	February 28, 2024
Date of listing	March 01, 2024
Utilisation of proceeds	As mentioned under the object clause of the issue documents.

Particulars	INE248U07FB9
Date of opening	March 07, 2024
Date of closing	March 07, 2024
Total issue size (₹ in crores)	100
Date of allotment	March 07, 2024
Date of listing	March 12, 2024
Utilisation of proceeds	As mentioned under the object clause of the issue documents.

Particulars	INE248U07FA1
Date of opening	March 14, 2024
Date of closing	March 14, 2024
Total issue size (₹ in crores)	100.38
Date of allotment	March 14, 2024
Date of listing	March 18, 2024
Utilisation of proceeds	As mentioned under the object clause of the issue documents.

Particulars	INE248U07EZ1
Date of opening	March 27, 2024
Date of closing	March 27, 2024
Total issue size (₹ in crores)	35.35
Date of allotment	March 27, 2024
Date of listing	March 28, 2024
Utilisation of proceeds	As mentioned under the object clause of the issue documents.

Particulars	INE248U07EP2
Date of opening	December 19, 2023
Date of closing	December 19, 2023
Total issue size (₹ in crores)	54.11
Date of allotment	December 19, 2023
Date of listing	Unlisted
Utilisation of proceeds	As mentioned under the object clause of the issue documents

Particulars	INE248U07EN7
Date of opening	August 25, 2023
Date of closing	August 25, 2023
Total issue size (₹ in crores)	8.00
Date of allotment	August 25, 2023
Date of listing	Unlisted
Utilisation of proceeds	As mentioned under the object clause of the issue documents

Particulars	INE248U07EM9
Date of opening	August 18, 2023
Date of closing	August 18, 2023
Total issue size (₹ in crores)	6.50
Date of allotment	August 18, 2023

Date of listing	Unlisted
Utilisation of proceeds	As mentioned under the object clause of the issue documents

Particulars	INE248U07EK3
Date of opening	August 10, 2023
Date of closing	August 10, 2023
Total issue size (₹ in crores)	16.00
Date of allotment	August 10, 2023
Date of listing	Unlisted
Utilisation of proceeds	As mentioned under the object clause of the issue documents

Particulars	INE248U07EL1
Date of opening	August 10, 2023
Date of closing	August 10, 2023
Total issue size (₹ in crores)	30.00
Date of allotment	August 10, 2023
Date of listing	Unlisted
Utilisation of proceeds	As mentioned under the object clause of the issue documents

Particulars	INE248U07EJ5
Date of opening	August 4, 2023
Date of closing	August 4, 2023
Total issue size (₹ in crores)	13.00
Date of allotment	August 4, 2023
Date of listing	Unlisted
Utilisation of proceeds	As mentioned under the object clause of the issue documents

Particulars	INE248U07EG1
Date of opening	August 3, 2023
Date of closing	August 3, 2023
Total issue size (₹ in crores)	10.03
Date of allotment	August 3, 2023
Date of listing	Unlisted
Utilisation of proceeds	As mentioned under the object clause of the issue documents

Particulars	INE248U07EI7
Date of opening	July 27, 2023
Date of closing	July 27, 2023
Total issue size (₹ in crores)	2.50
Date of allotment	July 27, 2023
Date of listing	Unlisted
Utilisation of proceeds	As mentioned under the object clause of the issue documents

Particulars	INE248U07EH9
Date of opening	July 25, 2023
Date of closing	July 25, 2023
Total issue size (₹ in crores)	27.00
Date of allotment	July 25, 2023
Date of listing	Unlisted
Utilisation of proceeds	As mentioned under the object clause of the issue documents

Particulars	INE248U07EG1
Date of opening	July 21, 2023
Date of closing	July 21, 2023
Total issue size (₹ in crores)	41.50
Date of allotment	July 21, 2023
Date of listing	Unlisted
Utilisation of proceeds	As mentioned under the object clause of the issue documents

Particulars	INE248U07EF3
Date of opening	July 13, 2023
Date of closing	July 13, 2023
Total issue size (₹ in crores)	2.00
Date of allotment	July 13, 2023
Date of listing	Unlisted
Utilisation of proceeds	As mentioned under the object clause of the issue documents

Particulars	INE248U07EE6
Date of opening	July 6, 2023
Date of closing	July 6, 2023
Total issue size (₹ in crores)	12.00
Date of allotment	July 6, 2023
Date of listing	Unlisted
Utilisation of proceeds	As mentioned under the object clause of the issue documents

Particulars	INE248U07EC0
Date of opening	May 31, 2023
Date of closing	May 31, 2023
Total issue size (₹ in crores)	4.00
Date of allotment	May 31, 2023
Date of listing	Unlisted
Utilisation of proceeds	As mentioned under the object clause of the issue documents

Particulars	INE248U07EC0
Date of opening	May 22, 2023
Date of closing	May 22, 2023
Total issue size (₹ in crores)	20.00
Date of allotment	May 22, 2023
Date of listing	Unlisted
Utilisation of proceeds	As mentioned under the object clause of the issue documents

Particulars	INE248U07EB2
Date of opening	May 11, 2023
Date of closing	May 11, 2023
Total issue size (₹ in crores)	16.50
Date of allotment	May 11, 2023
Date of listing	Unlisted
Utilisation of proceeds	As mentioned under the object clause of the issue documents

Particulars	INE248U07DZ3
Date of opening	April 27, 2023
Date of closing	April 27, 2023
Total issue size (₹ in crores)	5.50
Date of allotment	April 27, 2023
Date of listing	Unlisted
Utilisation of proceeds	As mentioned under the object clause of the issue documents

Particulars	INE248U07EA4
Date of opening	April 27, 2023
Date of closing	April 27, 2023
Total issue size (₹ in crores)	50.00
Date of allotment	April 27, 2023
Date of listing	Unlisted
Utilisation of proceeds	As mentioned under the object clause of the issue documents

Particulars	INE248U07DY6
Date of opening	April 18, 2023
Date of closing	April 18, 2023
Total issue size (₹ in crores)	25.00
Date of allotment	April 18, 2023
Date of listing	Unlisted
Utilisation of proceeds	As mentioned under the object clause of the issue documents

Particulars	INE248U07DX8
Date of opening	April 6, 2023
Date of closing	April 6, 2023
Total issue size (₹ in crores)	11.00
Date of allotment	April 6, 2023
Date of listing	Unlisted
Utilisation of proceeds	As mentioned under the object clause of the issue documents

Fiscal 2023

ISIN	Issue Date	Repayment Date	Face Value of each Unit (₹ in crores)	No. of Units Issued	Face Value of the Issue (₹ in crores)	Issue Price (₹ in crores)	Purpose of funds raised as stated in Offer document/ Information Memorandum and/or Debenture Trust Deed
INE248U07DF5	April 6, 2022	February 28, 2024	0.10	10	1.00	1.02	General corporate purposes and onward lending. The issuer proposes to augment its resources to meet its requirement of funds to carry on its business operation. The proceeds of the issue of debenture would be utilized for general corporate purpose and onward lending
INE248U07DF5	April 21, 2022	February 28, 2024	0.10	65	6.50	6.65	
INE248U07DF5	May 5, 2022	February 28, 2024	0.10	198	19.80	20.22	
INE248U07DF5	May 12, 2022	February 28, 2024	0.10	326	32.60	33.20	
INE248U07DF5	May 12, 2022	February 28, 2024	0.10	447	44.70	45.54	
INE248U07DF5	May 19, 2022	February 28, 2024	0.10	363	36.30	37.03	
INE248U07DF5	May 26, 2022	February 28, 2024	0.10	1,024	102.40	104.60	
INE248U07DF5	June 2, 2022	February 28, 2024	0.10	392	39.20	40.10	
INE248U07DF5	June 9, 2022	February 28, 2024	0.10	174	17.40	17.82	
INE248U07DF5	June 16, 2022	February 28, 2024	0.10	161	16.10	16.52	
INE248U07DF5	June 17, 2022	February 28, 2024	0.10	245	24.50	25.07	
INE248U07DF5	June 20, 2022	February 28, 2024	0.10	100	10.00	10.27	
INE248U07DF5	June 23, 2022	February 28, 2024	0.10	290	29.00	29.79	
INE248U07DF5	June 30, 2022	February 28, 2024	0.10	317	31.70	32.61	
INE248U07DF5	October 20, 2022	February 28, 2024	0.10	129	12.90	13.58	
INE248U07DF5	November 1, 2022	February 28, 2024	0.10	50	5.00	5.28	

ISIN	Issue Date	Repayment Date	Face Value of each Unit (₹ in crores)	No. of Units Issued	Face Value of the Issue (₹ in crores)	Issue Price (₹ in crores)	Purpose of funds raised as stated in Offer document/ Information Memorandum and/or Debenture Trust Deed
INE248U07DF5	November 10, 2022	February 28, 2024	0.10	74	7.40	7.82	
INE248U07DF5	November 24, 2022	February 28, 2024	0.10	30	3.00	3.18	
INE248U07DF5	December 8, 2022	February 28, 2024	0.10	62	6.20	6.59	
INE248U07DF5	December 8, 2022	February 28, 2024	0.10	660	66.00	70.11	
INE248U07DF5	December 8, 2022	February 28, 2024	0.10	30	3.00	3.18	
INE248U07DF5	December 8, 2022	February 28, 2024	0.10	74	7.40	7.89	
INE248U07DF5	January 12, 2023	February 28, 2024	0.10	253	25.30	27.05	
INE248U07DG3	June 22, 2022	January 1, 2025	0.10	196	19.60	20.02	
INE248U07DG3	October 6, 2022	January 1, 2025	0.10	123	12.30	12.85	
INE248U07DH1	April 6, 2022	August 8, 2023	0.10	90	9.00	9.03	
INE248U07DH1	April 12, 2022	August 8, 2023	0.10	147	14.70	14.77	
INE248U07DH1	April 12, 2022	August 8, 2023	0.10	449	44.90	45.06	
INE248U07DH1	April 21, 2022	August 8, 2023	0.10	155	15.50	15.60	
INE248U07DH1	April 28, 2022	August 8, 2023	0.10	399	39.90	40.16	
INE248U07DH1	May 5, 2022	August 8, 2023	0.10	645	64.50	650.79	
INE248U07DH1	May 11, 2022	August 8, 2023	0.10	248	24.80	25.02	
INE248U07DH1	May 12, 2022	August 8, 2023	0.10	200	20.00	20.21	
INE248U07DH1	May 26, 2022	August 8, 2023	0.10	350	35.00	35.35	
INE248U07DH1	June 2, 2022	August 8, 2023	0.10	247	24.70	24.95	
INE248U07DH1	June 9, 2022	August 8, 2023	0.10	1,105	110.50	111.91	
INE248U07DH1	June 16, 2022	August 8, 2023	0.10	45	4.50	4.56	
INE248U07D19	April 26, 2022	November 26, 2031	0.10	2,500	250.00	250.00	
INE248U07DJ7	June 7, 2022	September 12, 2024	0.10	695	69.50	69.50	
INE248U07DJ7	June 17, 2022	September 12, 2024	0.10	472	47.20	47.04	
INE248U07DJ7	June 29, 2022	September 12, 2024	0.10	422	42.20	42.25	
INE248U07DKS	June 15, 2022	November 15, 2023	0.10	2,990	299.00	299.00	
INE248U07DK	June 23, 2022	November 15,	0.10	70	7.00	7.01	

ISIN	Issue Date	Repayment Date	Face Value of each Unit (₹ in crores)	No. of Units Issued	Face Value of the Issue (₹ in crores)	Issue Price (₹ in crores)	Purpose of funds raised as stated in Offer document/ Information Memorandum and/or Debenture Trust Deed
S		2023					
INE248U07DKS	June 30, 2022	November 15, 2023	0.10	41	4.10	4.11	
INE248U07DL3	July 7, 2022	July 31, 2024	0.10	65	6.50	6.50	
INE248U07DL3	July 14, 2022	July 31, 2024	0.10	380	38.00	38.05	
INE248U07DL3	July 21, 2022	July 31, 2024	0.10	130	13.00	13.04	
INE248U07DL3	September 30, 2022	July 31, 2024	0.10	256	25.50	25.94	
INE248U07DL3	October 4, 2022	July 31, 2024	0.10	89	8.90	9.06	
INE248U07DL3	October 19, 2022	July 31, 2024	0.10	50	5.00	5.07	
INE248U07DL3	October 20, 2022	July 31, 2024	0.10	151	15.10	15.36	
INE248U07DL3	November 1, 2022	July 31, 2024	0.10	200	20.00	20.40	
INE248U07DL3	November 2, 2022	July 31, 2024	0.10	294	29.40	29.95	
INE248U07DL3	November 9, 2022	July 31, 2024	0.10	294	29.40	29.99	
INE248U07DL3	November 10, 2022	July 31, 2024	0.10	157	15.70	16.05	
INE248U07DL3	November 14, 2022	July 31, 2024	0.10	120	12.00	12.26	
INE248U07DL3	November 17, 2022	July 31, 2024	0.10	65	6.50	6.65	
INE248U07DL3	November 24, 2022	July 31, 2024	0.10	31	3.10	3.18	
INE248U07DL3	December 1, 2022	July 31, 2024	0.10	175	17.50	17.96	
INE248U07DL3	December 22, 2022	July 31, 2024	0.10	20	2.00	2.06	
INE248U07DL3	December 23, 2022	July 31, 2024	0.10	60	6.00	6.18	
INE248U07DL3	December 29, 2022	July 31, 2024	0.10	82	8.20	8.47	
INE248U07DL3	January 12, 2023	July 31, 2024	0.10	129	12.90	13.34	
INE248U07DL3	January 23, 2023	July 31, 2024	0.10	386	38.60	40.01	
INE248U07DM1	September 15, 2022	September 23, 2024	0.10	1,548	154.80	154.80	
INE248U07DM1	October 18, 2022	September 23, 2024	0.10	101	10.10	10.17	
INE248U07DN9	September 30, 2022	September 30, 2024	0.10	350	35.00	35.00	
INE248U07DO7	February 23, 2023	February 18, 2033	0.01	3,300	3.30	33.00	
INE248U07DP4	March 2, 2023	February 25, 2033	0.01	6,050	60.50	60.50	
INE248U07DQ2	February 28, 2023	February 23, 2033	0.01	1,830	18.30	18.30	
INE248U07DR0	March 14, 2023	May 7, 2025	0.01	25,429	254.29	254.29	
INE248U07DR0	March 21, 2023	May 7, 2025	0.01	49,917	499.17	499.87	
INE248U07DS8	March 9, 2023	March 4, 2033	0.01	1,550	15.50	15.50	

ISIN	Issue Date	Repayment Date	Face Value of each Unit (₹ in crores)	No. of Units Issued	Face Value of the Issue (₹ in crores)	Issue Price (₹ in crores)	Purpose of funds raised as stated in Offer document/ Information Memorandum and/or Debenture Trust Deed
INE248U07DU4	March 16, 2023	March 11, 2033	0.01	1,700	17.00	17.00	
INE248U07DV2	March 17, 2023	March 11, 2033	0.01	3,027	30.27	30.27	
INE248U07DW0	March 23, 2023	March 18, 2033	0.01	2,998	29.98	29.98	
INE248U07DW0	March 24, 2023	March 18, 2033	0.01	4,500	45.00	45.00	
Grand Total				122,497	3,222.61	3,251.85	

d) Private placement of non-convertible debentures by our Group Company, 360 One Prime Limited for Fiscal 2022

ISIN	Issue Date	Repayment date	Sum of No. of Securities	Sum of FV of Security	Sum of Issue Price	Sum of Face value of Issue Price	Purpose of funds raised as stated in Offer document/ Information Memorandum and/or Debenture Trust Deed
INE248U07DA6	April 6, 2021	May 15, 2024	986.00	1,00,000.00	9,88,72,136.00	9,86,00,000.00	General corporate purposes and onwards lending – The Issuer proposes to augment its resources to meet its requirement of funds to carry on its business operations. The proceeds of the issue of the Debenture would be utilized for general corporate purposes and onward lending.
INE248U07DA6	April 7, 2021	May 15, 2024	525.00	1,00,000.00	5,00,72,925.00	5,25,00,000.00	
INE248U07DA6	April 8, 2021	May 15, 2024	324.00	1,00,000.00	3,25,01,736.00	3,24,00,000.00	
INE248U07DA6	April 12, 2021	May 15, 2024	290.00	1,00,000.00	2,91,13,390.00	2,90,00,000.00	
INE248U07DA6	April 29, 2021	May 15, 2024	200.00	1,00,000.00	2,01,43,800.00	2,00,00,000.00	
INE248U07DA6	April 30, 2021	May 15, 2024	200.00	1,00,000.00	2,01,47,800.00	2,00,00,000.00	
INE248U07DA6	May 3, 2021	May 15, 2024	1,249.00	1,00,000.00	11,98,59,036.00	12,49,00,000.00	
INE248U07DA6	May 6, 2021	May 15, 2024	1,100.00	1,00,000.00	11,17,27,000.00	11,00,00,000.00	
INE248U07DA6	May 11, 2021	May 15, 2024	750.00	1,00,000.00	7,62,48,000.00	7,50,00,000.00	
INE248U07DA6	May 20, 2021	May 15, 2024	1,918.00	1,00,000.00	19,53,17,612.00	19,18,00,000.00	
INE248U07DA6	June 1, 2021	May 15, 2024	1,125.00	1,00,000.00	11,48,17,500.00	11,25,00,000.00	
INE248U07DA6	June 2, 2021	May 15, 2024	2,450.00	1,00,000.00	25,00,93,550.00	24,50,00,000.00	
INE248U07DA6	June 17, 2021	May 15, 2024	979.00	1,00,000.00	10,02,13,377.00	9,79,00,000.00	
INE248U07DA6	June 30, 2021	May 15, 2024	294.00	1,00,000.00	2,86,02,378.00	2,94,00,000.00	
INE248U07DA6	July 6, 2021	May 15, 2024	413.00	1,00,000.00	4,02,36,525.00	4,13,00,000.00	

ISIN	Issue Date	Repayment date	Sum of No. of Securities	Sum of FV of Security	Sum of Issue Price	Sum of Face value of Issue Price	Purpose of funds raised as stated in Offer document/ Information Memorandum and/or Debenture Trust Deed
INE248U07DB4	April 6, 2021	March 30, 2023	300.00	1,00,000.00	3,00,86,700.00	3,00,00,000.00	
INE248U07DB4	April 7, 2021	March 30, 2023	310.00	1,00,000.00	3,12,39,630.00	3,10,00,000.00	
INE248U07DB4	April 8, 2021	March 30, 2023	100.00	1,00,000.00	1,00,32,600.00	1,00,00,000.00	
INE248U07DB4	April 28, 2021	March 30, 2023	4,964.00	1,00,000.00	49,97,25,880.00	49,64,00,000.00	
INE248U07DB4	April 29, 2021	March 30, 2023	2,020.00	1,00,000.00	20,34,48,340.00	20,20,00,000.00	
INE248U07DB4	May 5, 2021	March 30, 2023	14,750.00	1,00,000.00	1,50,00,16,000.00	1,47,50,00,000.00	
INE248U07DB4	May 6, 2021	March 30, 2023	815.00	1,00,000.00	8,29,25,435.00	8,15,00,000.00	
INE248U07DB4	May 11, 2021	March 30, 2023	84100	1,00,000.00	8,56,44,917.00	8,41,00,000.00	
INE248U07DB4	May 12, 2021	March 30, 2023	647.00	1,00,000.00	6,56,09,682.00	6,47,00,000.00	
INE248U07DB4	May 20, 2021	March 30, 2023	1,918.00	1,00,000.00	19,56,26,410.00	19,18,00,000.00	
INE248U07DB4	June 17, 2021	March 30, 2023	450.00	1,00,000.00	4,61,20,050.00	4,50,00,000.00	
INE248U07DB4	July 23, 2021	March 30, 2023	4,886.00	1,00,000.00	49,99,20,862.00	48,86,00,000.00	
INE248U07DC2	April 6, 2021	April 10, 2024	100.00	1,00,000.00	1,00,50,200.00	1,00,00,000.00	
INE248U07DC2	April 8, 2021	April 10, 2024	2,750.00	1,00,000.00	27,64,82,250.00	27,50,00,000.00	
INE248U07DC2	April 12, 2021	April 10, 2024	150.00	1,00,000.00	1,50,92,100.00	1,50,00,000.00	
INE248U07DC2	April 29, 2021	April 10, 2024	5,443.00	1,00,000.00	54,93,67,433.00	54,43,00,000.00	
INE248U07DDO	April 9, 2021	July 11, 2022	12,125.00	1,00,000.00	1,21,25,00,000.00	1,21,25,00,000.00	
INE248U07DDO	April 29, 2021	July 11, 2022	310.00	1,00,000.00	3,11,07,260.00	3,10,00,000.00	
INE248U07DE8	April 27, 2021	September 27, 2022	1,500.00	1,00,000.00	15,00,00,000.00	15,00,00,000.00	
INE248U07DF5	November 26, 2021	February 28, 2024	500.00	10,00,000.00	50,00,00,000.00	50,00,00,000.00	
INE248U07DF5	December 2, 2021	February 28, 2024	600.00	10,00,000.00	60,06,67,800.00	60,00,00,000.00	
INE248U07DF5	December 9, 2021	February 28, 2024	150.00	10,00,000.00	15,03,61,950.00	15,00,00,000.00	
INE248U07DF5	December 10, 2021	February 28, 2024	300.00	10,00,000.00	30,07,79,400.00	30,00,00,000.00	
INE248U07DF5	January 11, 2021	February 28, 2024	170.00	10,00,000.00	17,14,55,710.00	17,00,00,000.00	

ISIN	Issue Date	Repayment date	Sum of No. of Securities	Sum of FV of Security	Sum of Issue Price	Sum of Face value of Issue Price	Purpose of funds raised as stated in Offer document/ Information Memorandum and/or Debenture Trust Deed
5	2022	2024				0	
INE248U07DF5	January 13, 2022	February 28, 2024	220.00	10,00,000.00	22,19,66,140.00	22,00,00,000.00	
INE248U07DF5	January 20, 2022	February 28, 2024	140.00	10,00,000.00	14,14.34,580.00	14,00,00,000.00	
INE248U07DF5	February 3, 2022	February 28, 2024	86.00	10,00,000.00	8,71,06,992.00	8,60,00,000.00	
INE248U07DF5	17-Feb-22	February 28, 2024	95.00	10,00,000.00	9,64,72,880.00	9,50,00,000.00	
INE248U07DF5	February 24, 2022	February 28, 2024	160.00	10,00,000.00	16,26.91,680.00	16,00,00,000.00	
INE248U07DF5	March 8, 2022	February 28, 2024	70.00	10,00,000.00	7,13.36,090.00	7,00,00,000.00	
INE248U07DF5	March 15, 2022	February 28, 2024	125.00	10,00,000.00	12,75,51,250.00	12,50,00,000.00	
INE248U07DF5	March 24, 2022	February 28, 2024	100.00	10,00,000.00	10.17,51,100.00	10,00,00,000.00	
INE248U07DF5	March 30, 2022	February 28, 2024	50.00	10,00,000.00	5,09,34, 100.00	5,00,00,000.00	
INE248U07DG3	December 2, 2021	January 1, 2025	310.00	10,00,000.00	31,00,00,000.00	31,00,00,000.00	
INE248U07DG3	December 9, 2021	January 1, 2025	80.00	10,00,000.00	8,01,07,440.00	8,00,00,000.00	
INE248U07DG3	December 10, 2021	January 1, 2025	150.00	10,00,000.00	15,02,30,250.00	15,00,00,000.00	
INE248U07DG3	January 11, 2022	January 1, 2025	410.00	10,00,000.00	41,31,57,000.00	41,00,00,000.00	
INE248U07DG3	January 13, 2022	January 1, 2025	30.00	10,00,000.00	3,02,42,580.00	3,00,00,000.00	
INE248U07DHI	February 8, 2022	August 8, 2023	30.00	110,00,000.00	3,00,00,000.00	3,00,00,000.00	
INE248U07DHI	February 17, 2022	August 8, 2023	60.00	10,00,000.00	6,00,93,240.00	6,00,00,000.00	
INE248U07DHI	February 24, 2022	August 8, 2023	175.00	10,00,000.00	17,54,83,700.00	17,50,00,000.00	

iv. Rights issue by the Group Companies

Our Group Companies have not undertaken any rights issue of equity shares in past three years.

Benefit/ interest accruing to Promoters/ Directors out of the Object of the Issue

Neither the Promoters nor the Directors of our Company are interested in the Objects of the Tranche II Issue.

Utilisation of proceeds of the Issue by our Group Companies

No proceeds of the Tranche II Issue will be paid to our Group Companies.

Delay in listing and allotment of securities

There has been no delay in the listing of any non-convertible securities issued by our Company. In the event of failure to list such securities within such days from the date of closure of issue as may be specified by the Board (scheduled listing date), all application moneys received or blocked in the public issue shall be refunded or unblocked forthwith within two working days from the scheduled listing date to the applicants through the permissible modes of making refunds and unblocking of funds. For delay in refund/unblocking of funds beyond the timeline as specified above, the issuer shall be liable to pay interest at the rate of fifteen percent per annum to the investors from the scheduled listing date till the date of actual payment.

Default in payment

In case of default (including delay) in payment of interest and/ or redemption of principal on the due dates for debt securities issued on private placement or public issue, additional interest of at least 2% p.a. over the coupon rate shall be payable by the issuer for the defaulting period.

Refusal of listing of any security of the issuer during preceding three financial years and current financial year by any of the stock exchanges in India or abroad.

There has been no refusal of listing of any security of our Company during the preceding three financial years and current financial year prior to the date of the Shelf Prospectus and Tranche II Prospectus by any of the Stock Exchanges in India or abroad.

Debentures or bonds and redeemable preference shares and other instruments issued by our Company and outstanding

As on March 31, 2024, our Company has outstanding non-convertible debentures. For further details see “*Financial Indebtedness*” on page 155 of the Tranche II Prospectus.

Our Company does not have any outstanding preference shares as of March 31, 2024.

Further, save and except as mentioned in the “*Financial Indebtedness*” on page 155 of the Tranche II Prospectus, our Company has not issued any other outstanding debentures or bonds.

Dividend

Our Company has declared the following dividend over the current year as on May 21, 2024 and last three financial years and current financial year.

(₹. in Crores)

Particulars	From April 1, 2024 till Cut-off Date	For the year ended		
		March 31, 2024	March 31, 2023	March 31, 2022
Equity Share Capital	668.44	668.44	593.64	498.22
Face Value Per Equity Share (Rs.) [A]	10.00	10.00	10.00	10.00
Interim Dividend on Equity Shares (Rs per Equity Share) [B]	-	0.25	-	-
Total interim dividend on Equity Shares	-	16.71	-	-
Final dividend on Equity Shares	-	-	-	4.98
Dividend Declared Rate (In %) [C=B/A]	-	2.50%	-	1.00%

Revaluation of assets

Our Company has not revalued its assets in the last three years.

Mechanism for redressal of investor grievances

Link intime India Private Limited has been appointed as the Registrar to the Issue to ensure that investor grievances are handled expeditiously and satisfactorily and to effectively deal with investor complaints.

The Registrar Agreement dated October 31, 2023 between the Registrar to the Issue and our Company will provide for retention of records with the Registrar to the Issue for a period of at least eight years from the last date of dispatch of the Allotment Advice, demat credit and refund through unblocking to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the Tranche II Issue may be addressed to the Registrar to the Issue and Compliance Officer, giving full details such as name, address of the Applicant, number of NCDs applied for, amount paid on application and the bank branch or details of Member of Syndicate or Trading Member of the Stock Exchanges where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to either (a) the relevant Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant, or (b) the concerned Member of the Syndicate and the relevant Designated Branch of the SCSB in the event of an Application submitted by an ASBA Applicant at any of the Syndicate ASBA Centers, giving full details such as name, address of Applicant, Application Form number, series applied for, number of NCDs applied for, amount blocked on Application.

All grievances related to the UPI process may be addressed to the Stock Exchanges, which shall be responsible for addressing investor grievances arising from applications submitted online through the App based/ web interface platform of stock exchanges or through their Trading Members. The Intermediaries shall be responsible for addressing any investor grievances arising from the applications uploaded by them in respect of quantity, price or any other data entry or other errors made by them.

The contact details of Registrar to the Issue are as follows:

Link Intime India Private Limited

Address: C-101, 1st Floor, 247 Park, LBS Marg, Vikhroli (West), Mumbai – 400 083, Maharashtra, India.

Tel: +91 810 811 4949

Fax: +91 22 4918 6195

Email: iiflsamasta.ncd2024@linkintime.co.in

Investor Grievance Email: iiflsamasta.ncd2024@linkintime.co.in

Website: www.linkintime.co.in

Contact Person: Shanti Gopalakrishnan

Compliance Officer: BN Ramakrishnan

SEBI Registration No.: INR000004058

CIN: U67190MH1999PTC118368

The Registrar shall endeavor to redress complaints of the investors within seven (7) days of receipt of the complaint and continue to do so during the period it is required to maintain records under the RTA Regulations and our Company shall extend necessary co-operation to the Registrar for its complying with the said regulations. However, the Registrar shall ensure that the time taken to redress investor complaints does not exceed seven (7) days from the date of receipt of complaint. The Registrar shall provide a status report of investor complaints and grievances on a quarterly basis to our Company. Similar status reports should also be provided to our Company as and when required by our Company.

The details of the person appointed to act as Company Secretary and Compliance Officer for the purposes of the Issue are set out below:

Manoranjan Biswal

Company Secretary & Compliance Officer

110/3, Lalbagh Main Road,

Krishnappa Layout,

Bengaluru – 560 027,

Karnataka, India.

Tel: +91 80 4291 3508

Fax: NA

E-mail: manoranjan@iiflsamasta.com

Investors may contact the Registrar to the Issue or the Compliance Officer in case of any pre-issue or post-issue related issues such as non-receipt of Allotment Advice, demat credit or unblocking etc.

Details of Auditors to the Issuer

Names of the Statutory Auditors	Address	Auditor since
Brahmayya and Co.	Khivraj Mansion, 10/2, Kasturba Road, Bengaluru – 560 001	July 24, 2021 (was appointed in AGM Dated July 24, 2021)

Change in auditors of our Company during the preceding three Financial Years and current Financial Year

Name of the Auditor*	Address	Date of Appointment	Date of cessation, if applicable	Date of Resignation, if applicable
M/s. V. Sankar Aiyar and Co	41, Circular Road, 1 st Floor, United India Colony, Chennai – 600 024	July 16, 2018	-	July 23, 2021

*Brahmayya & Co, Chartered Accountants, have been appointed as the Statutory Auditors of the Company with effect from July 24, 2021 to fill the casual vacancy caused due to resignation of M/s. V. Sankar Aiyar and Co., Chartered Accountants pursuant to RBI Circular no. DOS.CO.ARG/SEC.01/08.91.001/2021-22 dated April 27, 2021.

Details of overall lending by our Company

Lending Policy

For lending policy in relation to each of the products of our Company, please see “Our Business” at page 155 of this Tranche II Prospectus.

A. Loans given by the Company

The Company has not provided any loans/advances to associates, entities/persons relating to Board, senior management or Promoters out of the proceeds of private placements or public issues of debentures.

B. Type of loans

Classification of loans/advances given

The detailed breakup of the types of loans given by the Company as on March 31, 2024 is as follows:

(₹ in crore)

No.	Type of Loans	Amount
1.	Secured	1,117.80
2.	Unsecured	13,093.49
Total assets under management (AUM)*		14,211.28

*Information disclosed is at the borrower level and includes off balance sheet items

C. Denomination of loans outstanding by LTV as on March 31, 2024

No.	LTV (at the time of origination)	Percentage of Loan Book
1.	Upto 40%	2.53%
2.	40-50%	1.62%
3.	50 – 60%	1.82%
4.	60 – 70%	0.17%
5.	70 – 80%	0.02%
6.	80 – 90%	0.01%
7.	Above 90%	0.05%
Total		6.21%

D. Sectoral Exposure as on March 31, 2024

Sr. No	Segment wise break up of AUM	Percentage of AUM
1.	Retail	
A	Mortgages (home loans and loans against property)	7.87%
B	Gold loans	-
C	Vehicle Finance	0.00%
D	MFI	83.67%
E	MSME	3.41%
F	Capital market funding (loans against shares, margin funding)	-
G	Others	5.05%
2.	Wholesale	
A	Infrastructure	-
B	Real estate (including builder loans)	-
C	Promoter funding	-
D	Any other sector (as applicable)	-
E	Others	-
	Total	100.00%

E. Denomination of the loans outstanding by ticket size as on March 31, 2024

Sr. No.	Ticket size	Percentage of AUM
1.	upto 2 lakh	89.83%
2.	₹ 2-5 lakh	5.26%
3.	₹ 5-10 lakh	3.48%
4.	₹ 10-25 lakh	1.40%
5.	₹ 25-50 lakh	0.04%
6.	₹ 50 lakh- 1 crore	0.00%
7.	₹ 1 crore - 5 crore	0.00%
8.	₹ 5 crore - 25 crore	0.00%
9.	₹ 25 crore - 100 crore	0.00%
10.	More than ₹ 100 crore	0.00%
	Total*	100.00%

*Information disclosed is at the borrower level

F. Geographical classification of the borrowers as on March 31, 2024

Top 5 state wise borrowers

Sr. No.	Top 5 states	Percentage of AUM
1.	Bihar	22.32%
2.	Tamil Nadu	14.35%
3.	Karnataka	13.04%
4.	Uttar Pradesh	8.80%
5.	West Bengal	8.64%
	Total	67.14%

G. Details of loans overdue and classified as non-performing in accordance with the RBI's guidelines as on March 31, 2024

(₹ in crore)

Movement of gross NPA [#]	Amount
Opening gross NPA	169.35
- Additions during the year	177.90
- Reductions during the year	162.04
Closing balance of gross NPA	185.21
Movement of net NPA	
Opening net NPA	64.32

(₹ in crore)

Movement of gross NPA[#]	Amount
- Additions during the year	29.59
- Reductions during the year	61.54
Closing balance of net NPA	32.37
Movement of provisions for NPA	
Opening balance	105.04
- Provisions made during the year	148.30
- Write-off / write-back of excess provisions	100.50
Closing balance	152.84

[#] 90+Days's Past Due are recognised as NPA**H. Segment-wise gross NPA as on March 31, 2024**

Sr. No.	Segment wise break up of gross NPA[#]	Gross NPA (%)
1.	Retail	
a.	Mortgages (home loans and loans against property)	2.78%
b.	Gold Loans	-
c.	Vehicle Finance	-
d.	MFI	1.74%
e.	MSME	8.96%
f.	Capital market funding (loans against shares, margin funding)	-
g.	Others	10.62%
2.	Wholesale	
a.	Infrastructure	-
b.	Real Estate (including builder loans)	-
c.	Promoter funding	-
d.	Any other sector (as applicable)	-
e.	Others	-
Gross NPA		1.91%

[#] 90+Days's Past Due are recognised as NPA**I. Residual Maturity Profile of Assets and Liabilities as on March 31, 2024**

(₹ in crore)

	Up to 30/31 days	More than 1 month to 2 months	More than 2 months to 3 months	More than 3 months to 6 months	More than 6 months to 1 year	More than 1 year to 3 years	More than 3 years to 5 years	More than 5 years	Total
Deposit	-	-	-	-	-	-	-	-	-
Advances	536.44	463.53	446.91	1,400.39	2,721.61	4,097.45	26.05	16.32	9,708.70
Investments	199.94	-	-	-	-	170.55	-	0.05	370.54
Borrowings*	662.73	424.38	598.52	1,343.44	2,130.51	2,971.22	400.10	372.00	8,902.90
Foreign Currency Assets	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities**	-	-	-	-	-	-	-	-	-

*Total borrowings

**includes foreign currency denominated external commercial borrowing

J. (a) Details of aggregate advances to top 20 borrowers with respect to concentration of advances as on March 31, 2024

Particulars [^]	Amount
Total advances to twenty largest borrowers* (₹ in crore)	4.98
Percentage of Advances to twenty largest borrowers to Total Advances to the Company (in %)	0.05%

* Includes loans and advances, interest accrued and other adjustments as required by applicable accounting standard.

(b) Details of aggregate exposure to the top 20 borrowers with respect to concentration of exposure as on March 31, 2024

Particulars [^]	Amount
Total exposure to twenty largest borrowers* (₹ in crore)	4.98
Percentage of exposure to twenty largest borrowers to Total exposure to the Company (in %)	0.05%

* Includes loans and advances, interest accrued and other adjustments as required by applicable accounting standard.

K. Classification of loans/advances given to associates, entities/ person relating to board, senior management, promoters, key managerial personnel, others, etc., as on March 31, 2024

Sr. No.	Name of Borrower [^]	Amount of loans to such borrower (₹ in crore) (A)*	Percentage of A (A/ exposure)	Percentage of A (A/Loan Book\$)
1.		Nil		

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

Sr. No.	Particulars	Nature of Liability	Amount as on March 31, 2024 (₹ in crore)
1.	Income Tax	Penalty Proceedings	0.85

In addition, the Company is involved in other legal proceedings and claims, which have arisen in the ordinary course of business. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and result of operations.

Promoters Shareholding

Please see “*Capital Structure*” beginning on page 59 of the Tranche II Prospectus for details with respect to Promoters shareholding in our Company as on March 31, 2024.

Our Company, our Directors and the Lead Managers accepts no responsibility for statements made other than the Shelf Prospectus, Tranche II Prospectus or in the advertisements or any other material issued by or at our Company's instance in connection with the Tranche II Issue of the NCDs and anyone placing reliance on any other source of information including our Company's website, or any website of any affiliate of our Company would be doing so at their own risk. The Lead Managers accept no responsibility, save to the limited extent as provided in the Issue Agreement.

None among our Company or the Lead Managers or any Member of the Syndicate is liable for any failure in uploading the Application due to faults in any software/ hardware system or otherwise; the blocking of Application Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

Investors who make an Application in the Tranche II Issue will be required to confirm and will be deemed to have represented to our Company, the Lead Managers and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the NCDs and will not issue, sell, pledge, or transfer the NCDs to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the NCDs. Our Company, the Lead Managers and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the NCDs being offered in the Issue.

Pre-Issue Advertisement

Our Company will issue a statutory advertisement in compliance with Regulation 30(1) of the SEBI NCS Regulations on or before the Tranche II Issue Opening Date of the Tranche II Issue. The Advertisement will contain the information as prescribed under the SEBI NCS Regulations and Section 30 of the Companies Act. Material updates, if any, between the date of filing of this Tranche II Prospectus with ROC and the date of the release of the statutory advertisement will be included in the statutory advertisement.

Auditors' Remarks

Other than as disclosed in the chapter titled "*Risk Factors*", on page 18 and in the chapter titled "*Outstanding Litigations*", on page 193, respectively of this Tranche II Prospectus there are no reservations or qualifications or adverse remarks in the financial statements of our Company in the last three Fiscals, immediately preceding this Tranche II Prospectus.

Trading

The non-convertible debentures of our Company are currently listed on BSE and NSE wholesale debt market are infrequently traded with limited or no volumes. Consequently, there has been no material fluctuation in prices or volumes of such listed debt securities.

Caution

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who:

- a. makes or abets making of an application in a fictitious name to a company for acquiring or subscribing for, its securities; or*
- b. makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- c. otherwise induces directly or indirectly a company to allot, or register any transfer of securities to him, or any other person in a fictitious name shall be liable for action under section 447."*

The liability prescribed under Section 447 of the Companies Act 2013 for fraud involving an amount of at least ₹0.10 crore or 1.00% of the turnover of our Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

In case the fraud involves (i) an amount which is less than ₹0.10 crore or 1.00% of the turnover of our Company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹0.50 crore or with both.

Disclaimer in respect of Jurisdiction

Jurisdiction for the purpose of the Issue is with the competent courts of jurisdiction in Mumbai and Bengaluru, India.

SECTION VII – ISSUE RELATED INFORMATION

ISSUE STRUCTURE

The following are the key terms of the NCDs pursuant to the Tranche II Issue. This section should be read in conjunction with and is qualified in its entirety by more detailed information in “*Terms of the Issue*” beginning on page 260.

The NCDs being offered as part of the Issue are subject to the provisions of the SEBI NCS Regulations, the Listing Agreement, SEBI Listing Regulations, and the Companies Act, 2013, the RBI Act, the terms of the Shelf Prospectus, the Tranche II Prospectus, the Application Form, the terms and conditions of the Debenture Trustee Agreement and the Debenture Trust Deed, and other applicable statutory and/or regulatory requirements including those issued from time to time by SEBI, RBI, the Government of India, and other statutory/regulatory authorities relating to the offer, issue and listing of NCDs and any other documents that may be executed in connection with the NCDs.

The key common terms and conditions of the NCDs / term sheet are as follows:

Issuer	IIFL Samasta Finance Limited
Type of instrument	Secured, Rated, Listed, Redeemable, Non-Convertible Debentures
Nature of the Instrument	Secured, Rated, Listed, Redeemable, Non-Convertible Debentures
Mode of the Issue	Public Issue
Mode of Allotment	In dematerialised form
Mode of Trading	NCDs will be traded in dematerialised form
Lead Managers	Trust Investment Advisors Private Limited, IIFL Securities Limited* and Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited) *IIFL Securities Limited is deemed to be an associate of the Issuer as per the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended (Merchant Bankers Regulations). Further, in compliance with the provisions of Regulation 21A and explanation to Regulation 21A of the Merchant Bankers Regulations, IIFL Securities Limited would be involved only in marketing of the Issue and as per Regulation 25 (3) of SEBI NCS Regulations shall not issue a due diligence certificate.
Debenture Trustee	Beacon Trusteeship Limited
Depositories	NSDL and CDSL
Registrar to the Issue	Link Intime India Private Limited
Issue	Public issue of secured, rated, listed, redeemable, non-convertible debentures of face value of ₹ 1,000 each aggregating up to ₹ 2,000 crore, on the terms and in the manner set forth herein in the Shelf Prospectus and relevant Tranche Prospectus.
Minimum Subscription	Minimum subscription is 75% of the Base Issue Size of this Tranche II Issue
Seniority	Senior Secured
Tranche II Issue	₹ 1,000 crore
Base Issue Size	₹ 200 crore
Option to Retain Oversubscription (Amount)	₹ 800 crore
Eligible Investors	Please see “ <i>Issue Procedure – Who can apply?</i> ” on page 280.
Objects of the Tranche II Issue / Purpose for which there is requirement of funds	Please see “ <i>Object of the Tranche II Issue</i> ” on page 69.
Details of Utilization of the Proceeds	Please see “ <i>Objects of the Tranche II Issue</i> ” on page 69.
Coupon rate	Please see “ <i>Issue Structure</i> ” on page 250.
Coupon Payment Date	Please see “ <i>Issue Structure</i> ” on page 250.
Coupon Type	Please see “ <i>Issue Structure</i> ” on page 250.
Coupon reset process	Please see “ <i>Issue Structure</i> ” on page 250.
Interest Rate on each category of investor	Please see “ <i>Issue Structure</i> ” on page 250.
Step up/ Step Down Coupon rates	Not Applicable
Coupon payment frequency	Please see “ <i>Issue Structure</i> ” on page 250.
Day count basis	Actual / Actual
Interest on application money	NA

Default Coupon rate	Our Company shall pay interest, over and above the agreed coupon rate, in connection with any delay in allotment, refunds, listing, dematerialized credit, execution of Debenture Trust Deed, payment of interest, redemption of principal amount beyond the time limits prescribed under applicable statutory and/or regulatory requirements, at such rates as stipulated/ prescribed under applicable laws. Our Company shall pay at least two percent per annum to the debenture holder, over and above the agreed coupon rate, till the execution of the trust deed if our Company fails to execute the trust deed within such period as prescribed under applicable law.
Tenor	Please see “ <i>Issue Structure</i> ” on page 250.
Redemption Date	Please see “ <i>Issue Structure</i> ” on page 250.
Redemption Amount	Please see “ <i>Issue Structure</i> ” on page 250.
Redemption Premium/ Discount	Not Applicable
Face Value	₹ 1,000 per NCD
Issue Price	₹ 1,000 per NCD
Discount at which security is issued and the effective yield as a result of such discount	Not Applicable
Premium/Discount at which security is redeemed and effective yield as a result of such premium/discount	Not Applicable
Transaction Documents	Transaction Documents shall mean the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche II Prospectus for Tranche II Issue, Abridged Prospectus read with any notices, corrigenda, addenda thereto, the Debenture Trust Deed, the Deed of Hypothecation and other documents, if applicable, the letters issued by the Rating Agencies, the Debenture Trustee and/or the Registrar; and various other documents/ agreements/ undertakings, entered or to be entered by our Company with Lead Managers and/or other intermediaries for the purpose of the Issue including but not limited to the Issue Agreement, the Debenture Trustee Agreement, the Tripartite Agreements, the Public Issue Account and Sponsor Bank Agreement, the Registrar Agreement and the Consortium Agreement, and any other document that may be designated as a Transaction Document by the Debenture Trustee. For further details see, “ <i>Material Contracts and Document for Inspection</i> ” on page 314.
Put option date	Not Applicable
Put option price	Not Applicable
Call option date	Not Applicable
Call option price	Not Applicable
Put notification time	Not Applicable
Call notification time	Not Applicable
Minimum Application size and in multiples of NCD thereafter	₹ 10,000 (10 NCD) and in multiple of ₹ 1,000 (1 NCD) thereafter.
Market Lot / Trading Lot	1 (One) NCD
Pay-in date	Application Date. The entire Application Amount is payable on Application
Credit Ratings / Rating of the instrument	The NCDs proposed to be issued under this Issue have been rated CRISIL AA-/Watch Developing (Continues on ‘Rating Watch with Developing Implications’) for an amount of ₹ 2,000 crore by CRISIL Ratings Limited vide their rating letter dated May 8, 2024 and ‘ACUITE AA Rating Watch Negative Implications’ for an amount of ₹ 2,000 crore by Acuite Ratings & Research Limited vide their rating revalidation letter dated May 10, 2024. The rating by CRISIL Ratings Limited has been revised from CRISIL AA-/ Positive (Pronounced as CRISIL double A minus rating with Positive outlook) assigned vide their rating letter dated November 20, 2023 for an amount of ₹ 2,000 crore and the rating by Acuite Ratings & Research Limited has been revised from ‘Acuite AA Stable’ for an amount of ₹ 2,000 crore assigned by their rating letter dated October 6, 2023.
Stock Exchanges proposed for listing of the NCDs	BSE and NSE. NSE has been appointed as the Designated Stock Exchange.
Listing and timeline for listing	The NCDs are proposed to be listed on BSE and NSE. The NCDs shall be listed

	<p>within six Working Days from the date of Tranche II Issue Closing Date. NSE has been appointed as the Designated Stock Exchange.</p> <p>For more information see “<i>Other Regulatory and Statutory Disclosures</i>” on page 215.</p>
Modes of payment	Please see “ <i>Issue Structure – Terms of Payment</i> ” on page 256.
Tranche II Issue opening date	Monday, June 3, 2024
Tranche II Issue closing date**	Friday, June 14, 2024
Date of earliest closing	Not Applicable
Record date	<p>The record date for payment of interest in connection with the NCDs or repayment of principal in connection therewith shall be 15 (fifteen) days prior to the date on which interest is due and payable, and/or the date of redemption or such other date as may be determined by the Company under this Tranche II Prospectus.</p> <p>Provided that trading in the NCDs shall remain suspended between the aforementioned Record Date in connection with redemption of NCDs and the date of redemption or as prescribed by the Stock Exchanges, as the case may be.</p> <p>In case Record Date falls on a day when Stock Exchanges are having a trading holiday, the immediate subsequent trading day or a date notified by our Company to the Stock Exchanges will be deemed as the Record Date</p>
All covenants of the Issue (including side letters, accelerated payment clause, etc.)	<p>The Company shall comply with the representations and warranties, general covenants, negative covenants, reporting covenants and financial covenants as more specifically set out in the Debenture Trust Deed and as specified in the Tranche II Prospectus. Any covenants later added shall be disclosed on the websites of the Stock Exchanges, where the NCDs are proposed to be listed.</p> <p>Please see section titled “<i>Issue Structure - Key covenants of the Tranche II Issue</i>” on page 257.</p>
Settlement mode of instrument	Please refer to the chapter titled “ <i>Terms of Issue – Payment on Redemption</i> ” on page 274.
Disclosure of interest/ Dividend/ redemption dates	Please refer to the chapter titled “ <i>Terms of Issue</i> ” on page 250.
Tranche II Issue Schedule**	<p>Tranche II Issue Opening Date – Monday, June 3, 2024</p> <p>Tranche II Issue Closing Date – Friday, June 14, 2024</p>
Description regarding security (where applicable) including type of security (movable/ immovable/ tangible etc.) type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest of the debenture holder over and above the coupon rate as specified in the Debenture Trust Deed and disclosed the Tranche II Prospectus	<p>The principal amount of the NCDs to be issued in terms of the Shelf Prospectus, this Tranche II Prospectus together with all interest due and payable on the NCDs thereof, shall be secured by way of exclusive charge by way of hypothecation over book debts of the Company, as specifically set out in and fully described in the Debenture Trust Deed, such that a security cover of at least 1.05 times (1.05x) of the outstanding principal amounts of the NCDs and all interest due and payable thereon is maintained at all times until the Maturity Date.</p> <p>Without prejudice to the aforesaid, in the event our Company fails to execute the Debenture Trust Deed within the period specified in Regulation 18(1) of the SEBI NCS Regulations or such other time frame as may be stipulated from time-to-time, our Company shall also pay interest of at least 2% (two per cent) per annum to the NCD holders, over and above the interest rate on the NCDs specified in the Tranche II Prospectus for Tranche II Issue and the Debenture Trust Deed, till the execution of the Debenture Trust Deed.</p> <p>The security shall be created prior to making the listing application for the NCDs with the Stock Exchanges. For further details on date of creation of security/likely date of creation of security minimum security cover etc., please see “<i>Terms of the Issue – Security</i>” on page 260.</p>
Security Cover	Our Company shall maintain a minimum security cover of 1.05 times on the outstanding balance of the NCDs plus accrued interest thereon.
Condition precedent to the Tranche II Issue	<p>The Issuer shall provide/ confirm to the Debenture Trustee:</p> <ol style="list-style-type: none"> 1. A certified true copy of the latest charter documents of the Issuer, certified as

	<p>correct, complete and in full force and effect by the appropriate officer;</p> <ol style="list-style-type: none"> 2. certified true copies of relevant board resolutions; 3. The Company shall have obtained the Debenture Trustee consent letter from the Debenture Trustee; 4. The Issuer shall have obtained in-principle approval from the Stock Exchange for listing of the Debentures; <p>and such other conditions as set out in the Debenture Trust Deed and as specified in the SEBI NCS Regulations.</p>
Condition subsequent to the Tranche II Issue	<p>The Issuer shall provide/ confirm to the Debenture Trustee:</p> <ol style="list-style-type: none"> 1. An end-use certificate from an independent Chartered Accountant, certifying the heads under which funds have been utilized in accordance with Offer Documents, within 30 (thirty) days of the Deemed Date of Allotment for the Debentures; 2. Obtaining the final listing approval from the Stock Exchange in respect of the Issue; and 3. Such other conditions as set out in the Debenture Trust Deed and as specified in the SEBI NCS Regulations.
Events of default (including manner of voting/ conditions of joining Inter Creditor Agreement)	Please see “ <i>Terms of the Issue – Events of Default</i> ” on page 261.
Creation of recovery expense fund	Our Company has created a recovery expense fund in the manner as specified by SEBI in SEBI Debenture Trustee Master Circular as amended from time to time and Regulation 11 of SEBI NCS Regulations with the Designated Stock Exchanges and have informed the Debenture Trustee regarding the creation of such fund. The Recovery expense fund may be utilized by Debenture Trustee, in the event of default by our Company under the terms of the Debenture Trust Deed, and the Applicable Laws, for taking appropriate legal action to enforce the security.
Conditions for breach of covenants (as specified in Debenture Trust Deed)	<p>Upon occurrence of any default in the performance or observance of any term, covenant, condition or provision contained in the term sheet and the Debenture Trust Deed and, except where the Debenture Trustee certifies that such default is in its opinion incapable of remedy within the cure period, if and as set out in the Debenture Trust Deed (in which case no notice shall be required), it shall constitute an event of Default.</p> <p>The Debenture Trustee may, at any time, waive, on such terms and conditions as to it shall seem expedient, any breach by the Company of any of the covenants and provisions in these presents contained without prejudice to the rights of the Debenture Trustee in respect of any subsequent breach thereof.</p> <p>Please see “<i>Terms of the Issue - Events of default</i>” on page 261.</p>
Deemed date of Allotment	The date on which the Board of Directors or the Issuance and Allotment Committee approves the Allotment of the NCDs for the Tranche II Issue or such date as may be determined by the Board of Directors/ or the Issuance and Allotment Committee thereof and notified to the Designated Stock Exchange. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the Debenture Holders from the Deemed Date of Allotment.
Roles and responsibilities of the Debenture Trustee	As per SEBI (Debenture Trustees) Regulations, 1993, SEBI Debenture Trustee Master Circular, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, Companies Act, the Listing Agreement, and the Debenture Trust Deed, each as amended from time to time. Please see section titled “ <i>Terms of the Issue- Trustees for the NCD Holders</i> ” on page 261.
Risk factors pertaining to the Issue	Please see section titled “ <i>Risk Factors</i> ” on page 18 of this Tranche II Prospectus.
Cross Default Clause	As per the Debenture Trust Deed to be executed in accordance with applicable law.
Governing law and Jurisdiction	The governing law and jurisdiction for the purpose of the Tranche II Issue shall be Indian law, and the competent courts of jurisdiction in Mumbai and Bengaluru, India, respectively.

Working day convention / Day count convention / Effect of holidays on payment	Working Day means all days on which commercial banks in Mumbai or Bengaluru are open for business. If the date of payment of interest does not fall on a Working Day, then the interest payment will be made on succeeding Working Day (the “ Effective Date ”), however the dates of the future interest payments would continue to be as per the originally stipulated schedule. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force. In case the Maturity Date (also being the last Interest Payment Date) does not fall on a Working Day, the payment will be made on the immediately preceding Working Day, along with coupon/interest accrued on the NCDs until but excluding the date of such payment.
Key covenants of this Tranche II Issue	Please see section titled “ <i>Terms of the Issue - Key covenants of the Tranche II Issue</i> ” on page 257.

Notes:

* In terms of Regulation 7 of the SEBI NCS Regulations, our Company will undertake this public issue of the NCDs in dematerialised form. Trading in NCDs shall be compulsorily in dematerialized form.

** The Tranche II Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m. (Indian Standard Time) during the period as indicated in this Tranche II Prospectus. Our Company may, in consultation with the Lead Managers, consider closing the Tranche II Issue on such earlier date or extended date (subject to a minimum period of three working days and a maximum period of 10 working days from the date of opening of the Tranche II Issue and subject to not exceeding thirty days from filing the Tranche II Prospectus with ROC including any extensions), as may be decided by the Board of Directors of our Company or Issuance and Allotment Committee, subject to relevant approvals, in accordance with Regulation 33A of the SEBI NCS Regulations. In the event of an early closure or extension of the Tranche II Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in all the newspapers in which pre-issue advertisement for opening of this Tranche II Issue has been given on or before such earlier or initial date of Tranche II Issue closure. On the Tranche II Issue Closing Date, the Application Forms will be accepted only between 10:00 a.m. and 3:00 p.m. (Indian Standard Time) and uploaded until 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchanges. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5:00 p.m. (Indian Standard Time) on one Working Day post the Tranche II Issue Closing Date. For further details please refer to the section titled “General Information” on page 48.

** *If there is any change in Coupon Rate pursuant to any event including elapse of certain time period or downgrade in rating, then such new Coupon Rate and events which lead to such change will be disclosed to the Stock Exchange.

For the list of documents executed/ to be executed, please see “Material Contracts and Documents for Inspection” on page 314.

While the NCDs are secured to the tune of 1.05 times of the principal and interest thereon in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor the security cover is maintained, however, the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.

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

Specified Terms of NCDs

Series	I	II	III*	IV	V	VI
Frequency of Interest Payment	Monthly	Annual	Monthly	Annual	Monthly	Annual
Minimum Application	₹ 10,000 (10 NCDs) across all series					
In Multiples of thereafter	₹ 1,000 (1 NCD)					
Face Value/ Issue Price of NCDs (₹/ NCD)	₹ 1,000					
Tenor	24 Months	24 Months	36 Months	36 Months	60 Months	60 Months
Coupon (% per annum) for NCD Holders in all Categories	9.20%	9.60%	9.57%	10.00%	10.03%	10.50%
Effective Yield (% per annum) for NCD Holders in all Categories	9.60%	9.60%	10.00%	10.00%	10.50%	10.49%
Mode of Interest Payment	Through various modes available					
Redemption Amount (₹ / NCD) on Maturity for	₹ 1,000	₹ 1,000	₹ 1,000	₹ 1,000	₹ 1,000	₹ 1,000

NCD Holders in all Categories						
Maturity/Redemption Date (from the Deemed Date of Allotment)	24 Months	24 Months	36 Months	36 Months	60 Months	60 Months
Put and Call Option	Not Applicable					

*Our Company shall allocate and allot Series III NCDs wherein the Applicants have not indicated the choice of the relevant NCD Series

- With respect to Series I, III and V, where interest is to be paid on a monthly basis, relevant interest will be paid on the first date of the subsequent month on the face value of the NCDs. For the first interest payment for NCDs under the monthly series, interest from the Deemed Date of Allotment till the last day of the subsequent month will be clubbed and paid on the first day of the month next to that subsequent month. The last interest payment under monthly Series will be made at the time of redemption of NCDs.
- With respect to Series II, IV and VI, where interest is to be paid on annual basis, relevant interest will be paid on each anniversary of the Deemed Date of Allotment on the face value of the NCDs. The last interest payment under Annual Series will be made at the time of redemption of NCDs.
- Please see “Annexure D” on page 321, for details pertaining to the cash flows of the Company in accordance with the SEBI Master Circular.
- Subject to applicable tax deducted at source. For further details, please see the section entitled “Statement of Possible Tax Benefits” on page 73.

Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/consents/approvals in connection with applying for, subscribing to, or seeking Allotment of NCDs pursuant to the Tranche II Issue. For further details, see “Issue Procedure” and “Terms of Issue” on page 279 and 260.

Specified Terms of NCDs - Interest and Payment of Interest

1. Monthly interest payment options

- Interest would be paid monthly under Series I, III and V, wherein relevant interest will be calculated from the first day till the last date of every month during the tenor of such NCDs and paid on the first day of every subsequent month at the following rates of interest to all categories of NCD Holders, on the amount outstanding from time to time, commencing from the Deemed Date of Allotment of NCDs. However, for the first interest payment for NCDs under Series I, III and V, interest from the Deemed Date of Allotment till the last day of the subsequent month will be clubbed and paid on the first day of the month next to that subsequent month. The last interest payment under monthly Series will be made at the time of redemption of NCDs. The last interest payment under monthly Series will be made at the time of redemption of NCDs.

Category of NCD Holders	Coupon (% per annum) for following Series		
	I	III	V
All Categories	9.20%	9.57%	10.03%

Series I, III and V NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 24 months, 36 months and 60 months respectively from the Deemed Date of Allotment.

2. Annual interest payment option

- Interest would be paid annually under Series II, IV and VI on each anniversary of the Deemed Date of Allotment at the following rates of interest to all categories of NCD Holders, on the amount outstanding from time to time, commencing from the Deemed Date of Allotment of NCDs.

Category of NCD Holders	Coupon (% per annum) for following Series		
	II	IV	VI
All Categories	9.60%	10.00%	10.50%

- Series II, IV and VI NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 24 months, 36 months and 60 months respectively from the Deemed Date of Allotment. The last interest payment under Annual Series will be made at the time of redemption of NCDs.

Application Size

Each application should be for a minimum of 10 NCDs and multiples of 1 NCD thereafter (for all options/ Series of NCDs, namely Series I, Series II, Series III, Series IV, Series V and Series VI taken individually or collectively). The minimum application size for each application for NCDs would be ₹ 10,000 and in multiples of ₹1,000 thereafter. Applicants can apply for any or all Series of NCDs offered hereunder provided the Applicant has applied for minimum application size using the same Application Form.

Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and/ or regulatory provisions.

Terms of payment

The entire face value per NCDs applied for will be blocked in the relevant ASBA Account maintained with the SCSB or under UPI mechanism (only for Retail Individual Investors), as the case may be, in the bank account of the Applicants that is specified in the ASBA Form at the time of the submission of the Application Form. In the event of Allotment of a lesser number of NCDs than applied for, our Company shall unblock the additional amount blocked upon application in the ASBA Account, in accordance with the terms specified in “*Terms of the Issue – Manner of Payment of Interest/ Refund/Redemption*” on page 272.

Participation by any of the above-mentioned Investor classes in the Tranche II Issue will be subject to applicable statutory and/or regulatory requirements. Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and/or regulatory provisions.

The NCDs have not been and will not be registered, listed or otherwise qualified in any jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. In particular, the NCDs have not been and will not be registered under the U.S. Securities Act, 1933, as amended (the “**Securities Act**”) or the securities laws of any state of the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. The Issuer has not registered and does not intend to register under the U.S. Investment Company Act, 1940 in reliance on section 3(c)(7) thereof. The Shelf Prospectus and this Tranche II Prospectus may not be forwarded or distributed to any other person and may not be reproduced in any manner whatsoever, and in particular, may not be forwarded to any U.S. Person or to any U.S. address.

Applications may be made in single or joint names (not exceeding three). Applications should be made by Karta in case the Applicant is an HUF. If the Application is submitted in joint names, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the depository account held in joint names. In case of Application Form being submitted in joint names, the Applicants should ensure that the demat account is also held in the same joint names and the names are in the same sequence in which they appear in the Application Form. If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form.

This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form. Please ensure that such Applications contain the PAN of the HUF and not of the Karta. In the case of joint Applications, all payments will be made out in favour of the first Applicant. All communications will be addressed to the first named Applicant whose name appears in the Application Form and at the address mentioned therein.

Day Count Convention

Interest shall be computed on an actual/actual basis i.e. on the principal outstanding on the NCDs as per the SEBI Master Circular.

Effect of holidays on payments

If the date of payment of interest does not fall on a Working Day, then the interest payment will be made on succeeding Working Day, however the calculation for payment of interest will be only till the originally stipulated Interest Payment Date. The dates of the future interest payments would be as per the originally stipulated schedule. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for

the time being in force. In case the Redemption Date (also being the last Interest Payment Date) does not fall on a Working Day, the payment will be made on the immediately preceding Working Day, along with coupon/interest accrued on the NCDs until but excluding the date of such payment. The interest/redemption payments shall be made only on the Working Days.

Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory Permissions / consents/approvals in connection with applying for, subscribing to, or seeking Allotment of NCDs pursuant to the Issue.

For further details, see the section titled “*Issue Procedure*” on page 279.

Key covenants of this Tranche II Issue

The Company shall comply with the representations and warranties, general covenants, negative covenants, reporting covenants and financial covenants listed out below and as more specifically set out in the Debenture Trust. An illustrative list of covenants is listed below:

A. Financial Covenants

- Company shall maintain a Capital Adequacy Ratio which is 1% (one percent) higher than the Capital Adequacy Ratio as may be prescribed by the RBI from time to time.
- The financial covenants identified in the Debenture Trust Deed shall be tested on quarterly basis and the Company shall submit to the Debenture Trustee on quarterly basis, within 45 (fourty five) days from the end of every quarter, certificates signed by a director or the Chief Financial Officer of the Company, confirming the Company’s compliance on each of the covenants.

B. Rating Covenants

Company to ensure that the Credit Rating of the NCDs should not fall below two notches from current Credit Rating provided by the Rating Agencies.

C. Reporting Covenants

Until the Final Settlement Date, the Company shall ensure that all the reporting covenants are complied with.

- a. The Company shall submit on quarterly basis to the Debenture Trustee a report confirming /certificate confirming the following:
 - i. Updated list of names and addresses of all the NCD Holders and the number of NCDs held by the NCD Holders;
 - ii. Details of interest due but unpaid, if any, and reasons for the same;
 - iii. Details of payment of interest made on the NCDs in the immediately preceding calendar quarter;
 - iv. A statement indicating material deviations, if any in utilisation of the proceeds of the Debentures;
 - v. Any events of default;
 - vi. all grievances received from the NCD Holders;
 - vii. any major or significant change in composition of its Board, which may amount to change in control as defined in the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - viii. any amalgamation, demerger, merger or corporate restructuring or reconstruction scheme proposed by the Company;
 - ix. any authorisation required under any law or regulation to enable it to perform its obligations under the Transaction Documents;
 - x. quarterly financial results within 45 (forty five) days from the end of each quarter;
 - xi. any change in the constitutional documents of the Company;
 - xii. details of all the material orders, directions, notices, of any court/tribunal affecting the security;
 - xiii. promptly, and in any event within 2 (two) Business Days of receiving any notice of any application for winding up/insolvency having been made;
 - xiv. a certificate certifying maintenance of security cover;
 - xv. provide relevant documents/ information, as applicable, to enable the Debenture Trustee to conduct continuous and periodic due diligence and monitoring of the security interest over the hypothecated

- assets;
 - xvi. the number of grievances pending at the beginning of the quarter, the number and nature of grievances received from the NCD Holders during the quarter, resolved/disposed of by the Company in the quarter and those remaining unresolved by the Company and the reasons for the same; and
 - xvii. statement that the hypothecated assets is sufficient to discharge the claims of the NCD Holders as and when they become due and as mentioned in the asset cover certificate.
- b. The Company shall ensure that all the reporting covenants as per the provisions of SEBI LODR Regulations are complied with including but not limited to the following:
- i. promptly submit to the Debenture Trustee any information, as required by the Debenture Trustee in order to discharge its obligations under the DTD;
 - ii. inform the Stock Exchange and the Debenture Trustee all information having bearing on the performance/operation of the Company, any price sensitive information or any action that may affect the payment of interest or Redemption of the NCDs in terms of Regulation 51(2) of the SEBI (LODR) Regulations.
 - iii. give prior intimation to the Stock Exchange with a copy to the Debenture Trustee at least 11 (eleven) Business Days before the date on and from which the interest on NCDs, and the Redemption Amount of NCDs becomes payable or within such timelines as prescribed under Applicable Law.
 - iv. provide an undertaking to the Stock Exchange on annual basis that all documents and intimations required to be submitted to Debenture Trustees in terms of the Debenture Trust Deed and SEBI NCS Regulations have been complied with and furnish a copy of such undertaking to the Debenture Trustee for records.
 - v. inform the Debenture Trustee the status of payment (whether in part or full) of NCDs within 1 (one) Business Day of the payment/redemption.
- c. The Company shall promptly inform the Debenture Trustee the following details (if any) including but not limited to corporate debt restructuring; fraud/defaults by promoter or key managerial personnel or by Company or arrest of key managerial personnel or promoter; and/or reference to National Company Law Tribunal or insolvency petitions (if any) filed by any creditor of the Company.
- d. The Company shall submit to the stock exchange for dissemination, along with the quarterly/half yearly/ annual financial results, all information required under Regulation 52(4) of the SEBI (LODR) Regulations and submit the financial statements to the Debenture Trustee on the same day.
- e. The Company shall ensure compliance with the provisions of the Applicable Law, including but not limited to the SEBI Debenture Trustees Regulations, the SEBI Debenture Trustee Circular and the Companies (Share Capital and NCDs) Rules, 2014.

D. Affirmative Covenants

The Company shall comply with the following covenants

- a. Use of Proceeds as per the purpose of this Tranche II Issue;
- b. Promptly inform the Debenture Trustee of any loss or damage by uncovered risks;
- c. Pay all reasonable costs and expenses;
- d. Payment of Rents, etc.;
- e. Preservation of corporate status;
- f. Payment of stamp duty as required under applicable laws;
- g. Prompt and expeditious redressal of grievances;
- h. Comply with investor education and protection fund requirements;
- i. Comply with any corporate governance requirements and fair practices code applicable to the Company;
- j. Comply with: all Applicable Law (including but not limited to the Companies Act, the SEBI Listed NCDs Circulars, the SEBI Monitoring Circulars, the environmental, social and taxation related laws, all directions issued by the RBI to non-banking financial companies), the SEBI Debenture Trustees Regulations;
- k. Maintenance of adequate Security;
- l. Ensure execution of all transaction documents without any delay;
- m. Maintain internal control for the purpose of preventing fraud on amounts lent by the Company; and preventing money being used for money laundering or illegal purposes;
- n. Permit visits and inspection of books of records, documents and accounts to the Debenture Trustee;
- o. Keep proper books of account as required by applicable laws;

- p. Keep at its registered office, a register of the NCD Holders or ensure that the Depository maintains a register and index of beneficial owners of the dematerialised NCDs in their records;
- q. Ensure compliance with the provisions of the Foreign Account Tax Compliance Act (“**FATCA**”); and
- r. Comply with all listing and monitoring requirements.

E. Negative Covenants

The Company shall not take any action in relation to the items set out under the heading of ‘negative covenants’ of the debenture trust deed without the prior written consent of the Debenture Trustee as prescribed under the Debenture Trust Deed, including the following:

a. Change of Business

Change the general nature of its business from that which is permitted as a non-deposit accepting non-banking financial company registered with the RBI.

b. Dividend

Declare or pay any dividend to its shareholders (including holders of preference shares) if an Event of Default has occurred and is continuing.

c. Insolvency

The Company shall not, without the prior consent of the Debenture Trustee, voluntarily wind up or liquidate or dissolve its affairs or make any filing for initiation of corporate insolvency resolution process or liquidation under the Insolvency and Bankruptcy Code, 2016 or under any other Applicable Laws.

d. NCD Terms

The Company shall not make any modification to the structure of the NCDs in terms of coupon, conversion, redemption, or otherwise without the prior approval of the Stock Exchange and such prior approval of the Stock Exchange would be obtained only after: (a) approval of the Board and the Debenture Trustee; and (b) complying with the provisions of Act, SEBI NCS Regulations, SEBI LODR Regulations and circulars issued thereunder, including approval of the requisite majority of NCD Holders. Further, any proposal of restructuring received by Debenture Trustee shall be communicated to NCD Holders immediately.

e. Investments

The Company shall not, without the prior consent of the Debenture Trustee, make any investment by way of deposits, loans, bonds, share capital, or in any other form if an Event of Default has occurred and is continuing.

f. Encumbrance

The Company shall not, without the prior consent of the Debenture Trustee, create or permit to subsist any encumbrance on any hypothecated assets (including, without limitations, on the identified book debts) subject to maintenance of required security cover and other conditions in relation to the security has enumerated in the Debenture Trust Deed.

g. Change in shareholding of IIFL Finance Limited

The Company shall ensure that the shareholding of one of its Promoters, i.e., IIFL Finance Limited shall not fall below 51% at any point of time till the tenor of the NCDs issued under this Tranche II Issue.

TERMS OF THE ISSUE

Authority for the Issue

At the meeting of the Board of Directors of our Company held on August 19, 2023, the Directors approved the issue of NCDs to the public up to an amount not exceeding ₹ 2,000 crore in one or more tranches.

Further the Issue and Allotment Committee at its meetings held on November 2, 2023, November 23, 2023 and May 14, 2024 has approved the Draft Shelf Prospectus, Shelf Prospectus and this Tranche II Prospectus, respectively.

Further, the present Tranche II Issue is within the Shelf Limit of ₹ 2,000 crore and borrowing limits of ₹ 20,000 crore under Sections 180(1)(c) of the Companies Act, 2013 duly approved by the members of our Company vide their resolution passed at the Extraordinary General Meeting held on January 24, 2024.

Principal Terms & Conditions of the Issue

The NCDs being offered as part of the Tranche II Issue are subject to the provisions of the SEBI NCS Regulations and the SEBI Master Circular, the relevant provisions of the Companies Act, 2013, the Memorandum and Articles of Association of our Company, the terms of the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche II Prospectus, the Abridged Prospectus, the Application Forms, the terms and conditions of the Debenture Trust Agreement and the Debenture Trust Deed, other applicable statutory and/or regulatory requirements including those issued from time to time by SEBI/the Government of India/BSE/NSE, RBI, and/or other statutory/regulatory authorities relating to the offer, issue and listing of securities and any other documents that may be executed in connection with the NCDs.

Ranking of NCDs

The NCDs would constitute secured and senior obligations of our Company and subject to any obligations under applicable statutory and/or regulatory requirements, shall also, with regard to the amount invested, thereof shall be secured by way of an exclusive first charge over certain identified receivables, as specifically set out in and fully described in the Debenture Trust Deed, such that a security cover of at least 1.05 times of the outstanding principal amounts of the NCDs and all interest due and payable thereon is maintained at all times until the Maturity Date. We have received necessary consents from the relevant debenture trustees and security trustees for creating an exclusive charge in favour of the Debenture Trustee in relation to the NCDs.

Our Company is required to obtain permissions or consents from the prior creditors for proceeding with the Issue. Pursuant to SEBI Debenture Trustee Master Circular, our Company undertakes, *inter alia*, that the assets on which charge is created are free from any encumbrances and if the assets are already charged, the permissions or consent to create exclusive second or pari passu charge on the assets of the Issuer have been obtained from the earlier creditors. Our Company has applied to the prior creditors/charge holders for such permissions or consents and has received such permissions or consents from all prior creditors.

Security

The principal amount of the NCDs to be issued in terms of the Shelf Prospectus and this Tranche II Prospectus together with all interest due and payable on the NCDs, thereof shall be secured by way of an way of exclusive charge by way of hypothecation over book debts of the Company, as specifically set out in and fully described in the Debenture Trust Deed, such that a security cover of at least 1.05 times of the outstanding principal amounts of the NCDs and all interest due and payable thereon is maintained at all times until the Maturity Date. We have received necessary consents from the relevant debenture trustees and security trustees for creating an exclusive charge in favour of the Debenture Trustee in relation to the NCDs.

Our Company intends to enter into an indenture/deed with the Debenture Trustee, (“**Debenture Trust Deed**”) terms of which will govern the powers, authorities and obligations of the Debenture Trustee. Our Company proposes to complete the execution of the Debenture Trust Deed and documents for creation of Security within the stipulated timeframe and shall utilize the funds only after the stipulated security has been created. Under the terms of the Debenture Trust Deed, our Company will covenant with the Debenture Trustee that it will pay the NCD Holders the principal amount on the NCDs on the relevant redemption date and also that it will pay the interest due on NCDs on the rate specified in this Tranche II Prospectus and in the Debenture Trust Deed. The Debenture Trust Deed will also provide that our Company may withdraw any portion of the security and replace with another asset/receivables of the same or a higher value ensuring the minimum security cover is maintained till the Final Settlement Date of the NCDs.

Without prejudice to the aforesaid, in the event our Company fails to execute the Debenture Trust Deed within the period specified in Regulation 18(1) of the SEBI NCS Regulations or such other time frame as may be stipulated from time-to-time, our Company shall also pay interest of at least 2% (two per cent) per annum to the NCD holders, over and above the interest rate on the NCDs specified in this Tranche II Prospectus and in the Debenture Trust Deed.

Debenture Redemption Reserve

In accordance with the Companies Act, 2013, and the Companies (Share Capital & Debentures) Rules 2014, read with Rule 16 of the SEBI NCS Regulations, any non-banking finance company that intends to issue debentures to the public is not required to create a DRR for the purpose of redemption of debentures.

Our Company shall, as per the Companies (Share Capital & Debentures) Rules 2014 and other laws applicable from time to time, invest or deposit, as the case may be, the applicable amounts, within the specified timelines, in respect of debentures maturing during the year ending on the 31st day of March of the next year, in any one or more methods of investments or deposits stipulated under the applicable law. Provided that the amount remaining invested or deposited, as the case may be, shall not at any time fall below the specified percentage, which is presently stipulated at 15% (fifteen percent) of the amount of the debentures maturing during the year ending on March 31 of the next year, in any of the following instruments or such other instruments as may be permitted under the applicable laws.

1. in deposits with any scheduled bank, free from any charge or lien;
2. in unencumbered securities of the Central Government or any State Government;
3. in unencumbered securities mentioned in sub-clause (a) to (d) and (ee) of section 20 of the Indian Trusts Act, 1882;
4. in unencumbered bonds issued by any other company which is notified under sub-clause (f) of section 20 of the Indian Trusts Act, 1882:

Provided further that the amount invested or deposited as above shall not be used for any purpose other than for redemption of debentures maturing during the year referred above.

Face Value

The face value of each NCD shall be ₹1,000.

Trustees for the NCD Holders

Our Company has appointed Beacon Trusteeship Services Limited to act as the Debenture Trustee for the NCD Holders in terms of Regulation 8 of the SEBI NCS Regulations and Section 71 (5) of the Companies Act, 2013 and the rules prescribed thereunder. Our Company and the Debenture Trustee will execute a Debenture Trust Deed, *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and us. The NCD Holder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or authorized officials to do all such acts, deeds, matters and things in respect of or relating to the NCDs as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the NCD Holder(s). Any payment made by us to the Debenture Trustee on behalf of the NCD Holder(s) shall discharge us *pro tanto* to the NCD Holder(s).

The Debenture Trustee will protect the interest of the NCD Holders in the event of default by us in regard to timely payment of interest and repayment of principal and they will take necessary action at our cost.

Events of Default (including manner of voting/conditions of joining Inter Creditor Agreement)

Subject to the terms of the Debenture Trust Deed, the Debenture Trustee at its discretion may, or if so requested in writing by the holders of at least three-fourths of the outstanding amount of the NCDs or with the sanction of a special resolution, passed at a meeting of the NCD Holders, (subject to being indemnified and/or secured by the NCD Holders to its satisfaction), give notice to our Company specifying that the NCDs and/or any particular series of NCDs, in whole but not in part are and have become due and repayable on such date as may be specified in such notice *inter alia* if any of the events listed below occurs. The description below is indicative and a complete list of events of default and its consequences will be specified in the Debenture Trust Deed.

Indicative list of Events of Default:

1. Default in redemption of the debentures together with redemption premium, if any, interest accrued thereon as and when the same shall have become due and payable or payment of any other amounts in terms of the Debenture Trust Deed;
2. Default is committed in payment of the principal amount of the NCDs on the due date(s);
3. Default is committed in payment of any interest on the NCDs on the due date(s);
4. Default is committed in payment of any other amounts outstanding in respect of the NCDs.
5. Default is committed in the performance of any other covenants, conditions or agreements on the part of the Company under the Debenture Trust Deed or the other Transaction Documents or deeds entered into between the Company and the Debenture Holder(s)/ Beneficial Owner(s)/ Debenture Trustee and such default shall have continued after such cure periods as may be prescribed in the Debenture Trust Deed or other Transaction Documents for remedying such default;
6. Default is committed if any information given to the Company in the Draft Shelf Prospectus, the Shelf Prospectus and this Tranche II Prospectus, the Transaction Documents and/or other information furnished and/or the representations and warranties given/deemed to have been given by the Company to the Debenture Holder(s)/ Beneficial Owner(s) for financial assistance by way of subscription to the Debenture is or proves to be misleading or incorrect in any material respect or is found to be incorrect;
7. Default is committed if the Company is unable to or admits in writing its inability to pay its debts as they mature or proceedings for taking it into liquidation have been admitted by any competent court;
8. The Company has voluntarily or involuntarily become the subject of proceedings under any bankruptcy or insolvency law or suffered any action to be taken for its reorganisation, liquidation or dissolution;
9. Default is committed if any extraordinary circumstances have occurred which makes it impossible for the Company to fulfil its obligations under the Debenture Trust Deed and/or the Debentures; If the Company is unable to pay its debts;
10. The Company ceases to carry on its business or gives notice of its intention to do so;
11. If it is certified by an accountant or a firm of accountants appointed by the Debenture Trustee that the liabilities of the Company exceed its assets;
12. Default is committed if any of the necessary clearances required or desirable in relation to the Company or the Debentures in accordance with any of the Transaction Documents is not received or is revoked or terminated, withdrawn, suspended, modified or withheld or shall cease to be in full force and effect which shall, in the reasonable opinion of Debenture Holder(s)/ Beneficial Owner(s), have material adverse effect on the Company or the Debentures;
13. Default is committed if the company enters into any arrangement or composition with its creditors or commits any acts of insolvency or winding up of the Company;
14. If the Company files a petition for reorganisation, arrangement, adjustment, winding up or composition of debts of the Company or have been admitted or makes an assignment for the benefit of its creditors generally and such proceeding (other than a proceeding commenced voluntarily by the Company is not stayed, quashed or dismissed);
15. If the Company is adjudged insolvent or takes advantage of any law for the relief of insolvent debtors;
16. If it becomes unlawful for the company to perform any of its obligations under any transaction document;
17. Default is committed if the occurrence of any event or condition which in the Debenture Trustee/ Beneficial Owner(s) reasonable opinion can constitute a material adverse effect;

18. Any security created at any time, any circumstance or event occurs which is prejudicial to or impairs or imperils or jeopardize or endangers any hypothecated properties or any part thereof in the opinion of debenture trustee or any event occurs which causes the Debenture Trust Deed or any related agreement to become ineffective;
19. Except as stated in the Debenture Trust Deed and this Tranche II Prospectus, any security created at any time during the tenure of the NCDs, without prior written consent of the Debenture Trustee (if required) or unless otherwise provided for in the Debenture Trust Deed, the Company, attempts or purports to create any charge, mortgage, pledge, hypothecation, lien or other encumbrance over any of the hypothecated properties; and
20. Any other event described as an Event of Default in the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche II Prospectus and the Transaction Documents.

Except for any default relating to points 1, 2 and 3 under the “Indicative list of Events of Default” given above, where no such consent/ resolution of NCD holders will be required for calling of event of default, any event of default shall be called by the Debenture Trustee, upon request in writing of or by way of resolution passed by holders of 75% (seventy five percent) of the outstanding nominal value of all NCDs at any point of time, as set out in the Debenture Trust Deed, in accordance with SEBI Debenture Trustee Master Circular.

Any default committed by the Company in terms of the NCDs proposed to be issued shall be reckoned at each respective International Securities Identification Number level assigned to the respective Option(s) of NCDs issued.

In accordance with the SEBI Debenture Trustee Master Circular, in case of ‘Default’ by Issuers of listed debt securities”, post the occurrence of a “default”, the consent of the NCD Holders for entering into an inter-creditor agreement (the “ICA”)/enforcement of security shall be sought by the debenture trustee after providing a notice to the investors in the manner stipulated under applicable law. Further, the meeting of the NCD Holders shall be held within the period stipulated under applicable law. In case(s) where majority of investors express their consent to enter into the ICA, the debenture trustee shall enter into the ICA on behalf of the investors upon compliance with the conditions as stipulated in the abovementioned circular. In case consents are not received for signing the ICA, the debenture trustee shall take further action, if any, as per the decision taken in the meeting of the investors. The consent of the majority of investors shall mean the approval of not less than 75% of the investors by value of the outstanding debt and 60% of the investors by number at the ISIN level.

Explanation 2 to Regulation 49 of the SEBI Listing Regulations, defines ‘default’ as non-payment of interest or principal amount in full on the pre-agreed date which shall be recognized at the first instance of delay in the servicing of any interest/dividend or principal on debt.

It is hereby confirmed, in case of an occurrence of a “default”, the Debenture Trustee shall abide and comply with the procedures mentioned in the SEBI Debenture Trustee Master Circular.

NCD Holder not a Shareholder

The NCD Holders will not be entitled to any of the rights and privileges available to the equity and/or preference shareholders of our Company, except to the extent of the right to receive the annual reports of our Company and such other rights as may be prescribed under the Companies Act, 2013 and the rules prescribed thereunder and the SEBI Listing Regulations and any other applicable law.

Rights of NCD Holders

Some of the significant rights available to the NCD Holders are as follows:

1. The NCDs shall not, except as provided in the Companies Act, 2013, our Memorandum and Articles of Association and/or the Debenture Trust Deed, confer upon the holders thereof any rights or privileges available to our Company’s members/shareholders including, without limitation, the right to attend and/or vote at any general meeting of our Company’s members/shareholders. However, if any resolution affecting the rights attached to the NCDs is to be placed before the members/shareholders of our Company, the said resolution will first be placed before the concerned registered NCD Holders for their consideration.
2. In terms of Section 136 (1) of the Companies Act, 2013, holders of NCDs shall be entitled to inspect a copy of the financial statements including consolidated financial statements, if any, auditor’s report and every other document required by law to be annexed or attached to the financial statements, and copy of the Debenture Trust Deed at the

Registered Office of our Company during business hours on a specific request made to the Company.

3. Subject to the above and the applicable statutory/regulatory requirements and terms of the Debenture Trust Deed, including requirements of the RBI, the rights, privileges and conditions attached to the NCDs may be varied, modified and/or abrogated with the consent in writing of the holders of at least three-fourths of the outstanding amount of the NCDs or with the sanction of a special resolution passed at a meeting of the concerned NCD Holders, provided that nothing in such consent or resolution shall be operative against us, where such consent or resolution modifies or varies the terms and conditions governing the NCDs, if the same are not acceptable to us.
4. Subject to applicable statutory/regulatory requirements and terms of the Debenture Trust Deed, the registered NCD Holder or in case of joint-holders, the one whose name stands first in the register of debenture holders shall be entitled to vote in respect of such NCDs, either in person or by proxy, at any meeting of the concerned NCD Holders and every such holder shall be entitled to one vote on a show of hands and on a poll, his/her voting rights on every resolution placed before such meeting of the NCD Holders shall be in proportion to the outstanding nominal value of NCDs held by him/her.
5. The NCDs are subject to the provisions of the SEBI NCS Regulations and the SEBI Master Circular, the Companies Act, 2013, the Memorandum and Articles of Association of our Company, the terms of the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche II Prospectus, the Application Forms, the terms and conditions of the Debenture Trust Deed, requirements of the RBI, other applicable statutory and/or regulatory requirements relating to the issue and listing, of securities and any other documents that may be executed in connection with the NCDs.
6. Subject to SEBI RTA Master Circular, for NCDs in physical form on account of re-materialization, a register of debenture holders will be maintained in accordance with Section 88 and Section 94 of the Companies Act, 2013 and all interest and principal sums becoming due and payable in respect of the NCDs will be paid to the registered holder thereof for the time being or in the case of joint-holders, to the person whose name stands first in the register of debenture holders as on the Record Date. For NCDs in dematerialized form, all interest and principal sums becoming due and payable in respect of the NCDs will be paid to the person for the time being appearing in the register of beneficial owners of the Depository. In terms of Section 88(3) of the Companies Act, 2013, the register and index of beneficial of NCDs maintained by a Depository for any NCDs in dematerialized form under Section 11 of the Depositories Act shall be deemed to be a Register of NCD Holders for this purpose. The same shall be maintained at the registered office of our Company under Section 94 of the Companies Act, 2013 unless the same has been moved to another location after obtaining the consent of the NCD holders.
7. Subject to compliance with RBI requirements, the NCDs can be rolled over only with the consent of the holders of at least 75% of the outstanding amount of the NCDs after providing 15 days prior notice for such roll over and in accordance with the SEBI NCS Regulations. Our Company shall redeem the debt securities of all the debt securities holders, who have not given their positive consent to the roll-over.

The aforementioned rights of the NCD holders are merely indicative. The final rights of the NCD holders will be as per the terms of the Shelf Prospectus, this Tranche II Prospectus and the Debenture Trust Deed.

Nomination facility to NCD Holder

In accordance with Section 72 of the Companies Act, 2013 (read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, the sole NCD holder, or first NCD holder, along with other joint NCD Holders' (being individual(s)), may nominate, in the **Form No. SH.13**, any one person with whom, in the event of the death of Applicant the NCDs were Allotted, if any, will vest. Where the nomination is made in respect of the NCDs held by more than one person jointly, all joint holders shall together nominate in **Form No.SH.13** any person as nominee. A nominee entitled to the NCDs by reason of the death of the original holder(s), will, in accordance with Rule 19 and Section 56 of the Companies Act, 2013, be entitled to the same benefits to which he or she will be entitled if he or she were the registered holder of the NCDs. Where the nominee is a minor, the NCD holder(s) may make a nomination to appoint, in **Form No. SH.14**, any person to become entitled to NCDs in the event of the holder's death during minority. A nomination will stand rescinded on a sale/transfer/alienation of NCDs by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or with the Registrar to the Issue.

NCD Holder(s) are advised to provide the specimen signature of the nominee to us to expedite the transmission of the NCD(s) to the nominee in the event of demise of the NCD Holder(s). The signature can be provided in the Application Form or subsequently at the time of making fresh nominations. This facility of providing the specimen signature of the

nominee is purely optional.

In accordance with Section 72 (read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014), any person who becomes a nominee by virtue of the Rule 19, will on the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as holder of NCDs; or
- to make such transfer of the NCDs, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the NCDs, and if the notice is not complied with, within a period of 90 days, our Board may thereafter withhold payment of all interests or other monies payable in respect of the NCDs, until the requirements of the notice have been complied with.

NCD Holders who are holding NCDs in dematerialised form need not make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the NCD Holder will prevail. If the NCD Holders require to changing their nominations, they are requested to inform their respective Depository Participant.

A nomination may be cancelled or varied by nominating any other person in place of the present nominee, by the NCD Holder who has made the nomination, by giving a notice of such cancellation or variation in the prescribed manner as per applicable laws. The cancellation or variation shall take effect from the date on which the notice of such variation or cancellation is received.

Since the allotment of NCDs will be made only in dematerialized mode, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Applicant would prevail. If the investors require changing their nomination, they are requested to inform their respective Depository Participant.

Applicants who have opted for rematerialisation of NCDs and are holding the NCDs in the physical form should provide required details in connection with their nominee to our Company.

Jurisdiction

Jurisdiction for the purpose of the Tranche II Issue is with the competent courts of jurisdiction in Mumbai and Bengaluru.

Application in the Issue

Applicants shall apply in the Tranche II Issue in dematerialised form only, through a valid Application Form filled in by the Applicant along with attachment, as applicable. Further, Applications in the Tranche II Issue shall be made through the ASBA facility only (including Applications made by UPI Investors under the UPI Mechanism).

In terms of Regulation 7 of the SEBI NCS Regulations, our Company will make public issue of the NCDs in the dematerialised form only. However, in the terms of Section 8(1) of the Depositories Act, our Company at the request of the Investors who wish to hold the NCDs in physical form will rematerialise the NCDs. However, trading of the NCDs shall be compulsorily in dematerialised form only.

Form of Allotment and Denomination of NCDs

As per the SEBI NCS Regulations, the trading of the NCDs on the Stock Exchanges shall be in dematerialized form only in multiples of 1 (one) NCD (“**Market Lot**”). Allotment in the Tranche II Issue to all Allottees, will be in electronic form i.e. in dematerialised form and in multiples of one NCD.

In respect of consolidated certificates, we will, only upon receipt of a request from the NCD Holder, split such consolidated certificates into smaller denominations subject to the minimum of Market Lot. No fees would be charged for splitting of NCD certificates in Market Lots, but stamp duty payable, if any, would be borne by the NCD Holder. The request for splitting should be accompanied by the original NCD certificate which would then be treated as cancelled by us.

For details of allotment see “*Issue Procedure*” beginning on page 279.

Transfer/Transmission of NCD(s)

The NCDs shall be transferred or transmitted freely in accordance with the applicable provisions of the Companies Act, 2013. The NCDs shall be transferred subject to and in accordance with the rules/procedures as prescribed by the Depositories and the relevant DPs of the transfer or transferee and any other applicable laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid/redemption will be made to the person, whose name appears in the register of debenture holders maintained by the Depositories. In such cases, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer or Registrar.

The seller should give delivery instructions containing details of the buyer's DP account to his depository participant.

Please see "*Issue Structure- Specified Terms of NCDs - Interest and Payment of Interest*" on page 255 for the implications on the interest applicable to NCDs held by Individual Investors on the Record Date and NCDs held by Non-Individual Investors on the Record Date.

Pursuant to the SEBI Listing Regulations, NCDs held in physical form, pursuant to any rematerialisation, as above, cannot be transferred. Any trading of the NCDs issued pursuant to the Tranche II Issue shall be compulsorily in dematerialized form only.

The procedure for transmission of securities has been further simplified vide the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2022 Gazette Notification no. SEBI/LAD-NRO/GN/2022/80 dated April 25th, 2022.

Title

In case of:

- NCDs held in the dematerialised form, the person for the time being appearing in the register of beneficial owners maintained by the Depositories; and
- the NCDs held in physical form pursuant to rematerialization, the person for the time being appearing in the register of NCD Holders shall be treated for all purposes by our Company, the Debenture Trustee, the Depositories and all other persons dealing with such person, as the holder thereof and its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any writing on, theft or loss of the consolidated NCD certificates issued in respect of the NCDs and no person will be liable for so treating the NCD holder.

Procedure for re-materialisation of NCDs

Subject to SEBI RTA Master Circular, NCD Holders who wish to hold the NCDs in physical form may do so by submitting a request to their DP at any time after Allotment in accordance with the applicable procedure stipulated by the DP, in accordance with the Depositories Act and/or rules as notified by the Depositories from time to time. Holders of the NCDs who propose to rematerialize their NCDs, would have to mandatorily submit details of their bank mandate along with a copy of any document evidencing that the bank account is in the name of the holder of such NCDs and their Permanent Account Number to our Company and the Depository Participant. No proposal for rematerialisation of NCDs would be considered if the aforementioned documents and details are not submitted along with the request for such rematerialisation.

Pursuant to the SEBI Listing Regulations, NCDs held in physical form, pursuant to any rematerialisation, as above, cannot be transferred. Any trading of the NCDs issued pursuant to the Tranche II Issue shall be compulsorily in dematerialized form only.

Register of NCD Holders

No transfer of title of a NCD will be valid unless and until entered on the Register of NCD Holders (for re materialized NCDs) or the register and index of NCD Holders maintained by the Depository prior to the Record Date. In the absence

of transfer being registered, interest and/or Redemption Amount, as the case may be, will be paid to the person, whose name appears first in the Register of NCD Holders maintained by the Depositories and/or our Company and/or the Registrar, as the case may be. In such cases, claims, if any, by the purchasers of the NCDs will need to be settled with the seller of the NCDs and not with our Company or the Registrar. The provisions relating to transfer and transmission and other related matters in respect of our Company's shares contained in the Articles of Association of our Company and the Companies Act shall apply, mutatis mutandis (to the extent applicable) to the NCDs as well.

Restriction on transfer of NCDs

There are no restrictions on transfers and transmission of NCDs allotted pursuant to the Tranche II Issue. However, NCDs held in physical form, pursuant to any re-materialisation, as above, cannot be transferred. However, any trading of the NCDs issued pursuant to the Tranche II Issue shall be compulsorily in dematerialized form only.

Succession

Where NCDs are held in joint names and one of the joint holders dies, the survivor(s) will be recognized as the NCD Holder(s). It will be sufficient for our Company to delete the name of the deceased NCD Holder after obtaining satisfactory evidence of his death. Provided, a third person may call on our Company to register his name as successor of the deceased NCD Holder after obtaining evidence such as probate of a will for the purpose of proving his title to the debentures. In the event of demise of the sole or first holder of the Debentures, our Company will recognise the executors or administrator of the deceased NCD Holders, or the holder of the succession certificate or other legal representative as having title to the Debentures only if such executor or administrator obtains and produces probate or letter of administration or is the holder of the succession certificate or other legal representation, as the case may be, from an appropriate court in India. The directors of our Company in their absolute discretion may, in any case, dispense with production of probate or letter of administration or succession certificate or other legal representation. In case of death of NCD Holders who are holding NCDs in dematerialised form, third person is not required to approach our Company to register his name as successor of the deceased NCD Holder. The successor of the deceased NCD Holder shall approach the respective Depository Participant for this purpose and submit necessary documents as required by the Depository Participant.

Where a non-resident Indian becomes entitled to the NCDs by way of succession, the following steps have to be complied with:

1. Documentary evidence to be submitted to the Legacy Cell of the RBI to the effect that the NCDs were acquired by the non-resident Indian as part of the legacy left by the deceased NCD Holder.
2. Proof that the non-resident Indian is an Indian national or is of Indian origin.
3. Such holding by a non-resident Indian will be on a non-repatriation basis.

Joint-holders

Where two or more persons are holders of any NCD(s), they shall be deemed to hold the same as joint holders with benefits of survivorship subject to other provisions contained in the Articles of Association.

Period of subscription

TRANCHE II ISSUE PROGRAMME	
TRANCHE II ISSUE OPENS ON	Monday, June 3, 2024
TRANCHE II ISSUE CLOSES ON	Friday, June 14, 2024
PAY IN DATE	Application Date. The entire Application Amount is payable on Application
DEEMED DATE OF ALLOTMENT	The date on which the Board of Directors or the Issuance and Allotment Committee approves the Allotment of the NCDs for the Tranche II Issue or such date as may be determined by the Board of Directors/ or the Issuance and Allotment Committee thereof and notified to the Designated Stock Exchange. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the Debenture Holders from the Deemed Date of Allotment.

*** The Tranche II Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m. (Indian Standard Time) during the period as indicated in this Tranche II Prospectus. Our Company may, in consultation with*

the Lead Managers, consider closing the Tranche II Issue on such earlier date or extended date (subject to a minimum period of three working days and a maximum period of 10 working days from the date of opening of the Tranche II Issue and subject to not exceeding thirty days from filing this Tranche II Prospectus with ROC including any extensions), as may be decided by the Board of Directors of our Company or Issuance and Allotment Committee, subject to relevant approvals, in accordance with Regulation 33A of the SEBI NCS Regulations. In the event of an early closure or extension of the Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in all the newspapers in which pre-issue advertisement for opening of this Tranche II Issue has been given on or before such earlier or initial date of this Tranche II Issue closure. On the Tranche II Issue Closing Date, the Application Forms will be accepted only between 10:00 a.m. and 3:00 p.m. (Indian Standard Time) and uploaded until 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchanges. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5:00 p.m. (Indian Standard Time) on one Working Day post the Tranche II Issue Closing Date. For further details please refer to the section titled “General Information” on page 48.

Applications Forms for this Tranche II Issue will be accepted only from 10:00 a.m. to 5:00 p.m. (Indian Standard Time) (“Bidding Period”), during the Tranche II Issue Period as mentioned above on all days between Monday and Friday (both inclusive barring public holiday) (a) by the Designated Intermediaries at the Bidding Centres, or (b) by the SCSBs directly at the Designated Branches of the SCSBs. Additionally, an Investor may also submit the Application Form through the app or web interface of the Stock Exchanges. On the Tranche II Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. to 3:00 p.m. (Indian Standard Time) and uploaded until 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchanges. It is clarified that the Applications not uploaded on the Stock Exchanges Platform would be rejected. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5:00 p.m. (Indian Standard Time) on one Working Day after the Tranche II Issue Closing Date.

Due to limitation of time available for uploading the Applications on the Tranche II Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Tranche II Issue Closing Date and, no later than 3.00 p.m. (Indian Standard Time) on the Tranche II Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Tranche II Issue Closing Date, there may be some Applications which are not uploaded due to lack of sufficient time to upload. Such Applications that cannot be uploaded will not be considered for allocation under the Tranche II Issue. Neither our Company, nor the Lead Managers, nor any Member of the Syndicate, Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations or designated branches of SCSBs are liable for any failure in uploading the Applications due to failure in any software/ hardware systems or otherwise. As per the SEBI Master Circular, the allotment in this Tranche II Issue is required to be made on the basis of date of upload of each application into the electronic book of the Stock Exchanges. However, from the date of oversubscription and thereafter, the allotments will be made to the applicants on proportionate basis.

Basis of payment of Interest

The Tenor, Coupon Rate / Yield and Redemption Amount applicable for each Series of NCDs shall be determined at the time of Allotment of NCDs pursuant to this Tranche II Prospectus. NCDs once allotted under any particular Series of NCDs shall continue to bear the applicable Tenor, Coupon/ Yield and Redemption Amount as at the time of original Allotment irrespective of the category of NCD Holder on any Record Date, and such tenor, coupon/ yield and redemption amount as at the time of original allotment will not be impacted by trading of any series of NCDs between the categories of persons or entities in the secondary market.

Amount of interest payable shall be rounded off to the nearest Rupee. In the event, the interest / payout of total coupon / redemption amount is a fraction and not an integer, such amount will be rounded off to the nearest integer. By way of illustration if the redemption amount is ₹ 1,837.50 then the amount shall be rounded off to ₹ 1,838.

Taxation

Income Tax is deductible at source at the rate of 10% on interest on debentures held by resident Indians as per the provisions of Section 193 of the IT Act (in case where interest is paid to Individual or HUF, no TDS will be deducted where interest paid is less than ₹ 5,000 and interest is paid by way of account payee cheque). For further details, please see Section titled “Statement of Possible Tax Benefits” on page 73.

Further, Tax will be deducted at source at reduced rate, or no tax will be deducted at source in the following cases:

- a. When the Assessing Officer issues a certificate on an application by a Debenture Holder on satisfaction that the total income of the Debenture holder justifies no/lower deduction of tax at source as per the provisions of Section 197(1) of the IT Act; and that a valid certificate is filed with the Company/ Registrar, atleast 7 days before the relevant record date for payment of debenture interest;
- b. When the resident Debenture Holder with Permanent Account Number ('PAN') (not being a company or a firm) submits a declaration as per the provisions of section 197A(1A) of the IT Act in the prescribed Form 15G verified in the prescribed manner to the effect that the tax on his estimated total income of the financial year in which such income is to be included in computing his total income will be Nil. However, under section 197A(1B) of the IT Act, Form 15G cannot be submitted nor considered for exemption from tax deduction at source if the dividend income referred to in section 194, interest on securities, interest, withdrawal from NSS and income from units of mutual fund or of 236 Unit Trust of India as the case may be or the aggregate of the amounts of such incomes credited or paid or likely to be credited or paid during the financial year in which such income is to be included exceeds the maximum amount which is not chargeable to income tax;
- c. Senior citizens, who are 60 or more years of age at any time during the financial year, enjoy the special privilege to submit a self-declaration in the prescribed Form 15H for non-deduction of tax at source in accordance with the provisions of section 197A(1C) of the Act even if the aggregate income credited or paid or likely to be credited or paid exceeds the maximum amount not chargeable to tax, provided that the tax due on the estimated total income of the year concerned will be Nil.

In all other situations, tax would be deducted at source as per prevailing provisions of the IT Act. However in case of NCD Holders claiming non-deduction or lower deduction of tax at source, as the case may be, the NCD Holder should furnish either (a) a declaration (in duplicate) in the prescribed form i.e. (i) Form 15H which can be given by individuals who are of the age of 60 years or more (ii) Form 15G which can be given by all applicants (other than companies, and firms), or (b) a certificate, from the Assessing Officer which can be obtained by all applicants (including companies and firms) by making an application in the prescribed form i.e. Form No.13.

Further, eligible NCD Holders other than resident individuals or resident HUF investors, the following documents should be submitted with the Company/ Registrar, atleast 7 days before the relevant record date for payment of debenture interest (i) copy of registration certificate issued by the regulatory authority under which the investor is registered, (ii) self-declaration for non-deduction of tax at source, and (iii) such other document a may be required under the Income Tax Act, for claiming non-deduction / lower deduction of tax at source and/or specified by the Company/ Registrar, from time to time.

The aforesaid documents, as may be applicable, should be submitted atleast 7 days before the relevant Record Date for payment of interest on the NCDs quoting the name of the sole/ first NCD Holder, NCD folio number and the distinctive number(s) of the NCD held, to ensure non-deduction/lower deduction of tax at source from interest on the NCD. The aforesaid documents for claiming non-deduction or lower deduction of tax at source, as the case may be, shall be submitted to the Registrar as per below details or any other details as may be updated on the website of the Issuer at www.iiflsamasta.com or the Registrar at www.linkintime.co.in from time to time.

Details of the Registrar are as below:

Link Intime India Private Limited

C-101, 1st Floor, 247 Park

LBS Marg, Vikhroli (West)

Mumbai – 400 083, Maharashtra.

Tel: +91 810 811 4949

Fax: +91 22 4918 6195

Email: iiflsamasta.ncd2024@linkintime.co.in

Investor Grievance Email: iiflsamasta.ncd2024@linkintime.co.in

Website: www.linkintime.co.in

Contact Person: Shanti Gopalakrishnan

Compliance Officer: BN Ramakrishnan

SEBI Registration No.: INR000004058

CIN: U67190MH1999PTC118368

Link for availability of formats of declaration/ certificates and online submission of tax exemption forms: <https://web.linkintime.co.in/BONDSformreg/BONDS-submission-of-form-15g-15h.html>.

Details of the Company are as below:

Address: 110/3, Lalbagh Main Road, Krishnappa Layout, Bengaluru – 560 027, Karnataka
Email: secretarial@iiflsamasta.com

The investors need to submit Form 15H/ 15G/certificate in original from the Assessing Officer for each Fiscal during the currency of the NCD to claim non-deduction or lower deduction of tax at source from interest on the NCD. Tax exemption certificate/document, if any, must be lodged at the office of the Registrar to the Issue at least seven days prior to the Record Date or as specifically required, failing which tax applicable on interest will be deducted at source on accrual thereof in our Company's books and/or on payment thereof, in accordance with the provisions of the IT Act and/or any other statutory modification, enactment or notification as the case may be. A tax deduction certificate will be issued for the amount of tax so deducted.

Subject to the terms and conditions in connection with computation of applicable interest on the Record Date, please note that in case the NCDs are transferred and/or transmitted in accordance with the provisions of the Shelf Prospectus, this Tranche II Prospectus read with the provisions of the Articles of Association of our Company, the transferee of such NCDs or the deceased holder of NCDs, as the case may be, shall be entitled to any interest which may have accrued on the NCDs

Mode of payment of Interest to NCD Holders

Payment of interest will be made (i) in case of NCDs in dematerialised form, to the persons who, for the time being appear in the register of beneficial owners of the NCDs as per the Depositories, as on the Record Date and (ii) in case of NCDs in physical form on account of re-materialization, to the persons whose names appear in the register of debenture holders maintained by us (or to first holder in case of joint-holders) as on the Record Date.

We may enter into an arrangement with one or more banks in one or more cities for direct credit of interest to the account of the NCD Holders. In such cases, interest, on the interest payment date, would be directly credited to the account of those investors who have given their bank mandate.

We may offer the facility of NACH, NEFT, RTGS, Direct Credit and any other method permitted by RBI and SEBI from time to time to effect payments to NCD Holders. The terms of this facility (including towns where this facility would be available) would be as prescribed by RBI. For further details, see the "*Terms of the Issue – Manner of Payment of Interest / Refund / Redemption*" beginning on page 272.

Day Count Convention

Interest shall be computed on an actual/actual basis on the principal outstanding on the NCDs as per the SEBI Master Circular.

Effect of holidays on payments

If the Interest Payment Date falls on a day other than a Working Day (Sundays or holidays of commercial banks in Mumbai or Bengaluru), the interest payment as due and payable on such day shall be made by our Company on the immediately succeeding Working Day and calculation of such interest payment shall be as per original schedule as if such Interest Payment Date were a Working Day. Further, the future Interest Payment Dates shall remain intact as per the originally stipulated schedule and shall not be changed because of postponement of such interest payment on account of it falling on a non-Working Day. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force, as applicable.

If Redemption Date (also being the last Interest Payment Date) falls on a day that is not a Working Day, the Redemption Amount shall be paid by our Company on the immediately preceding Working Day along with interest accrued on the NCDs until but excluding the date of such payment. The interest/redemption payments shall be made only on the Working Days.

Illustration for guidance in respect of the day count convention and effect of holidays on payments:

The illustration for guidance in respect of the day count convention and effect of holidays on payments, as required by SEBI Master Circular is disclosed in Annexure D of this Tranche II Prospectus.

Maturity and Redemption

The relevant interest will be paid in the manner set out in “*Issue Structure*” on page 250. The last interest payment will be made at the time of redemption of the NCDs.

Series	Maturity Period/ Redemption (as applicable)
Series I	24 Months
Series II	24 Months
Series III	36 Months
Series IV	36 Months
Series V	60 Months
Series VI	60 Months

Put / Call Option

Not Applicable.

Deemed Date of Allotment

The date on which the Board of Directors or the Issuance and Allotment Committee approves the Allotment of the NCDs for this Tranche II Issue or such date as may be determined by the Board of Directors/ or the Issuance and Allotment Committee thereof and notified to the Designated Stock Exchange. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the Debenture Holders from the Deemed Date of Allotment.

Application Size

Each application should be for a minimum of 10 NCDs and multiples of 1 NCD thereafter (for all options/ Series of NCDs, namely Series I, Series II, Series III, Series IV, Series V and Series VI taken individually or collectively). The minimum application size for each application for NCDs would be ₹ 10,000 and in multiples of ₹1,000 thereafter. Applicants can apply for any or all Series of NCDs offered hereunder provided the Applicant has applied for minimum application size using the same Application Form.

Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and/ or regulatory provisions.

Terms of Payment

The entire issue price of ₹ 1,000 per NCD is payable on application itself. In case of allotment of lesser number of NCDs than the number of NCDs applied for, our Company shall instruct the SCSBs to unblock the excess amount blocked on application in accordance with the terms of the Shelf Prospectus and this Tranche II Prospectus.

Record Date

The record date for payment of interest in connection with the NCDs or repayment of principal in connection therewith shall be 15 (fifteen) days prior to the date on which interest is due and payable, and/or the date of redemption or such other date under this Tranche II Prospectus as may be determined by the Company.

Provided that trading in the NCDs shall remain suspended between the aforementioned Record Date in connection with redemption of NCDs and the date of redemption or as prescribed by the Stock Exchanges, as the case may be.

In case Record Date falls on a day when Stock Exchanges are having a trading holiday, the immediate subsequent trading day or a date notified by our Company to the Stock Exchanges will be deemed as the Record Date.

Manner of Payment of Interest / Refund / Redemption

The manner of payment of interest / refund / redemption in connection with the NCDs is set out below:

The bank details will be obtained from the Depositories for payment of Interest / refund / redemption as the case may be. Applicants are advised to keep their bank account details as appearing on the records of the depository participant updated at all points of time. Please note that failure to do so could result in delays in credit of Interest/ Redemption Amounts at the Applicant's sole risk, and the Lead Managers, our Company or the Registrar shall have no responsibility and undertake no liability for the same.

In case of NCDs held in physical form, on account of re-materialisation, the bank details will be obtained from the documents submitted to the Company along with the re-materialisation request. For further details, please see "*Terms of the Issue - Procedure for Re-materialisation of NCDs*" on page 266.

The Registrar to the Issue will issue requisite instructions to the relevant SCSBs to un-block amounts in the ASBA Accounts of the Applicants representing the amounts to unblocked for the Applicants.

The mode of interest / refund / redemption payments shall be undertaken in the following order of preference:

1. Direct Credit

Investors having their bank account with the Refund Bank, shall be eligible to receive refunds, if any, through direct credit. The refund amount, if any, would be credited directly to their bank account with the Refund Bank.

2. NACH

National Automated Clearing House which is a consolidated system of ECS. Payment would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including Magnetic Ink Character Recognition ("MICR") code wherever applicable from the depository. Payments through NACH are mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where applicant is otherwise disclosed as eligible to get payments through NEFT or Direct Credit or RTGS.

3. RTGS

Applicants having a bank account with a participating bank and whose interest payment/ refund/ redemption amounts exceed ₹ 200,000, or such amount as may be fixed by RBI from time to time, have the option to receive payments through RTGS. Such eligible Applicants who indicate their preference to receive interest payment/ refund/ redemption through RTGS are required to provide the IFSC code in the Application Form or intimate our Company and the Registrar to the Issue at least seven days prior to the Record Date. Charges, if any, levied by the Applicant's bank receiving the credit would be borne by the Applicant. In the event the same is not provided, interest payment/ refund/ redemption shall be made through NACH subject to availability of complete bank account details for the same as stated above.

4. NEFT

Payment of interest/ refunds/ redemption shall be undertaken through NEFT wherever the Applicants' banks have been assigned the Indian Financial System Code ("IFSC"), which can be linked to a MICR, if any, available to that particular bank branch. The IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Applicants have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of interest/ refund/ redemption will be made to the applicants through this method.

5. Registered Post/Speed Post

For all other applicants, including those who have not updated their bank particulars with the MICR code, the interest payment / refund / redemption orders shall be dispatched through speed post/registered post.

Please note that applicants are eligible to receive payments through the modes detailed in (1), (2) (3), and (4) herein above provided they provide necessary information for the above modes and where such payment facilities are allowed / available.

Please note that our Company shall not be responsible to the holder of NCDs, for any delay in receiving credit of interest / refund / redemption so long as our Company has initiated the process of such request in time.

In case of ASBA Applicants, the Registrar to the Issue will issue requisite instructions to the relevant SCSBs to unblock amounts in the ASBA Accounts of the Applicants representing the amounts to be refunded to the Applicants.

6. The Registrar to the Issue shall instruct the relevant SCSB or in case of Bids by Retail Individual Investors applying through the UPI Mechanism to the Sponsor Bank, to revoke the mandate and to unblock the funds in the relevant ASBA Account to the extent of the Application Amount specified in the Application Forms for withdrawn, rejected or unsuccessful or partially successful Applications within six Working Days of the Tranche II Issue Closing Date.

Printing of Bank Particulars on Interest/redemption Warrants

As a matter of precaution against possible fraudulent encashment of refund orders and interest/redemption warrants due to loss or misplacement, the particulars of the Applicant's bank account are mandatorily required to be given for printing on the orders/ warrants. NCDs applied and held in dematerialized form, these particulars would be taken directly from the depositories. In case of NCDs held in physical form on account of rematerialisation, the NCD Holders are advised to submit their bank account details with our Company/ Registrar to the Issue at least seven days prior to the Record Date failing which the orders/ warrants will be dispatched to the postal address of the NCD Holders as available in the records of our Company either through speed post or registered post. Bank account particulars will be printed on the orders/ warrants which can then be deposited only in the account specified.

Loan against NCDs

Pursuant to RBI Circular dated June 27, 2013, our Company, being an NBFC, is not permitted to extend any loans against the security of its NCDs.

Buy Back of NCDs

Our Company may, at its sole discretion, from time to time, consider, subject to applicable statutory and/or regulatory requirements, buyback of NCDs, upon such terms and conditions as may be decided by our Company.

Our Company may from time to time invite the NCD Holders to offer the NCDs held by them through one or more buy-back schemes and/or letters of offer upon such terms and conditions as our Company may from time to time determine, subject to applicable statutory and/or regulatory requirements. Such NCDs which are bought back may be extinguished, re-issued and/or resold in the open market with a view of strengthening the liquidity of the NCDs in the market, subject to applicable statutory and/or regulatory requirements.

Form and Denomination of NCDs

In case of NCDs held in physical form on account of rematerialisation, a single certificate will be issued to the NCD Holder for the aggregate amount of the NCDs held ("**Consolidated Certificate**"). The Applicant can also request for the issue of NCD certificates in denomination of one NCD ("**Market Lot**"). In case of NCDs held under different Options, by an NCD Holder, separate Consolidated Certificates will be issued to the NCD Holder for the aggregate amount of the NCDs held under each Option as specified in this Tranche II Prospectus.

It is, however, distinctly to be understood that the NCDs pursuant to this Tranche II Issue shall be traded only in dematerialized form.

In respect of Consolidated Certificates, only upon receipt of a request from the NCD Holder, the Consolidated Certificates would be split into smaller denominations, subject to the minimum of Market Lot. No fee would be charged for splitting of NCD certificates in Market Lots, but stamp duty payable, if any, would be borne by the NCD Holder. The request for splitting should be accompanied by the original NCD certificate, which would then be treated as cancelled. As per the SEBI NCS Regulations, the trading of the NCDs on the Stock Exchanges shall be in dematerialized form only in multiples of 1 (one) NCD ("**Market Lot**").

Procedure for redemption by NCD Holders

The procedure for redemption is set out below:

NCDs held in electronic form

No action is required on the part of NCD Holder(s) at the time of redemption of NCDs.

NCDs held in physical form on account of rematerialisation

No action would ordinarily be required on the part of the NCD Holder at the time of redemption and the redemption proceeds would be paid to those NCD Holders whose names stand in the register of debenture holders maintained by us on the Record Date fixed for the purpose of Redemption. However, our Company may require that the NCD certificate(s), duly discharged by the sole holder/all the joint-holders (signed on the reverse of the NCD certificates) be surrendered for redemption on maturity and should be sent by the NCD Holders by Registered Post with acknowledgment due or by hand delivery to our office or to such persons at such addresses as may be notified by us from time to time. NCD Holders may be requested to surrender the NCD certificates in the manner as stated above, not more than three months and not less than one month prior to the redemption date so as to facilitate timely payment. We may at our discretion redeem the NCDs without the requirement of surrendering of the NCD.

Payment on redemption

The manner of payment of redemption is set out below:

NCDs held in physical form on account of re-materialization

The payment on redemption of the NCDs will be made by way of cheque/pay order/ electronic modes. However, if our Company so requires, the aforementioned payment would only be made on the surrender of NCD certificates, duly discharged by the sole holder/ all the joint-holders (signed on the reverse of the NCD certificates). Dispatch of cheques/ pay orders, etc. in respect of such payment will be made on the redemption date or (if so requested by our Company in this regard) within a period of 30 days from the date of receipt of the duly discharged NCD certificate.

In case we decide to do so, the redemption proceeds in the manner stated above would be paid on the redemption date to those NCD Holders whose names stand in the register of debenture holders maintained by us on the Record Date fixed for the purpose of Redemption. Hence the transferees, if any, should ensure lodgment of the transfer documents with us at least seven days prior to the Record Date. In case the transfer documents are not lodged with us at least 7 days prior to the Record Date and we dispatch the redemption proceeds to the transferor, claims in respect of the redemption proceeds should be settled amongst the parties inter se and no claim or action shall lie against us or the Registrar to the Issue.

Our liability to NCD Holders towards their rights including for payment or otherwise shall stand extinguished from the redemption in all events and when we dispatch the redemption amounts to the NCD Holders.

Further, we will not be liable to pay any interest, income or compensation of any kind from the date of redemption of the NCD(s).

NCDs held in electronic form

On the redemption date, redemption proceeds would be paid by cheque /pay order / electronic mode to those NCD Holders whose names appear on the list of beneficial owners given by the Depositories to us. These names would be as per the Depositories' records on the Record Date fixed for the purpose of redemption. These NCDs will be simultaneously extinguished to the extent of the amount redeemed through appropriate debit corporate action upon redemption of the corresponding value of the NCDs. It may be noted that in the entire process mentioned above, no action is required on the part of NCD Holders.

Our liability to NCD Holder(s) towards his/their rights including for payment or otherwise shall stand extinguished from the date of redemption in all events and when we dispatch the redemption amounts to the NCD Holder(s).

Further, we will not be liable to pay any interest, income or compensation of any kind from the date of redemption of the NCD(s).

Right to Reissue NCD(s)

Subject to the provisions of the Companies Act, 2013 and SEBI NCS Regulations, where we have fully redeemed or repurchased any NCD(s), we shall have and shall be deemed always to have had the right to keep such NCDs in effect without extinguishment thereof, for the purpose of resale or reissue and in exercising such right, we shall have and be deemed always to have had the power to resell or reissue such NCDs either by reselling or reissuing the same NCDs or by issuing other NCDs in their place. The aforementioned right includes the right to reissue original NCDs.

Transfer/ Transmission of NCDs

For NCDs held in physical form on account of rematerialisation

The NCDs shall be transferred or transmitted freely in accordance with the applicable provisions of Companies Act, 2013 applicable as on the date of the Shelf Prospectus, this Tranche II Prospectus and all other applicable laws. The provisions relating to transfer and transmission and other related matters in respect of our shares contained in the Articles and the relevant provisions of the Companies Act, 2013 applicable as on the date of the Shelf Prospectus, this Tranche II Prospectus and all applicable laws including FEMA and the rules and regulations thereunder, shall apply, mutatis mutandis (to the extent applicable to debentures) to the NCDs as well. In respect of the NCDs held in physical form on account of rematerialisation, a common form of transfer shall be used for the same. The NCDs held in dematerialised form shall be transferred subject to and in accordance with the rules/ procedures as prescribed by NSDL/CDSL and the relevant Depository Participants of the transferor and the transferee and any other applicable laws and rules notified in respect thereof. The transferees should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid/ redemption will be made to the person, whose name appears in the register of debenture holders or the records as maintained by the Depositories. In such cases, claims, if any, by the transferees would need to be settled with the transferors and not with the Issuer or Registrar.

For NCDs held in electronic form

The normal procedure followed for transfer of securities held in dematerialised form shall be followed for transfer of the NCDs held in electronic form. The seller should give delivery instructions containing details of the buyer's Depository Participant account to his depository participant.

In case the transferee does not have a Depository Participant account, the transferor can rematerialise the NCDs and thereby convert his dematerialised holding into physical holding. Thereafter these NCDs can be transferred in the manner as stated above for transfer of NCDs held in physical form.

Any trading of the NCDs issued pursuant to this Tranche II Issue shall be compulsorily in dematerialised form only.

Sharing of Information

Our Company may, at its option, use on our own, as well as exchange, share or part with any financial or other information about the NCD Holders available with us, with our subsidiaries, if any and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither we or our affiliates nor their agents shall be liable for use of the aforesaid information.

Notices

All notices to the NCD Holder(s) required to be given by us or the Debenture Trustee shall be published in one English language newspaper having wide circulation and one regional language daily newspaper at the place where the registered office of the Company is situated and/or will be sent by speed post/ courier or through email or other electronic media to the Registered Holders of the NCD(s) from time to time.

Future Borrowings

Our Company will be entitled to borrow/raise loans or avail of financial assistance in whatever form as also to issue debentures/ NCDs/other securities in any manner by creating a charge on any other assets, provided stipulated security cover is maintained on the NCDs and the Company is in compliance of all the terms of the Transaction Documents and no event of default has occurred and is continuing; and consents and approvals and other conditions, as may be required under Applicable Law or financing agreements, including intimations, if any, required thereunder are obtained or

provided, as the case may be.

Impersonation

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of sub-section(1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447 of the Companies Act, 2013.”

The liability prescribed under Section 447 of the Companies Act 2013 for fraud involving an amount of at least ₹ 0.1 crore or 1.00% of the turnover of our Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than ₹ 0.1 crore or 1.00% of the turnover of our Company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹0.5 crore or with both.

Pre-closure

Our Company, in consultation with the Lead Managers reserves the right to close the Tranche II Issue at any time prior to the Tranche II Issue Closing Date, subject to receipt of minimum subscription or as may be specified in this Tranche II Prospectus. Our Company shall allot NCDs with respect to the Applications received until the time of such pre-closure in accordance with the Basis of Allotment as described in this Tranche II Prospectus and subject to applicable statutory and/or regulatory requirements. In the event of such early closure of the Issue, our Company shall ensure that public notice of such early closure is published on or before such early date of closure or the Tranche II Issue Closing Date, of the Tranche II Issue, as applicable, through advertisement(s) in all those newspapers in which pre-issue advertisement have been given.

Issue of duplicate NCD certificate(s)

If NCD certificate(s), issued pursuant to rematerialisation, is/ are mutilated or defaced or the cages for recording transfers of NCDs are fully utilised, the same may be replaced by us against the surrender of such certificate(s). Provided, where the NCD certificate(s) are mutilated or defaced, the same will be replaced as aforesaid only if the certificate numbers and the distinctive numbers are legible.

If any NCD certificate is destroyed, stolen or lost then upon production of proof thereof to our satisfaction and upon furnishing such indemnity/ security and/or documents as we may deem adequate, duplicate NCD certificates shall be issued. Upon issuance of a duplicate NCD certificate, the original NCD certificate shall stand cancelled.

Market Lot and Trading Lot

The NCDs shall be allotted in dematerialized form. As per the SEBI NCS Regulations, the trading of the NCDs is in dematerialised form and the tradable lot is one NCD.

Please note that the NCDs shall cease to trade from the Record Date (for payment of the principal amount and the applicable interest for such NCDs) prior to redemption of the NCDs.

Allotment in this Tranche II Issue will be in electronic form multiples of one NCD. For further details of Allotment, see the “*Issue Procedure*” beginning on page 279.

Utilisation of Application Amount

The sum received in respect of the Tranche II Issue will be kept in separate bank account(s) and we will have access to such funds only upon allotment of the NCDs, execution of Debenture Trust Deeds and on receipt of listing and trading approval from the Stock Exchanges for this Tranche II Issue as per applicable provisions of law(s), regulations and

approvals.

Utilisation of Issue Proceeds

- a. All monies received pursuant to the issue of NCDs to public shall be transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013 and the SEBI NCS Regulations and our Company will comply with the conditions as stated therein, and these monies will be transferred to Company's bank account after receipt of listing and trading approvals.
- b. Details of all monies utilised out of this Tranche II Issue referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the purpose for which such monies had been utilised;
- c. Details of all unutilised monies out of issue of NCDs, if any, referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the form in which such unutilised monies have been invested.
- d. Our Company shall utilize the Tranche II Issue proceeds only up on (i) receipt of minimum subscription; (ii) completion of Allotment in compliance with Section 40 of the Companies Act, 2013; (iii) receipt of listing and trading approval from Stock Exchanges and (iv) only upon execution of the documents for creation of security.
- e. The Tranche II Issue proceeds shall not be utilized towards full or part consideration for the purchase or any other acquisition, *inter alia* by way of a lease, of any immovable property.
- f. Details of all utilized and unutilized monies out of the monies collected in the previous issue made by way of public offer shall be disclosed and continued to be disclosed in the balance sheet till the time any part of the proceeds of such previous issue remains unutilized indicating the purpose for which such monies have been utilized and the securities or other forms of financial assets in which such unutilized monies have been invested.
- g. The allotment letter shall be issued, or application money shall be refunded in accordance with the Applicable Law failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period;
- h. If Allotment is not made, application monies will be refunded/unblocked in the ASBA Accounts within 6 Working Days from the Tranche II Issue Closing Date or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Applicants in accordance with applicable laws;
- i. The Tranche II Issue proceeds shall be utilized in compliance with various guidelines, regulations and clarifications issued by RBI, SEBI or any other regulatory or statutory authority from time to time. Further the Tranche II Issue proceeds shall be utilized only for the purpose and objects stated in the Tranche II Prospectus.

Payment of Interest

If Allotment is not made within the prescribed time period under applicable law, the entire subscription amount will be unblocked within the time prescribed under applicable law, failing which interest may be due to be paid to the Applicants, for the delayed period, as prescribed in applicable law. Our Company shall not be liable to pay any interest on monies liable to be refunded in case of (a) invalid applications or applications liable to be rejected, (b) applications which are withdrawn by the Applicant and/or (c) monies paid in excess of the amount of NCDs applied for in the Application Form. For further details, see "*Issue Procedure - Rejection of Applications*" beginning on page 307.

Listing

The NCDs offered through the Shelf Prospectus and this Tranche II Prospectus are proposed to be listed on BSE and NSE. Our Company has obtained an 'in-principle' approval for the Issue from BSE *vide* their letter bearing reference number DCS/BM/PI-BOND/017/23-24 dated November 13, 2023 and from NSE *vide* their letter bearing reference number NSE/LIST/D/2023/0296 dated November 9, 2023. For the purposes of the Issue, NSE shall be the Designated Stock Exchange. Final Application for listing of the NCDs will be made to the Stock Exchanges in terms of SEBI NCS Regulations and the SEBI Master Circular.

If permissions to deal in and for an official quotation of our NCDs are not granted by the Stock Exchanges, our Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Shelf Prospectus and this Tranche II Prospectus.

Our Company will use best efforts to ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges are taken within 6 Working Days of the Tranche II Issue Closing Date. For the avoidance of doubt, it is hereby clarified that in the event of non-subscription to any one or more of the series, such series(s) of NCDs shall not be listed.

Guarantee/ Letter of Comfort

The Tranche II Issue is not backed by a guarantee or letter of comfort or any other document and/or letter with similar intent.

Monitoring and Reporting of Utilisation of Issue Proceeds

There is no requirement for appointment of a monitoring agency in terms of the SEBI NCS Regulations. The Audit Committee shall monitor the utilization of the proceeds of the Tranche II Issue. For the relevant quarters, our Company will disclose in our quarterly financial results, the utilization of the net proceeds of the Tranche II Issue under a separate head along with details, if any, in relation to all such proceeds of the Tranche II Issue that have not been utilized thereby also indicating investments, if any, of such unutilized proceeds of the Tranche II Issue.

Lien

Our Company will have the right of set-off and lien, present as well as future on the moneys due and payable to the NCD Holder or deposits held in the account of the NCD holders whether in single name or joint name, to the extent of all outstanding dues, if any by the NCD Holder to our Company, subject to the applicable law.

Lien on Pledge of NCDs

Subject to applicable law, our Company, at its discretion, may record a lien on pledge of NCDs if such pledge of NCDs is accepted by any bank or institution for any loan provided to the NCD Holder against pledge of such NCDs as part of the funding, subject to applicable law.

ISSUE PROCEDURE

This section applies to all Applicants. Specific attention of all Applicants is invited to the SEBI Master Circular, which provides, inter-alia, that for all public issues of debt securities all Applicants shall mandatorily use the ASBA facility for participating in the Tranche II Issue. ASBA Applicants and Applicants applying through the Direct Online Application Mechanism (as defined hereinafter) should note that the ASBA process and the Direct Online Application Mechanism involve application procedures that are different from the procedure applicable to all other Applicants. Please note that all Applicants are required to pay the full Application Amount or ensure that the ASBA Account has sufficient credit balance such that the entire Application Amount can be blocked by the SCSB while making an Application. Further in terms of the SEBI Master Circular retail individual investor may use the Unified Payment Interface (“UPI”) to participate in the public issue for an amount up to UPI Application Limit through the app/web interface of the Stock Exchanges or through intermediaries (Consortium Members, Registered Stock Brokers, Registrar and Transfer agent and Depository Participants).

Applicants should note that they may submit their Applications to the Designated Intermediaries at the Designated CDP Locations or the RTAs at the Designated RTA Locations or designated branches of SCSBs as mentioned on the Application Form. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable law or as specified in the Shelf Prospectus and this Tranche II Prospectus.

Please note that this section has been prepared based on the SEBI Master Circular and the notifications issued by BSE and NSE, in relation to the UPI Mechanism. Retail Individual Investors should note that they may use the UPI mechanism to block funds for application value up to UPI Application Limit (to participate in the public issue for an amount up to UPI Application Limit for issue of debt securities pursuant to SEBI Master Circular, or any other investment limit, as applicable and prescribed by SEBI from time to time) submitted through the app/web interface of the Stock Exchanges or through intermediaries (consortium members, registered stockbrokers, registrar and transfer agent and depository participants).

ASBA Applicants must ensure that their respective ASBA Accounts can be blocked by the SCSBs, in the relevant ASBA accounts for the full Application Amount. Applicants should note that they may submit their Applications to the Designated Intermediaries at the Designated CDP Locations or the RTAs at the Designated RTA Locations or designated branches of SCSBs as mentioned on the Application Form. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable law or as specified in the Shelf Prospectus and this Tranche II Prospectus.

Specific attention is drawn to the SEBI Master Circular which provides for allotment in public issues of debt securities to be made on the basis of the date of upload of each application into the electronic book of the Stock Exchanges, as opposed to the date and time of upload of each such application.

Our Company and the Lead Managers do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of the Shelf Prospectus and this Tranche II Prospectus. Investors are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws.

Further, the Company and the Lead Managers are not liable for any adverse occurrences consequent to the UPI Mechanism for application in the Tranche II Issue.

PLEASE NOTE THAT ALL DESIGNATED INTERMEDIARIES WHO WISH TO COLLECT AND UPLOAD APPLICATION IN THE ISSUE ON THE ELECTRONIC APPLICATION PLATFORM PROVIDED BY THE STOCK EXCHANGES WILL NEED TO APPROACH THE STOCK EXCHANGES AND FOLLOW THE REQUISITE PROCEDURES AS MAY BE PRESCRIBED BY THE STOCK EXCHANGES. THE FOLLOWING SECTION MAY CONSEQUENTLY UNDERGO CHANGE BETWEEN THE DATES OF THE TRANCHE II PROSPECTUS, THE TRANCHE II ISSUE OPENING DATE AND THE TRANCHE II ISSUE CLOSING DATE.

THE LEAD MANAGERS, THE CONSORTIUM MEMBERS AND OUR COMPANY SHALL NOT BE RESPONSIBLE OR LIABLE FOR ANY ERRORS OR OMISSIONS ON THE PART OF TRADING MEMBERS/DESIGNATED INTERMEDIARIES IN CONNECTION WITH THE RESPONSIBILITY OF TRADING MEMBERS/DESIGNATED INTERMEDIARIES IN RELATION TO COLLECTION AND UPLOAD OF APPLICATION FORMS IN RESPECT OF THE ISSUE ON THE ELECTRONIC APPLICATION PLATFORM

PROVIDED BY STOCK EXCHANGES. FURTHER, THE RELEVANT STOCK EXCHANGES WILL BE RESPONSIBLE FOR ADDRESSING INVESTOR GRIEVANCES ARISING FROM APPLICATIONS THROUGH TRADING MEMBERS/DESIGNATED INTERMEDIARIES REGISTERED WITH SUCH STOCK EXCHANGES.

Please note that for the purposes of this section, the term “Working Day” shall mean all days on which the commercial banks in Mumbai or Bangalore are open for business, except with reference to the Tranche II Issue Period, where Working Days shall mean all days, excluding Saturdays, Sundays and public holidays on which commercial banks in Mumbai are open for business. Furthermore, for the purpose the time period between the bid/ issue closing date and the listing of the NCDs, Working Days shall mean all trading days of the Stock Exchanges excluding Saturdays, Sundays and bank holidays as specified by SEBI.

The information below is given for the benefit of the investors. Our Company and the Members of Consortium are not liable for any amendment or modification or changes in applicable laws or regulations, which may occur after the date of the Shelf Prospectus and this Tranche II Prospectus.

PROCEDURE FOR APPLICATION

Who can apply?

The following categories of persons are eligible to apply in the Tranche II Issue.

Category I (Institutional Investors)

- Resident public financial institutions, scheduled commercial banks, Indian multilateral and bilateral development financial institutions which are authorised to invest in the NCDs;
- Provident funds and pension funds each with a minimum corpus of ₹ 250 million, superannuation funds and gratuity funds, which are authorised to invest in the NCDs;
- Alternative Investment Funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012;
- Resident Venture Capital Funds registered with SEBI;
- Insurance companies registered with the IRDAI;
- State industrial development corporations;
- Insurance funds set up and managed by the army, navy, or air force of the Union of India;
- Insurance funds set up and managed by the Department of Posts, the Union of India;
- Systemically Important Non-Banking Financial Companies;
- National Investment Fund set up by resolution no. F.No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; and
- Mutual funds registered with SEBI.

Category II (Non-Institutional Investors)

- Companies within the meaning of Section 2(20) of the Companies Act, 2013;
- Statutory bodies/ corporations and societies registered under the applicable laws in India and authorised to invest in the NCDs;
- Co-operative banks and regional rural banks;
- Trusts including public/private charitable/religious trusts which are authorised to invest in the NCDs;
- Educational institutions and associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment: which are authorised to invest in the NCDs;
- Scientific and/or industrial research organisations, which are authorised to invest in the NCDs;
- Partnership firms in the name of the partners; and
- Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009).
- Association of Persons; and
- Any other incorporated and/or unincorporated body of persons.

Category III (High Net-worth Individual Investors)

- Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating to above ₹ 10,00,000 across all options of NCDs in the Tranche II Issue.

Category IV (Retail Individual Investors)

- Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating up to and including ₹10,00,000 across all Options/ Series of NCDs in the Issue and shall include Retail Individual Investors, who have submitted bid for an amount not more than ₹5,00,000 in any of the bidding options in the Issue (including HUFs applying through their Karta and does not include NRIs) through UPI Mechanism.

Please note that it is clarified that persons resident outside India shall not be entitled to participate in the Issue and any applications from such persons are liable to be rejected.

Note: Participation of any of the aforementioned categories of persons or entities is subject to the applicable statutory and/or regulatory requirements in connection with the subscription to Indian securities by such categories of persons or entities.

Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions.

Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/ consents/ approvals in connection with applying for, subscribing to, or seeking allotment of NCDs pursuant to the Issue.

The Lead Managers, Members of Consortium and its respective associates and affiliates are permitted to subscribe in the Tranche II Issue.

Applications cannot be made by:

The following categories of persons, and entities, shall not be eligible to participate in the Issue and any Applications from such persons and entities are liable to be rejected:

- a. Minors without a guardian name* (A guardian may apply on behalf of a minor. However, Applications by minors must be made through Application Forms that contain the names of both the minor Applicant and the guardian; It is further clarified that it is the responsibility of the Applicant to ensure that the guardians are competent to contract under applicable statutory/regulatory requirements);
- b. Foreign nationals, NRI *inter-alia* including any NRIs who are (i) based in the USA, and/or, (ii) domiciled in the USA, and/or, (iii) residents/citizens of the USA, and/or, (iv) subject to any taxation laws of the USA;
- c. Persons resident outside India and other foreign entities;
- d. Foreign Institutional Investors;
- e. Foreign Portfolio Investors;
- f. Non Resident Indians;
- g. Qualified Foreign Investors;
- h. Overseas Corporate Bodies**;
- i. Foreign Venture Capital Investor; and
- j. Persons ineligible to contract under applicable statutory/ regulatory requirements.

** Applicant shall ensure that guardian is competent to contract under Indian Contract Act, 1872*

The Registrar to the Issue shall verify the above on the basis of the records provided by the Depositories based on the DP ID and Client ID provided by the Applicants in the Application Form and uploaded onto the electronic system of the Stock Exchanges by the Designated Intermediaries.

Based on the information provided by the Depositories, our Company shall have the right to accept Applications belonging to an account for the benefit of a minor (under guardianship). In case of such Applications, the Registrar to the

Issue shall verify the above on the basis of the records provided by the Depositories based on the DP ID and Client ID provided by the Applicants in the Application Form and uploaded onto the electronic system of the Stock Exchanges.

***The concept of Overseas Corporate Bodies (meaning any company, partnership firm, society and other corporate body or overseas trust irrevocably owned/held directly or indirectly to the extent of at least 60% by NRIs), which was in existence until 2003, was withdrawn by the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies) Regulations, 2003. Accordingly, OCBs are not permitted to invest in the Tranche II Issue.*

The information below is given for the benefit of Applicants. Our Company and the Lead Managers are not liable for any amendment or modification or changes in applicable laws or regulations, which may occur after the date of the Shelf Prospectus and this Tranche II Prospectus.

How to apply?

Availability of the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche II Prospectus, Abridged Prospectus and Application Forms.

Physical copies of the Abridged Prospectus containing the salient features of the Shelf Prospectus and this Tranche II Prospectus together with Application Forms and copies of the Draft Shelf Prospectus, the Shelf Prospectus and the Tranche II Prospectus may be obtained from:

- a. Our Registered Office and Corporate Office,
- b. Office of the Lead Managers,
- c. Office of the Consortium Members,
- d. Offices of the Registrar to the Issue,
- e. Designated RTA Locations for RTAs,
- f. Designated CDP Locations for CDPs and
- g. Designated Branches of the SCSBs.

Additionally, Electronic copies the Draft Shelf Prospectus, the Shelf Prospectus, the Tranche II Prospectus, along with the downloadable version of the Application Forms will be available.

- a. for download on the website of BSE and NSE at www.bseindia.com and www.nseindia.com, respectively and the website of the Lead Managers at www.nuvama.com, www.iiflcap.com and www.trustgroup.in.
- b. at the designated branches of the SCSBs and the Consortium Members at the Specified Locations.

Electronic copies of the Draft Shelf Prospectus, the Shelf Prospectus and the Tranche II Prospectus along with the downloadable version of the Application Form will be available on the websites of the Lead Managers, the Stock Exchanges, SEBI and SCSBs.

Electronic Application Forms will also be available on the website of the Stock Exchanges and on the websites of the SCSBs that permit the submission of Applications electronically. A hyperlink to the website of the Stock Exchanges for this facility will be provided on the website of the Lead Managers and the SCSBs. Further, Application Forms will also be provided to Designated Intermediaries at their request. A unique application number (“UAN”) will be generated for every Application Form downloaded from the websites of the Stock Exchanges. Further, Application Forms will also be provided to Designated Intermediaries at their request.

Our Company may also provide Application Forms for being downloaded and filled at such websites as it may deem fit. In addition, brokers having online demat account portals may also provide a facility of submitting the Application Forms virtually online to their account holders.

Trading Members of the Stock Exchanges can download Application Forms from the websites of the Stock Exchanges. Further, Application Forms will be provided to Trading Members of the Stock Exchanges at their request.

Please note that there is a single Application Form for, persons resident in India.

Please note that only ASBA Applicants shall be permitted to make an application for the NCDs.

Method of Application

In terms of the SEBI Master Circular an eligible investor desirous of applying in this Tranche II Issue can make Applications through the ASBA mechanism only.

Applicants are requested to note that in terms of the SEBI Master Circular, SEBI has mandated issuers to provide, through a recognized Stock Exchanges which offers such a facility, an online interface enabling direct application by investors to a public issue of debt securities with an online payment facility (“**Direct Online Application Mechanism**”). In this regard, SEBI has, through the SEBI Master Circular, directed recognized Stock Exchanges in India to put in necessary systems and infrastructure for the implementation of the SEBI Master Circular and the Direct Online Application Mechanism infrastructure for the implementation of the SEBI Master Circular and the Direct Online Application Mechanism. The Direct Online Application facility will be available for this Tranche II Issue as per mechanism provided in the SEBI Master Circular

All Applicants shall mandatorily apply in this Tranche II Issue through the ASBA process only. Applicants intending to subscribe in this Tranche II Issue shall submit a duly filled Application form to any of the Designated Intermediaries.

Designated Intermediaries (other than SCSBs) shall submit/deliver the Application Form (except the Application Form from a Retail Individual Investor bidding using the UPI mechanism) to the respective SCSB, where such investor has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank.

Applicants should submit the Application Form only at the Bidding Centres, i.e., to the respective Members of the Consortium at the Specified Locations, the SCSBs at the Designated Branches, the Registered Broker at the Broker Centres, the RTAs at the Designated RTA Locations or CDPs at the Designated CDP Locations. Kindly note that Application Forms submitted by Applicants at the Specified Locations will not be accepted if the SCSB with which the ASBA Account, as specified in the Application Form is maintained has not named at least one branch at that location for the Designated Intermediaries for deposit of the Application Forms. A list of such branches is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

The relevant Designated Intermediaries, upon receipt of physical Application Forms from Applicants, shall upload the details of these Application Forms to the online platform of the Stock Exchanges and submit these Application Forms with the SCSB (except Application Form from RIBs using the UPI Mechanism) with whom the relevant ASBA Accounts are maintained.

For RIBs using UPI Mechanism, the Stock Exchanges shall share the bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. An Applicant shall submit the Application Form, which shall be stamped at the relevant Designated Branch of the SCSB. Application Forms in physical mode, which shall be stamped, can also be submitted to be the Designated Intermediaries at the Specified Locations. The SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form. Further, the Application may also be submitted through the app or web interface developed by Stock Exchanges wherein the Application is automatically uploaded onto the Stock Exchanges bidding platform and the amount is blocked using the UPI mechanism, as applicable.

Our Company, the Directors, affiliates, associates and their respective directors and officers, Lead Managers and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to ASBA Applications accepted by the Designated Intermediaries, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for Applications uploaded by SCSBs, the Application Amount has been blocked in the relevant ASBA Account. Further, all grievances against Designated Intermediaries in relation to this Tranche II Issue should be made by Applicants directly to the relevant Stock Exchanges.

In terms of the SEBI Master Circular, an eligible investor desirous of applying in this Tranche II Issue can make Applications through the following modes:

1. Self-Certified Syndicate Bank (SCSB) or intermediaries (i.e. Consortium members, Registered Stock Brokers,

Registrar and Transfer agent and Depository Participants)

- a. An investor may submit the bid-cum-application form, with ASBA as the sole mechanism for making payment, physically at the branch of a SCSB, i.e. investor's bank. For such applications, the existing process of uploading of bid on the Stock Exchanges bidding platform and blocking of funds in investors account by the SCSB would continue.
- b. An investor may submit the completed bid-cum-application form to intermediaries mentioned above along with details of his/her bank account for blocking of funds. The intermediary shall upload the bid on the Stock Exchanges bidding platform and forward the application form to a branch of a SCSB for blocking of funds.
- c. An investor may submit the bid-cum-application form with a SCSB or the intermediaries mentioned above and use his / her bank account linked UPI ID for the purpose of blocking of funds, if the application value is ₹5 Lakh or less. The intermediary shall upload the bid on the Stock Exchanges bidding platform. The application amount would be blocked through the UPI mechanism in this case.

2. *Through Stock Exchanges*

- a. An investor may submit the bid-cum-application form through the App or web interface developed by Stock Exchanges (or any other permitted methods) wherein the bid is automatically uploaded onto the Stock Exchanges bidding platform and the amount is blocked using the UPI Mechanism.
- b. The Stock Exchanges have extended their web-based platforms i.e. 'BSE Direct' or 'NSE goBID' to facilitate investors to apply in public issues of debt securities through the web based platform and mobile app with a facility to block funds through Unified Payments Interface (UPI) mechanism for application value upto ₹ 5 Lakh. To place bid through 'BSEDirect' or 'NSE goBID' platform / mobile app the eligible investor is required to register himself/ herself with 'BSE Direct', 'NSE goBID'
- c. An investor may use the following links to access the web-based interface developed by the Stock Exchanges to bid using the UPI Mechanism: BSE: <https://www.bsedirect.com> and NSE: <https://eipo.nseindia.com/>.
- d. The BSE Direct or 'NSE goBID' application can be downloaded from play store in android phones. Kindly search for 'BSEdirect' or 'NSE goBID' on Google Playstore for downloading mobile applications.
- e. To further clarify the submission of bids through the App or web interface, BSE has issued operational guidelines and circulars dated December 28, 2020 and May 19, 2022 available at <https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20201228-60>, and <https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20201228-61>. Similar circulars by NSE can be found here: <https://www1.nseindia.com/content/circulars/IPO46907.zip> x <https://www1.nseindia.com/content/circulars/IPO46867.zip> Further, NSE has allowed its 'GoBid' mobile application which is currently available for placing bids for non-competitive bidding shall also be available for applications of public issues of debt securities.

Application Size

Each Application should be for a minimum of 10 NCDs and multiples of one NCD thereof.

Applicants can apply for any or all types of NCDs offered hereunder (any/all series) provided the Applicant has applied for minimum application size using the same Application Form.

Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions.

APPLICATIONS BY VARIOUS APPLICANT CATEGORIES

Applications by Mutual Funds

Pursuant to the SEBI circular SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023 ("SEBI Mutual Funds Master Circular"), mutual funds are required to ensure that the total exposure of debt schemes (excluding investments in Bank CDs, triparty repo on Government securities or treasury bills, G-Secs, TBills, short term deposits of Scheduled

Commercial Banks and AAA rated securities issued by Public Financial Institutions and Public Sector Banks) shall not exceed 20% of the net assets of the scheme. Further, the additional exposure to financial services sector (over and above the limit of 20%) not exceeding 10% of the net assets of the scheme shall be allowed only by way of increase in exposure to Housing Finance Companies (HFCs), which are rated AA and above and are registered with the National Housing Bank. Further, an additional exposure of 5% of the net assets of the scheme has been allowed for investments in securitized debt instruments based on retail housing loan portfolio and/or affordable housing loan portfolio. However, the overall exposure in HFCs shall not exceed the sector exposure limit of 20% of the net assets of the scheme.

A separate Application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such Applications shall not be treated as multiple Applications. Applications made by the AMCs or custodians of a Mutual Fund shall clearly indicate the name of the concerned scheme for which the Application is being made. An Application Form by a mutual fund registered with SEBI for Allotment of the NCDs must be also accompanied by certified true copies of (i) its SEBI registration certificates (ii) the trust deed in respect of such mutual fund (ii) a resolution authorising investment and containing operating instructions and (iii) specimen signatures of authorized signatories.

Failing this, our Company reserves the right to accept or reject any Application from a Mutual Fund for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.

Application by Scheduled Commercial Banks, Co-operative Banks and Regional Rural Banks

Scheduled Commercial Banks, Co-operative Banks and Regional Rural Banks can apply in this Tranche II Issue based upon their own investment limits and approvals. Applications by them for Allotment of the NCDs must be accompanied by certified true copies of (i) memorandum and articles of association/charter of constitution; (ii) power of attorney; (iii) a board resolution authorising investment; and (iv) a letter of authorisation.

Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

Pursuant to SEBI Master Circular SCSBs making applications on their own account using ASBA facility, should have a separate account in their own name with any other SEBI registered SCSB. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.

Application by Systemically Important Non-Banking Financial Companies

Systemically Important Non-Banking Financial Companies can apply in this Tranche II Issue based upon their own investment limits and approvals. Applications by them for Allotment of the NCDs must be accompanied by certified true copies of (i) their memorandum and articles of association/charter of constitution; (ii) power of attorney; (iii) a board resolution authorising investments; and (ii) specimen signatures of authorised signatories.

Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

Application by Insurance Companies

Insurance companies registered with the IRDAI can apply in this Tranche II Issue based on their own investment limits and approvals in accordance with the regulations, guidelines and circulars issued by the IRDAI. The Application Form must be accompanied by certified true copies of their (i) i) certificate registered with IRDAI, (ii) memorandum and articles of association/charter of constitution; (iii) power of attorney; (iv) resolution authorising investments/containing operating instructions; and (v) specimen signatures of authorised signatories.

Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

Applications by Indian Alternative Investments Funds

Applications made by 'alternative investment funds' eligible to invest in accordance with the Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012, as amended (the "SEBI AIF Regulations") for Allotment of the NCDs must be accompanied by certified true copies of (i) SEBI registration certificate; (ii) a resolution authorising investment and containing operating instructions; and (iii) specimen signatures of authorised persons. The

Alternative Investment Funds shall at all times comply with the requirements applicable to it under the SEBI AIF Regulations and the relevant notifications issued by SEBI.

Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

Applications by Associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment

In case of Applications made by Applications by Associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment, must submit a (i) certified copy of the certificate of registration or proof of constitution, as applicable, (ii) Power of Attorney, if any, in favour of one or more persons thereof, (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements. Further, any trusts applying for NCDs pursuant to this Tranche II Issue must ensure that (a) they are authorized under applicable statutory/regulatory requirements and their constitution instrument to hold and invest in debentures, (b) they have obtained all necessary approvals, consents or other authorisations, which may be required under applicable statutory and/or regulatory requirements to invest in debentures, and (c) Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and/ or regulatory provisions. **Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason thereof.**

Applications by Trusts

In case of Applications made by trusts, settled under the Indian Trusts Act, 1882, as amended, or any other statutory and/or regulatory provision governing the settlement of trusts in India, must submit a (i) certified copy of the registered instrument for creation of such trust, (ii) power of attorney, if any, in favour of one or more trustees thereof, (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements. Further, any trusts applying for NCDs pursuant to this Tranche II Issue must ensure that (a) they are authorized under applicable statutory/regulatory requirements and their constitution instrument to hold and invest in debentures, (b) they have obtained all necessary approvals, consents or other authorisations, which may be required under applicable statutory and/or regulatory requirements to invest in debentures, and (c) Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions.

Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason thereof.

Applications by Public Financial Institutions or statutory corporations, which are authorized to invest in the NCDs

The Application must be accompanied by certified true copies of: (i) any Act/ Rules under which they are incorporated; (ii) board resolution authorising investments; and (iii) specimen signature of authorized person.

Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason thereof.

Applications made by companies, bodies corporate and societies registered under the applicable laws in India

The Application must be accompanied by certified true copies of: (i) any act/ rules under which they are incorporated; (ii) Board Resolution authorising investments; and (iii) Specimen signature of authorized person.

Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason thereof.

Applications made by Indian scientific and/ or industrial research organizations, which are authorized to invest in the NCDs

Applications by scientific and/ or industrial research organisations which are authorised to invest in the NCDs must be accompanied by certified true copies of: (i) any act/rules under which such Applicant is incorporated; (ii) a resolution of the board of directors of such Applicant authorising investments; and (iii) specimen signature of authorized persons of such Applicant.

Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.

Applications made by Partnership firms formed under applicable Indian laws in the name of the partners and Limited Liability Partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008

Applications made by partnership firms and limited liability partnerships formed and registered under the Limited Liability Partnership Act, 2008 must be accompanied by certified true copies of: (i) the partnership deed for such Applicants; (ii) any documents evidencing registration of such Applicant thereof under applicable statutory/regulatory requirements; (iii) a resolution authorizing the investment and containing operating instructions; and (iv) specimen signature of authorized persons of such Applicant.

Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.

Applications under a power of attorney by limited companies, corporate bodies and registered societies

In case of Applications made pursuant to a power of attorney by Applicants from Category I and Category II, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Application Form.

Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made pursuant to a power of attorney by Applicants from Category III and Category IV, a certified copy of the power of attorney must be lodged along with the Application Form.

In case of physical ASBA Applications made pursuant to a power of attorney, a certified copy of the power of attorney must be lodged along with the Application Form.

Failing this our Company, in consultation with the Lead Managers, reserves the right to reject such Applications. Our Company, in its absolute discretion, reserves the right to relax the above condition of attaching the power of attorney along with the Application Forms subject to such terms and conditions that our Company and the Lead Managers may deem fit.

Brokers having online demat account portals may also provide a facility of submitting the Application Forms online to their account holders. Under this facility, a broker receives an online instruction through its portal from the Applicant for making an Application on his or her behalf. Based on such instruction, and a power of attorney granted by the Applicant to authorise the broker, the broker makes an Application on behalf of the Applicant.

Applications by provident funds, pension funds, superannuation funds and gratuity funds which are authorized to invest in the NCDs

Applications by provident funds, pension funds, superannuation funds and gratuity funds which are authorised to invest in the NCDs, for Allotment of the NCDs must be accompanied by certified true copies of: (i) any act/rules under which they are incorporated; (ii) a power of attorney, if any, in favour of one or more trustees thereof, (ii) a board resolution authorising investments; (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements; (iv) specimen signature of authorized person; (v) a certified copy of the registered instrument for creation of such fund/trust; and (vi) any tax exemption certificate issued by Income Tax authorities.

Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.

Applications by National Investment Funds

Application made by a National Investment Fund for Allotment of the NCDs must be accompanied by certified true copies of: (i) a resolution authorising investment and containing operating instructions; and (ii) specimen signatures of authorized persons.

Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.

Applications by Systemically Important Non-banking financial companies

Applications made by systemically important non-banking financial companies registered with the RBI and under other applicable laws in India must be accompanied by certified true copies of: (i) memorandum and articles of association/charter of constitution; (ii) power of attorney;(iii) board Resolution authorising investments; and (iii) specimen signature of authorized person.

Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason thereof.

The Lead Managers and the Consortium Member and their respective associates and affiliates are permitted to subscribe in the Tranche II Issue.

Payment instructions

Payment mechanism for Applicants

An Applicant shall specify details of the ASBA Account Number in the Application Form and the relevant SCSB shall block an amount equivalent to the Application Amount in the ASBA Account specified in the Application Form.

An Applicant may submit the completed Application Form to designated intermediaries along with details of his/her bank account for blocking of funds. The intermediary shall upload the bid on the Designated Stock Exchanges bidding platform and forward the application form to a branch of a SCSB for blocking of funds.

An Applicant (belonging to Category IV) may also submit the Application Form with a SCSB or the intermediaries mentioned above and use his / her bank account linked UPI ID for the purpose of blocking of funds, if the application value is ₹ 5.00 lakh or less. The intermediary shall upload the bid on the Stock Exchanges bidding platform. The application amount would be blocked through the UPI Mechanism once the mandate request has been successfully accepted by the Applicant in this case.

An Applicant may submit the Application Form through the App or web interface developed by Stock Exchanges wherein the bid is automatically uploaded onto the Stock Exchanges bidding platform and the amount is blocked using the UPI Mechanism once the mandate request has been successfully accepted by the Applicant.

Upon receipt of an intimation from the Registrar to the Issue, the SCSBs shall, on the Designated Date, transfer such blocked amount from the ASBA Account to the Public Issue Account in terms of the Public Issue Account and Sponsor Bank Agreement. The balance amount remaining after the finalisation of the Basis of Allotment shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue to the respective SCSB within 5 (five) Working Days of the Tranche II Issue Closing Date. The Application Amount shall remain blocked in the ASBA Account until transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Tranche II Issue or until rejection of the Application, as the case may be.

For ASBA Applications submitted to the Lead Managers or Consortium Members or Trading Members of the Stock Exchanges at the Specified Cities, the ASBA Application will be uploaded onto the electronic system of the Stock Exchanges and deposited with the relevant branch of the SCSB at the Specified City named by such SCSB to accept such ASBA Applications from the Lead Managers or Trading Members of the Stock Exchanges, as the case may be (a list of such branches is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>). The relevant branch of the SCSB shall perform verification procedures and block an amount in the ASBA Account equal to the Application Amount specified in the ASBA Application.

For ASBA Applications submitted directly to the SCSBs, the relevant SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the ASBA Application, before entering the ASBA Application into the electronic system of the Stock Exchanges. SCSBs may provide the electronic mode of application either through an internet enabled application and banking facility or such other secured, electronically enabled mechanism for application and blocking of funds in the ASBA Account.

Applicants should ensure that they have funds equal to the Application Amount in the ASBA Account before submitting the ASBA Application to the Lead Managers or Consortium Members or Trading Members of the Stock Exchanges, as the case may be, at the Specified Cities or to the Designated Branches of the SCSBs. An ASBA Application where the corresponding ASBA Account does not have sufficient funds equal to the Application Amount at the time of blocking the ASBA Account is liable to be rejected.

The Application Amount shall remain blocked in the ASBA Account until approval of the Basis of Allotment and consequent transfer of the amount against the Allotted NCDs to the Public Issue Account(s), or until withdrawal/ failure of the Tranche II Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is approved, the Registrar to the Issue shall send an appropriate request to the controlling branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount pertaining to NCDs allotted to the successful Applicants to the Public Issue Account(s). The balance amount remaining after the finalisation of the Basis of Allotment shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB within 5 Working Days of the Tranche II Issue Closing Date. The Application Amount shall remain blocked in the ASBA Account until transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Tranche II Issue or until rejection of the ASBA Application, as the case may be. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

Payment mechanism for Direct Online Applicants

Please note that clarifications and/or confirmations regarding the implementation of the requisite infrastructure and facilities in relation to direct online applications and online payment facility have been sought from the Stock Exchanges. In the event the Direct Online Application facility is implemented by the Stock Exchanges, relevant “know your customer” details of such Applicants will be validated online from the Depositories, on the basis of the DP ID and Client ID provided by them in the Application Form. On successful submission of a Direct Online Application, the Applicant will receive a system-generated unique application number (“UAN”) and an SMS or an email confirmation on credit of the requisite Application Amount paid through the online payment facility with the Direct Online Application. On Allotment, the Registrar to the Issue shall credit NCDs to the beneficiary account of the Applicant and in case of refund, the refund amount shall be credited directly to the Applicant’s bank account. Applicants applying through the Direct Online Application facility must preserve their UAN and quote their UAN in: (a) any cancellation/withdrawal of their Application; (b) in queries in connection with Allotment of NCDs and/or refund(s); and/or (c) in all investor grievances/complaints in connection with the Tranche II Issue.

As per the SEBI Master Circular, the availability of the Direct Online Applications facility is subject to the Stock Exchanges putting in place the necessary systems and infrastructure, and accordingly the aforementioned disclosures are subject to any further clarifications, notification, modification deletion, direction, instructions and/or correspondence that may be issued by the Stock Exchanges and/or SEBI.

Additional information for Applicants

1. Application Forms submitted by Applicants whose beneficiary accounts are inactive shall be rejected.
2. No separate receipts will be issued for the money blocked on the submission of Application Form. However, the collection centre of the Designated Intermediaries will acknowledge the receipt of the Application Forms by stamping and returning to the Applicant the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Application Form for the records of the Applicant.
3. Applications should be submitted on the Application Form only. In the event that physical Application Form do not bear the stamp of the Designated Intermediaries, or the relevant Designated Branch, as the case may be, they are liable to be rejected.
4. Application Forms submitted by Applicants shall be for allotment of NCDs only in dematerialized form.

The Investors are advised to read the operational guidelines mentioned for Making Application for Public Issue of Debt Securities through BSE Direct issued by BSE on December 28, 2020 and May 19, 2022 and the circular issued by National Stock Exchange of India Limited for Introduction of Unified Payment Interface (UPI) for Debt IPO through NSE goBID on January 05, 2021 before investing through the through the app/ web interface of Stock Exchange(s).

Kindly note, the Stock Exchanges shall be responsible for addressing investor grievances arising from Applications submitted online through the App based/ web interface platform of Stock Exchanges or through their Trading Members.

Further, the collecting bank shall be responsible for addressing any investor grievances arising from non confirmation of funds to the Registrar despite successful realization/blocking of funds, or any delay or operational lapse by the collecting bank in sending the Application forms to the Registrar to the Issue.

Applicants are advised not to submit Application Forms to Public Issue Account Banks and the same will be rejected in such cases and the Applicants will not be entitled to any compensation whatsoever.

Instructions for completing the Application Form

1. Application Forms are to be completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained in the Shelf Prospectus and this Tranche II Prospectus and the Application Form. Incomplete Application Forms are liable to be rejected. Applicants should note that the Designated Intermediaries will not be liable for errors in data entry due to incomplete or illegible Application Forms.
2. Applications are required to be for a minimum of such NCDs and in multiples of one NCD thereafter as specified in the Issue Documents.
3. Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.
4. Applications should be in single or joint names and not exceeding three names, and in the same order as their Depository Participant details and Applications should be made by Karta in case the Applicant is an HUF. Applicants are required to ensure that the PAN Details of the HUF are mentioned and not those of the Karta.

If the Application is submitted in joint names, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the depository account held in joint names.

5. Applicants applying for Allotment must provide details of valid and active DP ID, Client ID and PAN clearly and without error. On the basis of such Applicant's active DP ID, Client ID and PAN provided in the Application Form, and as entered into the electronic Application system of the Stock Exchanges by the Designated Intermediaries, as the case may be, the Registrar to the Issue will obtain from the Depository the Demographic Details. Invalid accounts, suspended accounts or where such account is classified as invalid or suspended may not be considered for Allotment of the NCDs.
6. Applicants must ensure that their Application Forms are made in a single name.
7. All Applicants should check if they are eligible to apply as per the terms of the Shelf Prospectus/ the Tranche II Prospectus and applicable laws.
8. The minimum number of Applications and minimum application size shall be of 10 NCDs. Applicants may apply for one or more series of NCDs Applied for in a single Application Form.
9. If the ASBA Account holder is different from the Applicant, the Application Form should be signed by the ASBA Account holder also, in accordance with the instructions provided in the Application Form.
10. Applicant should correctly mention the ASBA Account number and UPI ID in case applying through UPI Mechanism and ensure that funds equal to the Application Amount are available in the ASBA Account before submitting the Application Form and ensure that the signature in the Application Form matches with the signature in the Applicant's bank records.
11. All Applicants are required to tick the relevant column in the "Category of Investor" box in the Application Form.
12. It shall be mandatory for subscribers to the Tranche II Issue to furnish their Permanent Account Number and any Application Form, without the PAN is liable to be rejected, irrespective of the amount of transaction.
13. Applications for all the series of the NCDs may be made in a single Application Form only.
14. The Applicants should ensure that they have been given a TRS and an acknowledgment as proof of having accepted the Application Form.

15. Applicants may revise/ modify their Application details during the Tranche II Issue Period, as allowed/permitted by the Stock Exchanges, by submitting a written request to the Designated Intermediary, as the case may be. However, for the purpose of Allotment, the date of original upload of the Application will be considered in case of such revision/modification. In case of any revision of Application in connection with any of the fields which are not allowed to be modified on the electronic Application platform of the Stock Exchanges as per the procedures and requirements prescribed by each relevant Stock Exchanges Applicants should ensure that they first withdraw their original Application and submit a fresh Application. In such a case the date of the new Application will be considered for date priority for Allotment purposes.
16. ASBA Applicants need to give the correct details of their ASBA Account including bank account number/ bank name and branch/ UPI ID in case of applying through UPI Mechanism.
17. ASBA Application should ensure that the Application Form is signed by the ASBA Account holder in case the ASBA Applicant is not the account holder.
18. ASBA Applicants should ensure that they receive an acknowledgement from the Designated Branch or the concerned Members of the Syndicate or Trading Members of the stock exchange(s), as the case may be, for the submission of the Application Form.

Additional Instructions for Retail Individual Investors using the UPI mechanism:

1. Before submission of the application form with the Designated Intermediary, the Retail Individual Investor shall download the mobile app for UPI and create a UPI ID (xyz@bankname) of not more than 45 characters with its bank and link it to his/ her bank account where the funds equivalent to the application amount is available.
2. The Retail Individual Investor shall fill in the bid details in the application form along with his/ her bank account linked UPI ID and submit the application with any of the intermediaries or through the Stock Exchanges App/ Web interface.
3. The Designated Intermediary, upon receipt of form, shall upload the bid details along with the UPI ID on the Stock Exchanges bidding platform using appropriate protocols.
4. Once the bid has been entered in the bidding platform, the Stock Exchanges shall undertake validation of the PAN and Demat account combination details of investor with the depository.
5. The Depository shall validate the aforesaid PAN and Demat account details on a near real time basis and send response to Stock Exchanges which would be shared by the Stock Exchanges with the Designated Intermediaries through its platform, for corrections, if any.
6. Once the bid details are uploaded on the Stock Exchanges platform, the Stock Exchanges shall send an SMS to the investor regarding submission of his / her application, at the end of day, during the bidding period. For the last day of bidding, the SMS may be sent the next Working Day.
7. Post undertaking validation with the Depository, the Stock Exchanges shall, on a continuous basis, electronically share the bid details along with investors UPI ID, with the Sponsor Bank appointed by the Company.
8. The Sponsor Bank shall initiate a mandate request on the investor i.e. request the investor to authorize blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment.
9. The request raised by the Sponsor Bank, would be electronically received by the investor as a SMS / intimation on his / her mobile no. / mobile app, associated with the UPI ID linked bank account.
10. The investor shall be able to view the amount to be blocked as per his / her bid in such intimation. The investor shall be able to view an attachment wherein the bid details submitted by such investor will be visible. After reviewing the details properly, the investor shall be required to proceed to authorize the mandate. Such mandate raised by the Sponsor Bank would be a one-time mandate for each application in the Tranche II Issue.
11. The investor is required to accept the UPI mandate latest by 5 pm on the third working day from the day of bidding on the Stock Exchanges platform except for the last day of the Tranche II Issue period or any other modified closure

date of the Tranche II Issue period in which case, he / she is required to accept the UPI mandate latest by 5 pm the next Working Day.

12. The investor shall not be allowed to add or modify the bid(s) of the application except for modification of either DP ID/Client ID, or PAN ID but not both. However, the investor can withdraw the bid(s) and reapply.
13. For mismatch bids, on successful validation of PAN and DP ID/ Client ID combination during T+1 (T being the Tranche II Issue Closing Date) modification session, such bids will be sent to Sponsor Bank for further processing by the Exchange on T+1 (T being the Tranche II Issue Closing Date) day till 1 pm.
14. The facility of Re-initiation/ Resending the UPI mandate shall be available only till 5 pm on the day of bidding.
15. Upon successful validation of block request by the investor, as above, the said information would be electronically received by the investors' bank, where the funds, equivalent to application amount, would get blocked in investors account. Intimation regarding confirmation of such block of funds in investors account would also be received by the investor.
16. The information containing status of block request (e.g., accepted / decline / pending) would also be shared with the Sponsor Bank, which in turn would be shared with the Stock Exchanges. The block request status would also be displayed on the Stock Exchanges platform for information of the intermediary.
17. The information received from Sponsor Bank, would be shared by Stock Exchanges with the Registrar to the Issue in the form of a file for the purpose of reconciliation.
18. Post closure of the Issue, the Stock Exchanges shall share the bid details with the Registrar to the Issue. Further, the Stock Exchanges shall also provide the Registrar to the Issue, the final file received from the Sponsor Bank, containing status of blocked funds or otherwise, along with the bank account details with respect to applications made using UPI ID.
19. The allotment of debt securities shall be done as per SEBI Master Circular.
20. The RTA, based on information of bidding and blocking received from the Stock Exchanges, shall undertake reconciliation of the bid data and block confirmation corresponding to the bids by all investor category applications (with and without the use of UPI) and prepare the basis of allotment.
21. Upon approval of the basis of allotment, the RTA shall share the 'debit' file with Sponsor bank (through Stock Exchanges) and SCSBs, as applicable, for credit of funds in the public issue account and unblocking of excess funds in the investor's account. The Sponsor Bank, based on the mandate approved by the investor at the time of blocking of funds, shall raise the debit / collect request from the investor's bank account, whereupon funds will be transferred from investor's account to the public issue account and remaining funds, if any, will be unblocked without any manual intervention by investor or their bank.
22. Upon confirmation of receipt of funds in the public issue account, the securities would be credited to the investor's account. The investor will be notified for full/partial allotment. For partial allotment, the remaining funds would be unblocked. For no allotment, mandate would be revoked and application amount would be unblocked for the investor.
23. Thereafter, Stock Exchanges will issue the listing and trading approval.
24. Further, in accordance with the Operational Instructions and Guidelines for Making Application for Public Issue of Debt Securities through BSEDirect issued by BSE on December 28, 2020 and May 19, 2022 the investor shall also be responsible for the following:
 - i. Investor shall check the Issue details before placing desired bids;
 - ii. Investor shall check and understand the UPI mandate acceptance and block of funds process before placing the bid;
 - iii. The receipt of the SMS for mandate acceptance is dependent upon the system response/integration of UPI on Debt Public Issue System;
 - iv. Investor shall accept the UPI Mandate Requests within the stipulated timeline;
 - v. Investor shall note that the transaction will be treated as completed only after the acceptance of mandates by the

investor by way of authorising the transaction by entering their UPI pin and successfully blocking funds through the ASBA process by the investor's bank;

- vi. Investor shall check the status of their bid with respect to the mandate acceptance and blocking of funds for the completion of the transaction; and
- vii. In case the investor does not accept the mandate within stipulated timelines, in such case their bid will not be considered for allocation.

25. Further, in accordance with circular issued by National Stock Exchange of India Limited for Introduction of Unified Payment Interface (UPI) for Debt IPO through NSE goBID on January 5, 2021 the investor shall also be responsible for the following:

- i. After successful registration & log-in, the investors shall view and check the active Debt IPO's available from IPO dashboard.
- ii. Investors shall check the issue/series details. Existing registered users of NSE goBID shall also be able to access once they accept the updated terms and condition.
- iii. After successfully bidding on the platform, investors shall check the NSE goBID app/psp/sms for receipt of mandate & take necessary action.
- iv. UPI mandate can be accepted latest by 5:00pm on the third working day from the day of bidding on the stock exchanges platform except for the last day of the Tranche II Issue Period or any other modified closure date of the Tranche II Issue Period in which case, he / she is required to accept the UPI mandate latest by 5:00pm the next working day.
- v. For UPI bid the facility of re-initiation/ resending the UPI mandate shall be available only till 5 pm on the day of bidding.
- vi. Investors can use the re-initiation/ resending facility only once in case of any issue in receipt/acceptance of mandate.

The series, mode of allotment, PAN, demat account number, etc. should be captured by the relevant Designated Intermediaries in the data entries as such data entries will be considered for allotment.

Applicants should note that neither the Members of the Consortium nor the other Designated Intermediaries, as the case may be, will be liable for error in data entry due to incomplete or illegible Application Forms. Our Company would allot the NCDs, as specified in this Tranche II Prospectus for the Tranche II Issue to all valid Applications, wherein the Applicants have not indicated their choice of the relevant series of NCDs.

Applicants' PAN, Depository Account and Bank Account Details

ALL APPLICANTS APPLYING FOR ALLOTMENT OF THE NCDS SHOULD MENTION THEIR DP ID, CLIENT ID, PAN AND UPI ID (IN CASE APPLYING THROUGH UPI MECHANISM) IN THE APPLICATION FORM. APPLICANTS MUST ENSURE THAT THE DP ID, CLIENT ID PAN AND UPI ID GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE DP ID, CLIENT ID, PAN AND UPI ID AVAILABLE IN THE DEPOSITORY DATABASE. IF THE BENEFICIARY ACCOUNT IS HELD IN JOINT NAMES, THE APPLICATION FORM SHOULD CONTAIN THE NAME AND PAN OF BOTH THE HOLDERS OF THE BENEFICIARY ACCOUNT AND SIGNATURES OF BOTH HOLDERS WOULD BE REQUIRED IN THE APPLICATION FORM.

On the basis of the DP ID, Client ID, PAN and UPI ID (in case applying through UPI Mechanism) provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the Demographic Details of the Applicants including PAN and MICR code. These Demographic Details would be used for giving Allotment Advice and refunds, if any, to the Applicants. Hence, Applicants are advised to immediately update their Demographic Details (including bank account details) as appearing on the records of the Depository Participant and ensure that they are true and correct. Please note that failure to do so could result in delays in despatch/ credit of refunds, if any, to Applicants, delivery of Allotment Advice or unblocking of ASBA Accounts at the Applicants' sole risk, and neither the Members of the Consortium nor the Designated Intermediaries, nor the Registrar, nor the Banker(s) to the Issue, nor the SCSBs, nor our Company shall have any responsibility and undertake any liability for the same.

Applicants should note that in case the DP ID, Client ID, UPI ID (in case applying through UPI Mechanism) and PAN mentioned in the Application Form, as the case may be and entered into the electronic Application system of the Stock Exchanges by the Members of the Consortium or the Designated Intermediaries, as the case may be, do not match with the DP ID, Client ID, UPI ID (in case applying through UPI Mechanism) and PAN available in the

Depository database or in case PAN is not available in the Depository database, the Application Form is liable to be rejected and our Company, the Members of the Consortium and the other Designated Intermediaries shall not be liable for losses, if any.

The Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice and for refunds (if any) as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue except in relation to the Tranche II Issue.

By signing the Application Form, Applicants applying for the NCDs would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records. The Demographic Details given by Applicant in the Application Form would not be used for any other purpose by the Registrar to the Issue except in relation to the Tranche II Issue.

Allotment Advice would be mailed by post or e-mail at the address of the Applicants in accordance with the Demographic Details received from the Depositories. Applicants may note that delivery of Allotment Advice may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. Further, please note that any such delay shall be at such Applicants' sole risk and neither our Company, Banker(s) to the Issue, Registrar to the Issue nor the Lead Managers shall be liable to compensate the Applicant for any losses caused to the Applicants due to any such delay or liable to pay any interest for such delay. In case of refunds through electronic modes as detailed in this Tranche II Prospectus, refunds may be delayed if bank particulars obtained from the Depository Participant are incorrect.

In case of Applications made under powers of attorney, our Company in its absolute discretion, reserves the right to permit the holder of a power of attorney to request the Registrar to the Issue that for the purpose of printing particulars on and mailing of the Allotment Advice through post, the Demographic Details obtained from the Depository of the Applicant shall be used.

With effect from August 16, 2010, the beneficiary accounts of Applicants for whom PAN details have not been verified shall be suspended for credit and no credit of NCDs pursuant to this Tranche II Issue will be made into the accounts of the Applicants. Application Forms submitted by Applicants whose beneficiary accounts are inactive shall be rejected. Furthermore, in case no corresponding record is available with the Depositories, which matches the four parameters, namely, DP ID, Client ID, PAN and UPI ID then such Applications are liable to be rejected.

Applicants should note that the NCDs will be allotted to all successful Applicants only in dematerialized form. The Application Forms which do not have the details of the Applicant's depository account, including DP ID, Client ID and PAN and UPI ID (for Retail Individual Investor Applicants bidding using the UPI mechanism), shall be treated as incomplete and will be rejected.

APPLICATIONS FOR ALLOTMENT OF NCDs IN THE DEMATERIALIZED FORM

This section is for the information of the Applicants proposing to subscribe to the Tranche II Issue. The Lead Managers and our Company are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche II Prospectus. Applicants are advised to make their independent investigations and to ensure that the Application Form is correctly filled up.

Our Company, our directors, affiliates, associates and their respective directors and officers, Lead Managers and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to Applications accepted by and/or uploaded by and/or accepted but not uploaded by Consortium Member, Trading Members, Registered Brokers, CDPs, CRTAs and SCSBs who are authorised to collect Application Forms from the Applicants in the Issue, or Applications accepted and uploaded without blocking funds in the ASBA Accounts by SCSBs. It shall be presumed that for Applications uploaded by SCSBs, the Application Amount payable on Application has been blocked in the relevant ASBA Account. The list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive Application Forms from the Members of the Syndicate is available on the website of SEBI (<http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>) and updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Application Forms from the Members of the Syndicate at Specified Locations, see the website of SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=45>) as updated from time to time or any such other website as may be prescribed by SEBI from time to time. The list of Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the CRTAs at the Designated CRTA Locations, respective lists of which, including details such as address and telephone number, are available at the websites of the Stock Exchanges at www.bseindia.com and at www.nseindia.com. The list of branches of the SCSBs at the Broker Centres,

named by the respective SCSBs to receive deposits of the Application Forms from the Registered Brokers will be available on the website of SEBI (www.sebi.gov.in) and updated from time to time.

Submission of Applications

Applicants can apply for NCDs only using the ASBA facility pursuant to SEBI Master Circular. ASBA Applications can be submitted through either of the following modes:

- a. Physically or electronically to the Designated Branches of the SCSB(s) with whom an Applicant's ASBA Account is maintained. In case of ASBA Application in physical mode, the Applicant shall submit the Application Form at the relevant Designated Branch of the SCSB(s). The Designated Branch shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account and shall also verify that the signature on the Application Form matches with the Investor's bank records, as mentioned in the ASBA Application, prior to uploading such ASBA Application into the electronic system of the Stock Exchanges. If sufficient funds are not available in the ASBA Account, the respective Designated Branch shall reject such ASBA Application and shall not upload such ASBA Application in the electronic system of the Stock Exchanges. If sufficient funds are available in the ASBA Account, the Designated Branch shall block an amount equivalent to the Application Amount and upload details of the ASBA Application in the electronic system of the Stock Exchanges. The Designated Branch of the SCSBs shall stamp the Application Form and issue an acknowledgement as proof of having accepted the Application. In case of Application in the electronic mode, the Applicant shall submit the ASBA Application either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for application and blocking funds in the ASBA Account held with SCSB, and accordingly register such ASBA Applications.
- b. Physically through the Consortium Members, Lead Managers, or Trading Members of the Stock Exchanges only at the Specified Cities i.e. Syndicate ASBA. Kindly note that ASBA Applications submitted to the Consortium Member, Lead Managers or Trading Members of the Stock Exchanges at the Specified Cities will not be accepted if the SCSB where the ASBA Account is maintained, as specified in the ASBA Application, is maintained has not named at least one branch at that Specified City for the Consortium Member, Lead Managers or Trading Members of the Stock Exchanges, as the case may be, to deposit ASBA Applications (A list of such branches is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=45>).
- c. A UPI Investor making an Application in this Tranche II Issue under the UPI Mechanism, where the Application Amount is upto ₹ 5 lakh, can submit his Application Form physically to a SCSB or a Designated Intermediary. The Designated Intermediary shall upload the application details along with the UPI ID on the Stock Exchanges' bidding platform using appropriate protocols. Kindly note that in this case, the Application Amount will be blocked through the UPI Mechanism.

A UPI Investor may also submit the Application Form for this Tranche II Issue through BSE Direct and NSEgoBID, wherein the Application will be automatically uploaded onto the Stock Exchanges' bidding platform and an amount equivalent to the Application Amount shall be blocked using the UPI Mechanism.

Upon receipt of the Application Form by the Designated Intermediaries, an acknowledgement shall be issued by giving the counter foil of the Application Form to the Applicant as proof of having accepted the Application. Thereafter, the details of the Application shall be uploaded in the electronic system of the Stock Exchanges and the Application Form shall be forwarded to the relevant branch of the SCSB, in the relevant Specified City, named by such SCSB to accept such ASBA Applications from the Designated Intermediaries (A list of such branches is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=45>). Upon receipt of the ASBA Application, the relevant branch of the SCSB shall perform verification procedures including verification of the Applicant's signature with his bank records and check if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the ASBA Form. If sufficient funds are not available in the ASBA Account, the relevant ASBA Application is liable to be rejected. If sufficient funds are available in the ASBA Account, the relevant branch of the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application. The Application Amount shall remain blocked in the ASBA Account until approval of the Basis of Allotment and consequent transfer of the amount against the Allotted NCDs to the Public Issue Account(s), or until withdrawal/ failure of the Tranche II Issue or until withdrawal/ rejection of the Application Form, as the case may be.

In case of Application involving an Application by an RIB through UPI Mechanism, if an Applicant submits the Application Form with a Designated Intermediary and uses his/ her bank account linked UPI ID for the purpose of blocking of funds, where the application value is up to UPI Application Limit, the Application Amount will be blocked through the UPI Mechanism once the mandate request has been successfully accepted by the Applicant and the

Designated Intermediary shall upload the Application on the bidding platform developed by the Stock Exchanges. If an Applicant submits the Application Form through the application or web interface developed by Stock Exchanges, the bid will automatically be uploaded onto the Stock Exchanges bidding platform and the amount will be blocked using the UPI Mechanism once the mandate request has been successfully accepted by the Applicant.

Applicants must note that:

- a. Physical Application Forms will be available with the Designated Branches of the SCSBs and with the Lead Managers and Trading Members of the Stock Exchanges at the Specified Cities; and electronic Application Forms will be available on the websites of the SCSBs and the Stock Exchanges at least one day prior to the Tranche II Issue Opening Date. Application Forms will also be provided to the Trading Members of the Stock Exchanges at their request. The Application Forms would be serially numbered. Further, the SCSBs will ensure that the Shelf Prospectus and this Tranche II Prospectus is made available on their websites. The physical Application Form submitted to the Designated Intermediaries shall bear the stamp of the relevant Designated Intermediary. In the event the Application Form does not bear any stamp, the same shall be liable to be rejected.
- b. The Designated Branches of the SCSBs shall accept ASBA Applications directly from Applicants only during the Tranche II Issue Period. The SCSB shall not accept any ASBA Applications directly from Applicants after the closing time of acceptance of Applications on the Tranche II Issue Closing Date. However, in case of Syndicate ASBA, the relevant branches of the SCSBs at Specified Cities can accept ASBA Applications from the Lead Managers or Trading Members of the Stock Exchanges, as the case may be, after the closing time of acceptance of Applications on the Tranche II Issue Closing Date. For further information on the Issue programme, please see section titled “*Issue Related Information*” on page 250.
- c. In case of Applications through Syndicate ASBA, the physical Application Form shall bear the stamp of the Lead Managers or Consortium Members or Trading Members of the Stock Exchanges, as the case maybe, if not, the same shall be rejected. Application Forms directly submitted to SCSBs should bear the stamp of SCSBs, if not, the same are liable to be rejected.

Please note that Applicants can make an Application for Allotment of NCDs in the dematerialized form only.

INSTRUCTIONS FOR FILLING-UP THE APPLICATION FORM

General Instructions

A. General instructions for completing the Application Form

1. Applications must be made in prescribed Application Form only.
2. Applicants should ensure that their Application Form is submitted either at a Designated Branch of a SCSB where the ASBA Account is maintained or with the Members of the Syndicate or Trading Members of the stock exchange(s) at the Specified Cities, and not directly to the escrow collecting banks (assuming that such bank is not a SCSB) or to the Company or the Registrar to the Issue.
3. Applications through Syndicate ASBA, before submitting the physical Application Form to the Members of the Syndicate or Trading Members of the stock exchange(s), ensure that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at-least one branch in that Specified City for the Members of the Syndicate or Trading Members of the stock exchange(s), as the case may be, to deposit ASBA Forms (A list of such branches is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=45>).
4. Application Forms must be completed in block letters in English, as per the instructions contained in the Draft Shelf Prospectus, the Shelf Prospectus and this Tranche II Prospectus, the Abridged Prospectus and the Application Form.
5. Applications should be in single or joint names and not exceeding three names, and in the same order as their Depository Participant details (in case of Applicants applying for Allotment of the Bonds in dematerialized form) and Applications should be made by Karta in case the Applicant is an HUF. Please ensure that such Applications contain the PAN of the HUF and not of the Karta. If the Application is submitted in joint names, the Application Form should contain only the name of the first Applicant whose name should also appear as the

first holder of the depository account held in joint names.

6. Applicants applying for allotment in dematerialized form and must provide details of valid and active DP ID, Client ID and PAN clearly and without error. Invalid accounts, suspended accounts or where such accounts is classified as invalid or suspended may not be considered for allotment of the NCDs. On the basis of such Applicant's active DP ID, Client ID and PAN provided in the Application Form, and as entered into the electronic Application system of Stock Exchanges by SCSBs, the Members of the Syndicate at the Syndicate ASBA Application Locations and the Trading Members, as the case may be, the Registrar will obtain from the Depository the Demographic Details. Invalid accounts, suspended accounts or where such account is classified as invalid or suspended may not be considered for Allotment of the NCDs.
7. The minimum number of Applications and minimum application size shall be ₹10,000. Applicants may apply for one or more series of NCDs Applied for in a single Application Form.
8. Applications must be for a minimum of 10 (Ten) NCDs and in multiples of 1 NCD thereafter. For the purpose of fulfilling the requirement of minimum application size of 10 (Ten) NCDs, an Applicant may choose to apply for 10 (Ten) NCDs or more in a single Application Form.
9. If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form.
10. Applications should be made by Karta in case of HUFs. Applicants are required to ensure that the PAN details of the HUF are mentioned and not those of the Karta.
11. Thumb impressions and signatures other than in English/Hindi/Gujarati/Marathi or any other languages specified in the 8th Schedule of the Constitution needs to be attested by a Magistrate or Notary Public or a Special Executive Magistrate under his/her seal.
12. No separate receipts will be issued for the money payable on the submission of the Application Form. However, the Lead Managers, Consortium Member, Trading Members of the Stock Exchanges or the Designated Branches of the SCSBs, as the case may be, will acknowledge the receipt of the Application Forms by stamping and returning to the Applicants the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Application Form for the records of the Applicant. Applicants must ensure that the requisite documents are attached to the Application Form prior to submission and receipt of acknowledgement from the relevant Lead Managers, Consortium Member, Trading Member of the Stock Exchanges or the Designated Branch of the SCSBs, as the case may be.
13. The Designated Intermediaries or the Designated Branches of the SCSBs, as the case may be, will acknowledge the receipt of the Application Forms by stamping and returning to the Applicants the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Application Form for the records of the Applicant. Applicants must ensure that the requisite documents are attached to the Application Form prior to submission and receipt of acknowledgement from the relevant Designated Intermediaries or the Designated Branch of the SCSBs, as the case may be.
14. Every Applicant should hold valid Permanent Account Number (PAN) and mention the same in the Application Form and submit the same. Applicant without PAN is liable to be rejected, irrespective of the amount.
15. All Applicants are required to tick the relevant column of "Category of Investor" in the Application Form.
16. ASBA will be the default "Mode of Application" as per the SEBI Master Circular.
17. Applicants should correctly mention the ASBA Account number and ensure that funds equal to the Application Amount are available in the ASBA Account before submitting the Application Form to the Designated Branch and also ensure that the signature in the Application Form matches with the signature in Applicant's bank records, otherwise the Application is liable to be rejected.
18. Applicants must provide details of valid and active DP ID, UPI ID, Client ID and PAN clearly and without error. On the basis of such Applicant's active DP ID, UPI ID, Client ID and PAN provided in the Application Form,

and as entered into the electronic Application system of Stock Exchanges by SCSBs, the Designated Intermediaries, the Registrar will obtain from the Depository the Demographic Details. Invalid accounts, suspended accounts or where such account is classified as invalid or suspended may not be considered for Allotment of the NCDs.

19. If the ASBA Account holder is different from the Applicant, the Application Form should be signed by the ASBA Account holder, in accordance with the instructions provided in the Application Form. Not more than five Applications can be made from one single ASBA Account.
20. For Applicants, the Applications in physical mode should be submitted to the SCSBs or a member of the Syndicate or to the Trading Members of the Stock Exchanges on the prescribed Application Form. SCSBs may provide the electronic mode for making Application either through an internet enabled banking facility or such other secured, electronically enabled mechanism for Application and blocking funds in the ASBA Account.
21. Application Forms should bear the stamp of the Member of the Syndicate, Trading Member of the Stock Exchange, Designated Intermediaries and/or Designated Branch of the SCSB. Application Forms which do not bear the stamp will be rejected.
22. Applicant should correctly mention the ASBA Account number and UPI ID in case applying through UPI Mechanism and ensure that funds equal to the Application Amount are available in the ASBA Account before submitting the Application Form and ensure that the signature in the Application Form matches with the signature in the Applicant's bank records.

The series, mode of allotment, PAN, demat account no. etc. should be captured by the relevant Lead Managers, Consortium Member, Trading Member of the Stock Exchanges in the data entries as such data entries will be considered for allotment.

Applicants should note that neither the Designated Intermediaries nor SCSBs, as the case may be, will be liable for error in data entry due to incomplete or illegible Application Forms.

Our Company would allot the series of NCDs, as specified in this Tranche II Prospectus to all valid Applications, wherein the Applicants have not indicated their choice of the relevant series of NCDs.

B. Applicant's Beneficiary Account and Bank Account Details

ALL APPLICANTS APPLYING FOR ALLOTMENT OF THE NCDS SHOULD MENTION THEIR DP ID, UPI ID (IN CASE APPLYING THROUGH UPI MECHANISM), CLIENT ID AND PAN IN THE APPLICATION FORM. APPLICANTS MUST ENSURE THAT THE DP ID, UPI ID, CLIENT ID AND PAN GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE DP ID, UPI ID, CLIENT ID AND PAN AVAILABLE IN THE DEPOSITORY DATABASE. IF THE BENEFICIARY ACCOUNT IS HELD IN JOINT NAMES, THE APPLICATION FORM SHOULD CONTAIN THE NAME AND PAN OF BOTH THE HOLDERS OF THE BENEFICIARY ACCOUNT AND SIGNATURES OF BOTH HOLDERS WOULD BE REQUIRED IN THE APPLICATION FORM.

Applicants applying for Allotment in dematerialized form must mention their DP ID, Client ID, PAN and UPI ID (in case applying through UPI Mechanism) in the Application Form and ensure that the name provided in the Application Form is exactly the same as the name in which the Beneficiary Account is held. In case the Application Form for Allotment in dematerialized form is submitted in the first Applicant's name, it should be ensured that the Beneficiary Account is held in the same joint names and in the same sequence in which they appear in the Application Form. In case the DP ID, Client ID and PAN mentioned in the Application Form for Allotment in dematerialized form and entered into the electronic system of the Stock Exchanges do not match with the DP ID, Client ID and PAN available in the Depository database or in case PAN is not available in the Depository database, the Application Form for Allotment in dematerialized form is liable to be rejected. Further, Application Forms submitted by Applicants applying for Allotment in dematerialized form, whose beneficiary accounts are inactive, will be rejected.

On the basis of the DP ID, Client ID, UPI ID (as applicable) and PAN provided by the Applicant in the Application Form for Allotment in dematerialized form and entered into the electronic system of the Stock Exchanges, the Registrar to the Issue will obtain from the Depositories the Demographic Details of the Applicant including PAN, address, bank account details for printing on refund orders/sending refunds through electronic mode, Magnetic Ink Character Recognition ("MICR") Code and occupation. These Demographic Details would be used for giving

Allotment Advice and refunds (including through physical refund warrants, direct credit, NACH, NEFT and RTGS), if any, to the Applicants. Hence, Applicants are advised to immediately update their Demographic Details as appearing on the records of the DP and ensure that they are true and correct, and carefully fill in their Beneficiary Account details in the Application Form. Failure to do so could result in delays in dispatch/credit of refunds to Applicants and delivery of Allotment Advice at the Applicants' sole risk, and neither our Company, the Lead Managers, Trading Members of the Stock Exchanges, Public Issue Account Bank(s), SCSBs, Registrar to the Issue nor the Stock Exchanges will bear any responsibility or liability for the same.

Applicants should note that in case the DP ID, Client ID, UPI ID (as applicable) and PAN mentioned in the Application Form, as the case may be and entered into the electronic Application system of the Stock Exchanges by the Members of the Consortium or the Designated Intermediaries, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database or in case PAN is not available in the Depository database, the Application Form is liable to be rejected and our Company, the Members of the Consortium and the other Designated Intermediaries shall not be liable for losses, if any.

The Demographic Details would be used for correspondence with the Applicants including mailing of the Allotment Advice and printing of bank particulars on the refund orders, or for refunds through electronic transfer of funds, as applicable. Allotment Advice and physical refund orders (as applicable) would be mailed at the address of the Applicant as per the Demographic Details received from the Depositories. Applicants may note that delivery of refund orders/ Allotment Advice may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. In such an event, the address and other details given by the Applicant in the Application Form would be used only to ensure dispatch of refund orders. Please note that any such delay shall be at such Applicants sole risk and neither our Company, the Lead Managers, Trading Members By signing the Application Form of the Stock Exchanges, Public Issue Account Banks, SCSBs, Registrar to the Issue nor the Stock Exchanges shall be liable to compensate the Applicant for any losses caused to the Applicant due to any such delay or liable to pay any interest for such delay. In case of refunds through electronic modes as detailed in this Tranche II Prospectus, refunds may be delayed if bank particulars obtained from the Depository Participant are incorrect.

In case of Applications made under power of attorney, our Company in its absolute discretion, reserves the right to permit the holder of Power of Attorney to request the Registrar that for the purpose of printing particulars on the refund order and mailing of refund orders/ Allotment Advice, the demographic details obtained from the Depository of the Applicant shall be used. By signing the Application Form, the Applicant would have deemed to have authorized the Depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records. The Demographic Details given by Applicant in the Application Form would not be used for any other purpose by the Registrar to the Issue except in relation to the Tranche II Issue.

With effect from August 16, 2010, the beneficiary accounts of Applicants for whom PAN details have not been verified shall be suspended for credit and no credit of NCDs pursuant to this Tranche II Issue will be made into the accounts of such Applicants. Application Forms submitted by Applicants whose beneficiary accounts are inactive shall be rejected. Furthermore, in case no corresponding record is available with the Depositories, which matches the three parameters, namely, DP ID, Client ID and PAN, then such Application are liable to be rejected.

Applicants should note that the NCDs will be allotted to all successful Applicants only in dematerialized form. The Application Forms which do not have the details of the Applicant's depository account, including DP ID, Client ID and PAN and UPI ID (for retail individual investor Applicants bidding using the UPI mechanism), shall be treated as incomplete and will be rejected.

C. Permanent Account Number (PAN)

The Applicant should mention his or her Permanent Account Number (PAN) allotted under the IT Act. For minor Applicants, applying through the guardian, it is mandatory to mention the PAN of the minor Applicant. However, Applications on behalf of the Central or State Government officials and the officials appointed by the courts in terms of a SEBI circular dated June 30, 2008 and Applicants residing in the state of Sikkim who in terms of a SEBI circular dated July 20, 2006 may be exempt from specifying their PAN for transacting in the securities market. In accordance with Circular No. MRD/DOP/Cir-05/2007 dated April 27, 2007 issued by SEBI, the PAN would be the sole identification number for the participants transacting in the securities market, irrespective of the amount of transaction. Any Application Form, without the PAN is liable to be rejected, irrespective of the amount of transaction. It is to be specifically noted that the Applicants should not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.

However, the exemption for the Central or State Government and the officials appointed by the courts and for investors residing in the State of Sikkim is subject to the Depository Participants' verifying the veracity of such claims by collecting sufficient documentary evidence in support of their claims. At the time of ascertaining the validity of these Applications, the Registrar to the Issue will check under the Depository records for the appropriate description under the PAN field i.e. either Sikkim category or exempt category.

D. Joint Applications

Applications can be made in joint names (not exceeding three). In the case of joint Applications, all payments will be made out in favour of the first Applicant. All communications will be addressed to first named in the Application whose name appears in the Application Form and at the address mentioned therein. If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form

E. Additional/ Multiple Applications

An Applicant is allowed to make one or more Applications for the NCDs, for the same or other Options of NCDs, subject to a minimum application size of ₹10,000 and in multiples of ₹1,000 thereafter. Any Application for an amount below the aforesaid minimum application size will be deemed as an invalid application and shall be rejected. However, multiple Applications by the same individual Applicant aggregating to a value exceeding ₹1,000,000 shall be deemed such individual Applicant to be a HNI Applicant and all such Applications shall be grouped in the HNI Portion, for the purpose of determining the basis of allotment to such Applicant. However, any Application made by any person in his individual capacity and an Application made by such person in his capacity as a karta of a Hindu Undivided family and/or as Applicant (second or third Applicant), shall not be deemed to be a multiple Application. For the purposes of allotment of NCDs under the Issue, Applications shall be grouped based on the PAN, i.e. Applications under the same PAN shall be grouped together and treated as one Application. Two or more Applications will be deemed to be multiple Applications if the sole or first Applicant is one and the same. For the sake of clarity, two or more applications shall be deemed to be a multiple Application for the aforesaid purpose if the PAN of the sole or the first Applicant is one and the same.

F. Unified Payments Interface (UPI)

Pursuant to the SEBI Master Circular, the UPI Mechanism is an applicable payment mechanism for public debt issues (in addition to the mechanism of blocking funds maintained with SCSBs under ASBA) for applications by retail individual bidders through Designated Intermediaries. All SCSBs offering the facility of making applications in public issues shall also provide the facility to make applications using UPI. The Company will be required to appoint one SCSB as a Sponsor Bank to act as a conduit between the Stock Exchanges and National Payments Corporation of India in order to facilitate the collection of requests and/or payment instructions of the investors.

Electronic registration of Applications

- a. The Designated Intermediaries and Designated Branches of the SCSBs, as the case may be, will register the Applications using the on-line facilities of the Stock Exchanges. Direct Online Applications will be registered by Applicants using the online platform offered by the Stock Exchanges. The Lead Managers, our Company, and the Registrar to the Issue are not responsible for any acts, mistakes or errors or omission and commissions in relation to (i) the Applications accepted by the SCSBs, (ii) the Applications uploaded by the SCSBs, (iii) the Applications accepted but not uploaded by the SCSBs, (iv) Applications accepted and uploaded by the SCSBs without blocking funds in the ASBA Accounts or (v) Applications accepted and uploaded by Trading members of the Stock Exchanges or (vi) the Applications accepted by and/or uploaded by and/or accepted but not uploaded by Consortium Member, Trading Members, Registered Brokers, CDPs, CRTAs and SCSBs who are authorised to collect Application Forms. In case of apparent data entry error by the Designated Intermediaries or Designated Branches of the SCSBs, as the case may be, in entering the Application Form number in their respective schedules other things remaining unchanged, the Application Form may be considered as valid and such exceptions may be recorded in minutes of the meeting submitted to the Designated Stock Exchange. However, the series, mode of allotment, PAN, demat account no. etc. should be captured by the relevant Designated Intermediaries or Designated Branches of the SCSBs in the data entries as such data entries will be considered for allotment/rejection of Application.

- b. The Stock Exchanges will offer an electronic facility for registering Applications for the Tranche II Issue. This facility will be available on the terminals of Designated Intermediaries and the SCSBs during the Tranche II Issue Period. Designated Intermediaries can also set up facilities for off-line electronic registration of Applications subject to the condition that they will subsequently upload the off-line data file into the on-line facilities for Applications on a regular basis, and before the expiry of the allocated time on the Tranche II Issue Closing Date. On the Tranche II Issue Closing Date, Designated Intermediaries and Designated Branches of SCSBs shall upload the Applications till such time as may be permitted by the Stock Exchanges. This information will be available with the Consortium Members and the other Designated Intermediaries on a regular basis. Applicants are cautioned that a high inflow of high volumes on the last day of the Tranche II Issue Period may lead to some Applications received on the last day not being uploaded and such Applications will not be considered for allocation. For further information on the Issue programme, please see “*Issue Structure*” on page 250.
- c. Based on the aggregate demand for Applications registered on the electronic facilities of the Stock Exchanges, a graphical representation of consolidated demand for the NCDs, as available on the websites of the Stock Exchanges, would be made available at the Application centres as provided in the Application Form during the Tranche II Issue Period.
- d. At the time of registering each Application, the Designated Intermediaries, shall enter the details of the Applicant, such as the Application Form number, PAN, Applicant category, DP ID, Client ID, number and Option(s) of NCDs applied, Application Amounts and any other details that may be prescribed by the online uploading platform of the Stock Exchanges.
- e. With respect to Applications submitted directly to the SCSBs at the time of registering each Application, other than Direct Online Applications, the Designated Branches of the SCSBs shall enter the requisite details of the Applicants in the on-line system including:
- Application Form number
 - PAN (of the first Applicant, in case of more than one Applicant)
 - Investor category and sub-category
 - DP ID
 - Client ID
 - UPI ID (if applicable)
 - Number of NCDs applied for
 - Price per NCD
 - Bank code for the SCSB where the ASBA Account is maintained
 - Bank account number
 - Application amount
- f. With respect to Applications submitted to the Designated Intermediaries at the time of registering each Application, the requisite details of the Applicants shall be entered in the on-line system including:
- Application Form number
 - PAN (of the first Applicant, in case of more than one Applicant)
 - Investor category and sub-category
 - DP ID
 - Client ID
 - UPI ID (if applicable)
 - Number of NCDs applied for
 - Price per NCD
 - Bank code for the SCSB where the ASBA Account is maintained
 - Location
 - Application amount
- g. A system generated Acknowledgement Slip will be given to the Applicant as a proof of the registration of his Application. It is the Applicant’s responsibility to obtain the Acknowledgement Slip from the Consortium Members or the other Designated Intermediaries, as the case may be. The registration of the Applications by the Designated Intermediaries does not guarantee that the NCDs shall be allocated/ Allotted by our Company. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind.

- h. The permission given by the Stock Exchanges to use their network and software of the online system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, and/or the Lead Managers are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Shelf Prospectus and this Tranche II Prospectus; nor does it warrant that the NCDs will be listed or will continue to be listed on the Stock Exchanges.
- i. In case of apparent data entry error by the Designated Intermediaries, in entering the Application Form numbers in their respective schedules, other things remaining unchanged, the Application Form may be considered as valid or such exceptions may be recorded in minutes of the meeting submitted to the Designated Stock Exchange.
- j. Only Applications that are uploaded on the online system of the Stock Exchanges shall be considered for Allotment. The Designated Intermediaries shall capture all data relevant for the purposes of finalizing the Basis of Allotment while uploading Application data in the electronic systems of the Stock Exchanges. In order that the data so captured is accurate, Designated Intermediaries will be given up to one Working Day after the Tranche II Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the Tranche II Issue Period after which the data will be sent to the Registrar to the Issue for reconciliation with the data available with the NSDL and CDSL.

General Instructions

Do's and Don'ts Applicants are advised to take note of the following while filling and submitting the Application Form.

Do's

1. Check if you are eligible to apply as per the terms of this Tranche II Prospectus and applicable law;
2. Read all the instructions carefully and complete the Application Form in the prescribed form;
3. Ensure that you have obtained all necessary approvals from the relevant statutory and/or regulatory authorities to apply for, subscribe to and/or seek Allotment of NCDs pursuant to the Issue;
4. Ensure that the DP ID and Client ID and PAN mentioned in the Application Form, which shall be entered into the electronic system of the Stock Exchanges are correct and match with the DP ID, Client ID and PAN available in the Depository database. Ensure that the DP ID and Client ID are correct and beneficiary account is activated. The requirement for providing Depository Participant details shall be mandatory for all Applicants;
5. Ensure that you have mentioned the correct ASBA Account number (i.e., bank account number or UPI ID, as applicable) in the Application Form;
6. Ensure that the Application Form is signed by the ASBA Account holder in case the Applicant is not the ASBA account holder;
7. Ensure that you have funds equal to the Application Amount in the ASBA Account before submitting the Application Form to the respective Designated Branch of the SCSB, or to the Designated Intermediaries, as the case may be;
8. Ensure that the Application Forms are submitted at the Designated Branches of SCSBs or the Bidding Centres provided in the Application Forms, bearing the stamp of the relevant Designated Intermediaries/Designated branch of the SCSB as the case may be;
9. Before submitting the Application Form with the Designated Intermediaries ensure that the SCSB, whose name has been filled in the Application Form, has named a branch in that relevant Bidding Centre;
10. Ensure that you have been given an acknowledgement as proof of having accepted the Application Form;
11. In case of any revision of Application in connection with any of the fields which are not allowed to be modified on the electronic application platform of the Stock Exchanges as per the procedures and requirements prescribed by each relevant Stock Exchanges, ensure that you have first withdrawn your original Application and submit a fresh Application. For instance, as per the notice No: 20120831-22 dated August 31, 2012 issued by BSE, fields namely,

quantity, series, application no., sub-category codes will not be allowed for modification during the Tranche II Issue. In such a case the date of the fresh Application will be considered for date priority for allotment purposes;

12. Ensure that signatures other than in the languages specified in the Eighth Schedule to the Constitution of India is attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
13. Ensure that you mention your PAN in the Application Form. In case of joint Applicants, the PAN of all the Applicants should be provided, and for HUFs, PAN of the HUF should be provided. Any Application Form without the PAN is liable to be rejected. Applicants should not submit the GIR Number instead of the PAN as the Application is liable to be rejected on this ground;
14. Ensure that the DP ID, the Client ID and the PAN mentioned in the Application Form, which shall be entered into the electronic system of the Stock Exchanges, match with the DP ID, Client ID and PAN available in the Depository database;
15. In case of an HUF applying through its Karta, the Applicant is required to specify the name of an Applicant in the Application Form as 'XYZ Hindu Undivided Family applying through PQR', where PQR is the name of the Karta. However, the PAN of the HUF should be mentioned in the Application Form and not that of the Karta;
16. Ensure that the Applications are submitted to the Lead Managers, Consortium Member, Trading Members of the Stock Exchanges or Designated Branches of the SCSBs, as the case may be, before the closure of application hours on the Tranche II Issue Closing Date. For further information on the Issue programme, please see the section titled "*Issue Related Information*" on page 250;
17. Ensure that the Demographic Details including PAN are updated, true and correct in all respects;
18. Ensure that you have correctly signed the authorisation /undertaking box in the Application Form or have otherwise provided an authorisation to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Application Form, as the case may be, at the time of submission of the Bid. In case of Retail Individual Investor submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
19. Permanent Account Number: Except for Application (i) on behalf of the Central or State Government and officials appointed by the courts, and (ii) (subject to SEBI circular dated April 3, 2008) from the residents of the state of Sikkim, each of the Applicants should provide their PAN. Application Forms in which the PAN is not provided will be rejected. The exemption for the Central or State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the demographic details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the demographic details evidencing the same;
20. Ensure that if the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form;
21. All Applicants are requested to tick the relevant column "Category of Investor" in the Application Form; and
22. Tick the series of NCDs in the Application Form that you wish to apply for.
23. Check if you are eligible to Apply under ASBA;
24. Retail individual investors using the UPI Mechanism to ensure that they submit bids upto the application value of ₹ 500,000 of upto the UPI Application Limit as applicable and as prescribed by SEBI from time to time;
25. Investor using the UPI Mechanism should ensure that the correct UPI ID (with maximum length of 45 characters including the handle) is mentioned in the Bid cum Application Form;
26. Investors bidding using the UPI Mechanism should ensure that they use only their own bank account linked UPI ID

to make an application in the issue and submit the application with any of the intermediaries or through the Stock Exchanges' App/ Web interface

27. Ensure that you give the correct details of your ASBA Account including bank account number/ bank name and branch;
28. In case of Retail Individual Investor submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment.
29. Retail Individual Investors submitting Application Form using the UPI Mechanism, should ensure that the: (a) bank where the bank account linked to their UPI ID is maintained; and (b) the Mobile App and UPI handle being used for making the Bid, are listed on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=45>
30. Ensure that if the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form;

In terms of SEBI Master Circular, SCSBs making applications on their own account using ASBA facility, should have a separate account in their own name with any other SEBI registered SCSB. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account.

SEBI Master Circular stipulates the time between closure of the Issue and listing at six Working Days. In order to enable compliance with the above timelines, investors are advised to use ASBA facility only to make payment.

Don'ts:

1. Do not apply for lower than the minimum application size;
2. Do not pay the Application Amount in cash, by cheque, by money order or by postal order or by stock invest;
3. Do not send Application Forms by post; instead submit the same to the Consortium Member, sub-consortium member, Trading Members of the Stock Exchanges or Designated Branches of the SCSBs, as the case may be;
4. Do not submit the Application Form to any non-SCSB bank or our Company;
5. Do not submit an Application Form that does not have the stamp of the relevant Designated Intermediary or the Designated Branch of the SCSB, as the case may be;
6. Do not fill up the Application Form such that the NCDs applied for exceeds the Tranche II Issue and/or investment limit or maximum number of NCDs that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
7. Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground;
8. Do not submit incorrect details of the DP ID, Client ID, UPI ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
9. Do not submit the Application Forms without ensuring that funds equivalent to the entire Application Amount are available for blocking in the relevant ASBA Account;
10. Do not submit Applications on plain paper or on incomplete or illegible Application Forms;
11. Do not apply if you are not competent to contract under the Indian Contract Act, 1872;
12. Do not submit an Application in case you are not eligible to acquire NCDs under applicable law or your relevant constitutional documents or otherwise;

13. Do not submit Application Forms to a Designated Intermediary at a location other than Collection Centers;
14. Do not submit an Application that does not comply with the securities law of your respective jurisdiction;
15. Do not apply if you are a person ineligible to apply for NCDs under this Tranche II Issue including Applications by Persons Resident Outside India, NRI (*inter-alia* including NRIs who are (i) based in the USA, and/or, (ii) domiciled in the USA, and/or, (iii) residents/citizens of the USA, and/or, (iv) subject to any taxation laws of the USA);
16. Do not make an application of the NCD on multiple copies taken of a single form;
17. Payment of Application Amount in any mode other than through blocking of Application Amount in the ASBA Accounts shall not be accepted under the ASBA process;
18. Do not send your physical Application Form by post. Instead submit the same to a Designated Branch or the Lead Managers or Trading Members of the Stock Exchanges, as the case may be, at the Specified Cities;
19. Do not submit more than five Application Forms per ASBA Account;
20. If you are a Retail Individual Investor who is submitting the ASBA Application with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third party bank account or third-party linked bank account UPI ID;
21. Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB and/or mobile applications which are not mentioned in the list provided in SEBI; and
22. Do not submit a bid using UPI ID, if you are not a Retail Individual Investor and if the Application is for an amount more than ₹ 5,00,000 of up to the UPI application limit as applicable and as prescribed by SEBI from time to time.

Kindly note that Applications submitted to the Designated Intermediaries will not be accepted if the SCSB where the ASBA Account, as specified in the Application Form, is maintained has not named at least one branch at that location for the Designated Intermediaries to deposit such Application Forms. (A list of such branches is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=45>).

Please see “*Terms of the Issue - Rejection of Applications*” on page 307 for information on rejection of Applications.

Submission of completed Application Forms

For details in relation to the manner of submission of Application Forms, see “*Terms of the Issue*” beginning on page 260.

OTHER INSTRUCTIONS

Depository Arrangements

Our Company has made depository arrangements with NSDL and CDSL for issue and holding of the NCDs in dematerialised form. In this context:

1. Tripartite Agreements dated June 18, 2018 between us, the Registrar to the Issue and CDSL for offering depository option to the Applicants.
2. Tripartite Agreements dated September 9, 2017 between us, the Registrar to the Issue and NSDL for offering depository option to the Applicants.
3. An Applicant must have at least one beneficiary account with any of the Depository Participants (DPs) of NSDL or CDSL prior to making the Application.
4. The Applicant must necessarily provide the DP ID and Client ID details in the Application Form.
5. NCDs Allotted to an Applicant in the electronic form will be credited directly to the Applicant's respective beneficiary account(s) with the DP.

6. Non-transferable Allotment Advice/ refund orders will be directly sent to the Applicant by the Registrar to the Issue.
7. It may be noted that NCDs in electronic form can be traded only on Stock Exchanges having electronic connectivity with NSDL or CDSL. The Stock Exchanges have connectivity with NSDL and CDSL.
8. Interest or other benefits with respect to the NCDs held in dematerialised form would be paid to those NCD holders whose names appear on the list of beneficial owners given by the Depositories to us as on Record Date. In case of those NCDs for which the beneficial owner is not identified by the Depository as on the Record Date/ book closure date, we would keep in abeyance the payment of interest or other benefits, till such time that the beneficial owner is identified by the Depository and conveyed to us, whereupon the interest or benefits will be paid to the beneficiaries, as identified, within a period of 30 days.
9. The trading of the NCDs on the floor of the Stock Exchanges shall be in dematerialized form in multiples of One NCD only.

Allottees will have the option to rematerialise the NCDs Allotted under this Tranche II Issue as per the provisions of the Companies Act, 2013 and the Depositories Act.

PLEASE NOTE THAT TRADING OF NCDs ON THE FLOOR OF THE STOCK EXCHANGES SHALL BE IN DEMATERIALISED FORM ONLY IN MULTIPLE OF ONE NCD.

For further information relating to Applications for Allotment of the NCDs in dematerialised form, please see the section titled “*Issue Procedure*” on page 279.

Communications

All future communications in connection with Applications made in the Tranche II Issue should be addressed to the Registrar to the Issue quoting all relevant details as regards the Applicant and its Application.

Applicants can contact our Company Secretary and Compliance Officer or the Registrar to the Issue in case of any pre-Tranche II Issue related problems and/or post Tranche II Issue related problems such as non-receipt of Allotment Advice non-credit of NCDs in depository’s beneficiary account/ etc. Please note that Applicants who have applied for the NCDs through Designated Intermediaries should contact the Stock Exchanges in case of any post Tranche II Issue related problems, such as non-receipt of Allotment Advice / non-credit of NCDs in depository’s beneficiary account/ etc.

Grievances relating to Direct Online Applications may be addressed to the Registrar to the Issue, with a copy to the relevant Stock Exchanges.

Interest in case of Delay

Our Company undertakes to pay interest, in connection with any delay in allotment, demat credit and refunds, beyond the time limit as may be prescribed under applicable statutory and/or regulatory requirements, at such rates as stipulated under such applicable statutory and/or regulatory requirements.

Undertaking by our Company

- a. All monies received pursuant to the Tranche II Issue of NCDs to public shall be transferred to a separate bank account as referred to in sub-section (3) of section 40 of the Companies Act, 2013.
- b. Details of all monies utilised out of Tranche II Issue referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the purpose for which such monies had been utilised.
- c. Details of all unutilised monies out of issue of NCDs, if any, referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the form in which such unutilised monies have been invested.
- d. the details of all utilized and unutilised monies out of the monies collected in the previous issue made by way of public offer shall be disclosed and continued to be disclosed in the balance sheet till the time any part of the proceeds of such previous issue remains unutilized indicating the purpose for which such monies have been utilized, and the securities or other forms of financial assets in which such unutilized monies have been invested.

- e. we shall utilize the Tranche II Issue proceeds only upon creation of security as stated in the section titled “*Terms of the Issue*” on page 260 and after (a) permissions or consents for creation of exclusive charge have been obtained from the creditors who have pari passu charge over the assets sought to be provided as Security; (b) receipt of the minimum subscription of 75% of the Base Issue size of this Tranche II Issue; (c) completion of Allotment and refund process in compliance with Section 40 of the Companies Act, 2013; (d) creation of security and confirmation of the same in terms of NCDs and (e) receipt of listing and trading approval from the Stock Exchanges.
- f. The Tranche II Issue proceeds shall not be utilized towards full or part consideration for the purchase or any other acquisition, *inter alia* by way of a lease, of any immovable property.
- g. The allotment letter shall be issued, or application money shall be unblocked within 15 days from the closure of the Tranche II Issue or such lesser time as may be specified by SEBI, or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.
- h. The Experts named in the Shelf Prospectus and this Tranche II Prospectus are not, and has not been, engaged or interested in the formation or promotion or management of the Company.

Other Undertakings by our Company

Our Company undertakes that:

- a. Complaints received in respect of the Tranche II Issue (except for complaints in relation to Applications submitted to Designated Intermediaries) will be attended to by our Company expeditiously and satisfactorily;
- b. Necessary cooperation to the relevant credit rating agency(ies) will be extended in providing true and adequate information until the obligations in respect of the NCDs are outstanding;
- c. Our Company will take necessary steps for the purpose of getting the NCDs listed within the specified time, i.e., within six Working Days of the Tranche II Issue Closing Date;
- d. Funds required for dispatch of Allotment Advice will be made available by our Company to the Registrar to the Issue;
- e. Our Company will forward details of utilisation of the proceeds of the Issue, duly certified by the current statutory auditor, to the Debenture Trustee as per applicable law;
- f. Our Company will provide a compliance certificate to the Debenture Trustee on an annual basis in respect of compliance with the terms and conditions of the Tranche II Issue as contained in this Tranche II Prospectus;
- g. We shall make necessary disclosures/reporting under any other legal or regulatory requirement as may be required by our Company from time to time.
- h. We undertake that the assets / receivables on which charge is created, are free from any encumbrances and in cases where the assets are already charged to secure a debt, the permission or consent to create a second or pari-passu charge on the assets of the issuer has been obtained from the earlier creditor, wherever applicable.
- i. Our Company will disclose the complete name and address of the Debenture Trustee in its annual report and website.

Rejection of Applications

As set out below or if all required information is not provided or the Application Form is incomplete in any respect, the Board of Directors and/or any committee of our Company reserves its full, unqualified and absolute right to accept or reject any Application in whole or in part and in either case without assigning any reason thereof.

Application may be rejected on one or more technical grounds, including but not restricted to:

- Applications submitted without blocking of the entire Application Amount. However, the Company may allot bonds up to the value of Application monies paid, if such Application monies exceed the minimum Application size as

prescribed hereunder;

- In case of partnership firms, the Application Forms submitted in the name of individual partners and/or accompanied by the individual's PAN rather than the PAN of the partnership firm;
- Applications by persons not competent to contract under the Indian Contract Act, 1872;
- GIR number furnished instead of PAN;
- Applications by OCBs;
- Applications for an amount below the minimum Application size;
- Applications providing details of an inoperative demat account;
- Applications of more than five ASBA forms per ASBA Account;
- In case of ASBA Applicants, payment of Application Amount in any mode other than through blocking of Application Amount in the ASBA Accounts shall not be accepted under the ASBA process;
- UPI Mandate request is not approved by the investor within the prescribed timelines;
- In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/postal order/cash;
- Signature of sole Applicant missing, or, in case of joint Applicants, the Application Forms not being signed by the first Applicant (as per the order appearing in the records of the Depository);
- In case no corresponding record is available with the Depositories that matches three parameters namely, DP ID, Client ID and PAN or if PAN is not available in the Depository database;
- With respect to ASBA Applications including UPI applications, inadequate funds in the ASBA Account to enable the SCSB to block the Application Amount specified in the ASBA Application Form at the time of blocking such Application Amount in the ASBA Account or no confirmation is received from the SCSB for blocking of funds;
- Applications by persons prohibited from buying, selling or dealing in shares, directly or indirectly, by SEBI or any other regulatory authority;
- Applications not uploaded on the terminals of the stock exchange(s);
- Applications uploaded after the expiry of the allocated time on the Tranche II Issue Closing Date, unless extended by the stock exchange(s), as applicable;
- Application Forms not delivered by the Applicant within the time prescribed as per the Application Form and the Shelf Prospectus and this Tranche II Prospectus and as per the instructions in the Application Form;
- Applications by Applicants whose demat accounts have been 'suspended for credit' pursuant to the circular issued by SEBI on July 29, 2010 bearing number CIR/ MRD/DP/22/2010;
- Applications tendered to the Trading Members of the stock exchange(s) at centers other than the centers mentioned in the Application Form;
- SCSB making an ASBA Application(a) through an ASBA Account maintained with its own self or (b) through an ASBA account maintained through a different SCSB not in its own name, or (c) through an ASBA Account maintained through a different SCSB in its own name, which ASBA Account is not utilized for the purpose of applying in public issue.
- Application Amount paid being higher than the value of Bonds applied for. However, the Company may allot Bonds up to the number of Bonds applied for, if the value of such Bonds applied for, exceeds the Minimum Application Size;
- Application Amounts paid not tallying with the number of Bonds applied for;
- Applications for amounts greater than the maximum permissible amounts prescribed by applicable regulations;
- Applications by persons/entities who have been debarred from accessing the capital markets by SEBI;
- In case of ASBA Applicants, payment of Application Amount in any mode other than through blocking of Application Amount in the ASBA Accounts shall not be accepted under the ASBA process.

Kindly note that ASBA Applications submitted to the Lead Managers, or Trading Members of the Stock Exchanges, Members of the Syndicate, Designated Intermediaries at the Specified Cities will not be accepted if the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has not named at least one branch at that Specified City for the Lead Managers, or Trading Members of the Stock Exchanges, Members of the Syndicate, Designated Intermediaries, as the case may be, to deposit ASBA Applications (A list of such branches is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=45>).

For information on certain procedures to be carried out by the Registrar to the Offer for finalization of the basis of allotment, please see below "*Issue Procedure-Information for Applicants*".

Information for Applicants

In case of ASBA Applications submitted to the SCSBs, in terms of the RTA Master Circular, the Registrar to the Issue will reconcile the compiled data received from the Stock Exchanges and all SCSBs and match the same with the Depository database for correctness of DP ID, Client ID and PAN. The Registrar to the Issue will undertake technical rejections based on the electronic details and the Depository database. In case of any discrepancy between the electronic data and the Depository records, our Company, in consultation with the Designated Stock Exchange, the Lead Managers and the Registrar to the Issue, reserves the right to proceed as per the Depository records for such ASBA Applications or treat such ASBA Applications as rejected.

In case of Applicants submitted to the Lead Managers, Consortium Member and Trading Members of the Stock Exchanges at the Specified Cities, the basis of allotment will be based on the Registrar's validation of the electronic details with the Depository records, and the complete reconciliation of the final certificates received from the SCSBs with the electronic details in terms of the SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011. The Registrar to the Issue will undertake technical rejections based on the electronic details and the Depository database. In case of any discrepancy between the electronic data and the Depository records, our Company, in consultation with the Designated Stock Exchange, the Lead Managers and the Registrar to the Issue, reserves the right to proceed as per the Depository records or treat such ASBA Application as rejected.

Based on the information provided by the Depositories, our Company shall have the right to accept Applications belonging to an account for the benefit of a minor (under guardianship).

In case of Applications for a higher number of NCDs than specified for that category of Applicant, only the maximum amount permissible for such category of Applicant will be considered for Allotment.

Mode of making refunds

The Registrar to the Issue shall instruct the relevant SCSB or in case of Bids by Retail Individual Investors applying through the UPI Mechanism to the Sponsor Bank, to revoke the mandate and to unblock the funds in the relevant ASBA Account to the extent of the Application Amount specified in the Application Forms for withdrawn, rejected or unsuccessful or partially successful Applications within six Working Days of the Tranche II Issue Closing Date.

Our Company and the Registrar to the Issue shall credit the allotted NCDs to the respective beneficiary accounts/ dispatch the Letters of Allotment or letters of regret by registered post/speed post at the Applicant's sole risk, within six Working Days from the Tranche II Issue Closing Date. We may enter into an arrangement with one or more banks in one or more cities for refund to the account of the applicants through Direct Credit/RTGS/NEFT/NACH.

Further,

- a. Allotment of NCDs in this Tranche II Issue shall be made within the time period stipulated by SEBI;
- b. Credit to dematerialized accounts will be given within one Working Day from the Date of Allotment;
- c. Interest at a rate of 15% per annum will be paid if the Allotment has not been made and/or the refund effected within five Working days from the Tranche II Issue Closing Date, for the delay beyond five Working days; and
- d. Our Company will provide adequate funds to the Registrar to the Issue for this purpose.

Retention of oversubscription

The base issue size of this Tranche II Issue is ₹ 200 crore. Our Company may at its discretion have the option to retain any amount of oversubscription up to ₹ 800 crore.

Basis of Allotment

The Registrar will aggregate the Applications, based on the applications received through an electronic book from the Stock Exchanges and determine the valid Applications for the purpose of drawing the Basis of Allotment.

Grouping of Applications and Allocation Ratio

For the purposes of the basis of allotment:

- A. *Applications received from Category I Applicants- Institutional Investors:* Applications received from Applicants belonging to Category I shall be grouped together, (“**Institutional Portion**”);
- B. *Applications received from Category II Applicants - Non-Institutional Investors:* Applications received from Applicants belonging to Category II, shall be grouped together, (“**Non-Institutional Portion**”).
- C. *Applications received from Category III Applicants- High Net-worth Individual Investors:* Applications received from Applicants belonging to Category III shall be grouped together, (“**High Net-worth Individual Category Portion**”).
- D. *Applications received from Category IV Applicants- Retail Individual Investors:* Applications received from Applicants belonging to Category IV shall be grouped together, (“**Retail Individual Category Portion**”).

For removal of doubt, the terms "**Institutional Portion**", "**Non-Institutional Portion**", "**High Net-worth Individual Category Portion**" and "**Retail Individual Category Portion**" are individually referred to as “**Portion**” and collectively referred to as “**Portions**”.

For the purposes of determining the number of NCDs available for allocation to each of the abovementioned Portions, our Company shall have the discretion of determining the number of NCDs to be allotted over and above the Base Issue Size, in case our Company opts to retain any oversubscription in this Tranche II Issue up to the amount specified under this Tranche II Prospectus. The aggregate value of NCDs decided to be allotted over and above the Base Issue Size, (in case our Company opts to retain any oversubscription in this Tranche II Issue), and/or the aggregate value of NCDs up to the Base Issue Size shall be collectively termed as the “**Overall Issue Size**”.

Allocation Ratio

Particulars	Institutional Portion	Non – Institutional Portion	High - Net Worth Individual Category Portion	Retail Individual Category Portion
% of Tranche II Issue Size	10%	30%	30%	30%
Base Issue Size (₹ in crore)	20.00	60.00	60.00	60.00
Total Tranche II Issue Size (₹ in crore)	100.00	300.00	300.00	300.00

a) Allotments in the first instance:

- i. Applicants belonging to the Institutional Portion, in the first instance, will be allocated NCDs up to 10% of the Tranche II Issue Size on first come first serve basis which would be determined on the date of upload of their Applications in to the electronic platform of the Stock Exchanges;
- ii. Applicants belonging to the Non-Institutional Portion, in the first instance, will be allocated NCDs up to 30% of the Tranche II Issue Size on first come first serve basis which would be determined on the date of upload of their Applications in to the electronic platform of the Stock Exchanges;
- iii. Applicants belonging to the High Net Worth Individual Investors Portion, in the first instance, will be allocated NCDs up to 30% of Tranche II Issue Size on first come first serve basis which would be determined on the date of upload of their Applications in to the electronic platform of the Stock Exchanges;
- iv. Applicants belonging to the Retail Individual Investors Portion, in the first instance, will be allocated NCDs up to 30% of Tranche II Issue Size on first come first serve basis which would be determined on the date of upload of their Applications in to the electronic platform of the Stock Exchanges.

As per the SEBI Master Circular, in consultation with the Designated Stock Exchange, the allotment in this Tranche II Issue is required to be made on date priority basis, i.e., first come first serve basis, based on the date of upload of each application into the electronic book of the Stock Exchanges, in each portion subject to the Allocation Ratio indicated herein above. However, from the date of oversubscription and thereafter, the allotments will be made to the applicants on proportionate basis.

- b) **Under Subscription :** If there is any under subscription in any Category, priority in Allotments will be given to the Retail Individual Investors Portion, High Net Worth Individual Investors Portion, and balance, if any, shall be first made to applicants of the Non Institutional Portion, followed by the Institutional Portion on a first come first serve

basis. If there is under subscription in the Tranche II Issue Size due to undersubscription in each Portion, all valid Applications received till the end of last day of the Tranche II Issue Closure day shall be grouped together in each Portion and full and firm Allotments will be made to all valid Applications in each Portion.

- c) For each Category, all Applications uploaded on the same day onto the electronic platform of the Stock Exchanges would be treated at par with each other. Allotment would be on proportionate basis, where NCDs uploaded into the platform of the Stock Exchanges exceeds NCDs to be Allotted for each portion respectively from the date of oversubscription and thereafter.
- d) Minimum Allotments of 10 NCDs and in multiples of 1 NCD thereafter would be made in case of each valid Application to all Applicants.
- e) **Allotments in case of oversubscription:** In case of an oversubscription, allotments to the maximum extent, as possible, will be made on a first-come first-serve basis and thereafter on proportionate basis, i.e. full allotment of the NCDs to the Applicants on a first come first basis up to the date falling 1 (one) day prior to the date of oversubscription and proportionate allotment of NCDs to the applicants from the date of oversubscription and thereafter (based on the date of upload of each Application on the electronic platform of the Stock Exchanges, in each Portion).

For the purpose of clarity, in case of oversubscription please see the below indicative scenarios:

- i. In case of an oversubscription in all Portions resulting in an oversubscription in Tranche II Issue Size, Allotments to the maximum permissible limit, as possible, will be made on a first-come first-serve basis and thereafter on proportionate basis, i.e. full allotment of the NCDs to the Applicants on a first come first serve basis up to the date falling 1 (one) day prior to the date of oversubscription to respective Portion and proportionate allotment of NCDs to the Applicants from the date of oversubscription and thereafter in respective Portion (based on the date of upload of each Application on the electronic platform of the Stock Exchanges in each Portion). The date of oversubscription for each category will be determined as per the bucket size based on the allocation ratio stated above not taking into account any spill overs due to undersubscription in other categories.
- ii. In case there is oversubscription in the Tranche II Issue Size, however there is under subscription in one or more Portion(s), Allotments will be made in the following order:
 - a. All valid Applications in the undersubscribed Portion(s) uploaded on the electronic platform of the Stock Exchanges till the end of the last day of the Tranche II Issue Period, shall receive full and firm allotment.
 - b. In case of Portion(s) that are oversubscribed, allotment shall be made to valid Applications received on a first come first serve basis, based on the date of upload of each Application in to the electronic platform of the Stock Exchanges. Priority for allocation of the remaining undersubscribed Portion(s) shall be given to day wise Applications received in the Retail Individual Investors Portion followed by High Net Worth Individual Investors Portion, next Non-Institutional Portion and lastly Institutional Portion each according to the day of upload of Applications to the Electronic Book with Stock Exchanges during the Tranche II Issue period.
 - c. For the sake of clarity, once full and firm allotment has been made to all the valid Applications in the undersubscribed portion, the remaining balance in the undersubscribed Portion will be Allocated to the oversubscribed Portion(s) and proportionate allotments shall be made to all valid Applications in the oversubscribed Portion(s) uploaded on the date of oversubscription and thereafter on the remaining days of the Tranche II Issue Period.

f) **Proportionate Allotments:**

For each Portion, from the date of oversubscription and thereafter:

- i. Allotments to the Applicants shall be made in proportion to their respective Application size, rounded off to the nearest integer.
- ii. If the process of rounding off to the nearest integer results in the actual allocation of NCDs being higher than the Tranche II Issue size, not all Applicants will be allotted the number of NCDs arrived at after such

rounding off. Rather, each Applicant whose Allotment size, prior to rounding off, had the highest decimal point would be given preference.

- iii. In the event, there are more than one Applicant whose entitlement remain equal after the manner of distribution referred to above, our Company will ensure that the basis of allotment is finalised by draw of lots in a fair and equitable manner.

Applicant applying for more than one Series of NCDs

If an Applicant has applied for more than one Series of NCDs and in case such Applicant is entitled to allocation of only a part of the aggregate number of NCDs applied for, the Series-wise allocation of NCDs to such Applicants shall be in proportion to the number of NCDs with respect to each Series, applied for by such Applicant, subject to rounding off to the nearest integer, as appropriate in consultation with the Lead Managers and the Designated Stock Exchange. Further, in the aforesaid scenario, wherein the Applicant has applied for all the six Series and in case such Applicant cannot be allotted all the six series, then the Applicant would be allotted NCDs, at the discretion of the Company, the Registrar and the Lead Manager wherein the NCDs with the least tenor i.e. Allotment of NCDs with tenor of 24 months followed by Allotment of NCDs with tenor of 36 months and 60 months.

All decisions pertaining to the Basis of Allotment of NCDs pursuant to the Tranche II Issue shall be taken by our Company in consultation with the Lead Managers, and the Designated Stock Exchange and in compliance with the aforementioned provisions of this Tranche II Prospectus. Any other queries / issues in connection with the Applications will be appropriately dealt with and decided upon by our Company in consultation with the Lead Managers.

Our Company would allot Series III NCDs to all valid applications, wherein the applicants have not indicated their choice of the relevant series of the NCDs.

Unblocking of funds

The Registrar shall instruct the relevant SCSB to unblock the funds in the relevant ASBA Account for withdrawn, rejected or unsuccessful or partially successful ASBA Applications within the applicable regulatory timelines.

Issuance of Allotment Advice

Our Company shall ensure dispatch of Allotment Advice as per the Demographic Details received from the Depositories. Instructions for credit of NCDs to the beneficiary account with Depository Participants upon approval of Basis of Allotment.

Our Company shall use best efforts to ensure that all steps for completion of the necessary formalities and approvals for the commencement of trading at the Stock Exchanges where the NCDs are proposed to be listed are taken within six Working Days from the Tranche II Issue Closing Date.

Allotment Advices shall be issued, or Application Amount shall be unblocked within 15 (fifteen) days from the Tranche II Issue Closing Date or such lesser time as may be specified by SEBI or else the application amount shall be unblocked in the ASBA Accounts of the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of fifteen per cent. per annum for the delayed period.

Our Company will provide adequate funds required for dispatch of Allotment Advice, as applicable, to the Registrar to the Issue.

Investor Withdrawals and Pre-closure

Investor Withdrawal: Applicants are allowed to withdraw their Applications at any time prior to the Tranche II Issue Closing Date.

Withdrawal of Applications after the Tranche II Issue Period: In case an Applicant wishes to withdraw the Application after the Tranche II Issue Closing Date or early closure date, the same can be done by submitting a withdrawal request to the Registrar prior to the finalization of the Basis of Allotment but not later than 2 (two) Working days from the Tranche II Issue Closing Date or early closure date, as applicable.

Pre-closure/ Early Closure: Our Company, in consultation with the Lead Managers reserves the right to close the Tranche II Issue at any time prior to the Tranche II Issue Closing Date, subject to receipt of minimum subscription which is 75% of the Base Issue size of this Tranche II Issue before the Tranche II Issue Closing Date. Our Company shall allot NCDs with respect to the Applications received at the time of such pre-closure in accordance with the Basis of Allotment as described hereinabove and subject to applicable statutory and/or regulatory requirements.

In the event of such early closure of this Tranche II Issue, our Company shall ensure that public notice of such early closure is published on or before such early date of closure or the Tranche II Issue Closing Date of the Issue, as applicable, through advertisement(s) in all those newspapers in which pre Issue advertisement and advertisement for opening or closure of the Tranche II Issue have been given.

Further, the Tranche II Issue will also be withdrawn by our Company in the event that the aggregate Applications received for the NCDs is lesser than the minimum subscription which is 75% of the Base Issue of the Tranche II Issue before the Tranche II Issue Closing Date.

Under Section 39(3) of the Companies Act, 2013 read with Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount has not been subscribed or received, as applicable, within the specified period, the application money received is to be unblocked/credited only to the bank account in/from which the subscription was blocked/remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar does not have the necessary information for making such refunds, our Company and/or the Registrar will follow the guidelines prescribed by SEBI in this regard.

If our Company does not receive the minimum subscription of 75% of Base Issue Size prior to the Tranche II Issue Closing Date the entire Application Amount shall be unblocked in the relevant ASBA Account(s) of the Applicants within 8 (eight) working days from the Tranche II Issue Closing Date, provided wherein, the Application Amount has been transferred to the Public Issue Account from the respective ASBA Accounts, such Application Amount shall be refunded from the Refund Account to the relevant ASBA Accounts(s) of the Applicants within 6 (six) working days from the Tranche II Issue Closing Date, failing which the Company will become liable to refund the Application Amount along with interest at the rate 15 (fifteen) percent per annum for the delayed period.

Revision of Applications

As per the notice no: 20120831-22 dated August 31, 2012 issued by BSE, cancellation of one or more orders (series) within an Application is permitted during the Tranche II Issue Period as long as the total order quantity does not fall under the minimum quantity required for a single Application. However, please note that in case of cancellation of one or more orders (series) within an Application, leading to total order quantity falling under the minimum quantity required for a single Application will be liable for rejection by the Registrar.

Applicants may revise/ modify their Application details during the Tranche II Issue Period, as allowed/permitted by the Stock Exchanges, by submitting a written request to the Designated Intermediary, as the case may be. However, for the purpose of Allotment, the date of original upload of the Application will be considered in case of such revision/modification. In case of any revision of Application in connection with any of the fields which are not allowed to be modified on the electronic Application platform of the Stock Exchanges as per the procedures and requirements prescribed by each relevant Stock Exchanges, Applicants should ensure that they first withdraw their original Application and submit a fresh Application. In such a case the date of the new Application will be considered for date priority for Allotment purposes.

Revision of Applications is not permitted after the expiry of the time for acceptance of Application Forms on Tranche II Issue Closing Date. However, in order that the data so captured is accurate, the Designated Intermediaries will be given up to one Working Day after the Tranche II Issue Closing Date (till 1:00 PM) to modify/ verify certain selected fields uploaded in the online system during the Tranche II Issue Period, after which the data will be sent to the Registrar to the Issue for reconciliation with the data available with the NSDL and CDSL.

SECTION VIII - MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts which are or may be deemed material have been entered or are to be entered into by our Company. These contracts and also the documents for inspection referred to hereunder, may be inspected on Working Days at the Registered Office of our Company situated at 110/3, Lalbagh Main Road, Krishnappa Layout, Bengaluru – 560 027, Karnataka, India, between 10.00 am to 5.00 pm on any Working Days from the date of filing of this Tranche II Prospectus until the Tranche II Issue Closing Date.

MATERIAL CONTRACTS

1. Issue Agreement dated November 2, 2023 as amended by amendment agreement dated May 14, 2024 executed between our Company and the Lead Managers.
2. Registrar Agreement dated October 31, 2023, as amended by an amendment agreement dated May 14, 2024, executed between our Company and the Registrar to the Issue.
3. Debenture Trustee Agreement dated October 31, 2023 executed between our Company and the Debenture Trustee.
4. Agreed form of Debenture Trust Deed to be executed between our Company and the Debenture Trustee.
5. Public Issue Account Agreement dated May 24, 2024 executed between our Company, the Registrar, the Public Issue Account Bank, Refund Bank and Sponsor Bank, and the Lead Managers.
6. Consortium Agreement dated May 24, 2024 executed between our Company, the Consortium Members and the Lead Managers.
7. Tripartite agreement dated 18 June 2018 among our Company, the Registrar to the Issue and CDSL.
8. Tripartite agreement dated 9 September 2017 among our Company, the Registrar to the Issue and NSDL.

MATERIAL DOCUMENTS

1. Memorandum and Articles of Association of our Company, as amended to date.
2. Certificate of Incorporation of our Company dated August 9, 1995, issued in name of Colanac Finance Limited by, Registrar of Companies, Tamil Nadu.
3. Fresh Certificate of Incorporation of our Company dated, July 25, 2008, issued in the name of Samasta Microfinance Limited by Registrar of Companies, Tamil Nadu.
4. Fresh Certificate of Incorporation of our Company dated, March 31, 2011, issued by Registrar of Companies, Karnataka at Bengaluru.
5. Fresh Certificate of Incorporation of our Company dated, September 1, 2021, issued in the name of IIFL Samasta Finance Limited by Registrar of Companies, Karnataka at Bengaluru.
6. Certificate of comment of business dated September 15, 1990, issued by Registrar of Companies Tamil Nadu.
7. Certificate of Registration as an NBFC dated May 17, 2011 issued by RBI u/s 45 IA of the Reserve Bank of India, 1934 under the registration number B-02.00250.
8. Fresh Certificate of Registration as an NBFC dated September 20, 2021 bearing registration no. B-02.00250 issued by RBI.

9. Copy of shareholders' resolution on August 30, 2023 under Section 180(1)(c) of the Companies Act, 2013 on overall borrowing and security creation limits of the Board of Directors of our Company.
10. Copy of the resolution passed by the Board of Directors dated August 19, 2023 approving the issue of NCDs.
11. Copy of the resolution passed by the Issue and Allotment Committee at its meeting held on November 2, 2023 approving the Draft Shelf Prospectus.
12. Copy of the resolution passed by the Issue and Allotment Committee at its meeting held on November 23, 2023 approving the Shelf Prospectus.
13. Copy of the resolution passed by the Issue and Allotment Committee at its meeting held on May 15, 2024 approving the Addendum to Shelf Prospectus.
14. Copy of the resolution passed by the Issue and Allotment Committee at its meeting held on May 24, 2024 approving this Tranche II Prospectus.
15. Credit rating letter dated September 26, 2023 by CRISIL Ratings Limited assigning a rating of "CRISIL AA-/Stable" for the Issue with rating rationale dated September 25, 2023 and rating letter dated November 20, 2023 by CRISIL Ratings Limited reaffirming and revising the rating as CRISIL AA-/ Positive (Pronounced as CRISIL double A minus rating with Positive outlook) with rating rationale dated November 20, 2023.
16. Credit rating letter dated October 6, 2023 by Acuite Ratings & Research Limited assigning a rating of "Acuite AA Stable" for the Issue.
17. Credit rating letter and rating rationale, each dated May 8, 2024 assigning a rating of "CRISIL AA-/Watch Developing" for the Issue issued by CRISIL Ratings Limited.
18. Credit rating letter dated May 10, 2024 and rating rationale dated March 12, 2024 assigning a rating of "ACUITE AA | Rating Watch Negative Implications" issued by Acuite Ratings & Research Limited.
19. Consent letter dated May 13, 2024 from CRISIL Ratings Limited in respect of credit rating letter and rating rationale, each dated May 8, 2024.
20. Consent letter dated May 13, 2024 from Acuite Ratings & Research Limited in respect of credit rating letter dated May 10, 2024 and rating rationale dated March 12, 2024.
21. Consents of the Directors, Chief Financial Officer, Company Secretary and Compliance Officer, Lead Managers to the Issue, Legal Advisor to the Issue, Credit Rating Agencies for the Issue, Bankers to our Company, Registrar to the Issue and the Debenture Trustee for the NCDs to include their names in the Shelf Prospectus and this Tranche II Prospectus in their respective capacity and the Banker to the Tranche II Issue and Consortium Members to include their names in this Tranche II Prospectus, in their respective capacities.
22. Consent of CRISIL Market Intelligence & Analytics (CRISIL MI&A) as the agency issuing the – NBFC Industry Report dated May 14, 2024, forming part of the Industry Overview chapter.
23. Consent dated May 24, 2024 from Brahmayya & Co our Statutory Auditor, to include their name as required under section 26 (1) of the Companies Act, 2013 read with SEBI NCS Regulations, in the Shelf Prospectus and this Tranche II Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditor, and in respect of (i) their report dated May 24, 2024 on the Audited Financial Statements for Fiscal 2024 ; (ii) report dated April 21, 2023 on the Audited Financial Statements for Fiscal 2023(iii) report dated April 23, 2022 on the Audited Financial Statements for Fiscal 2022 in the Tranche II

Prospectus.


24. The report on statement of possible tax benefits dated May 24, 2024 along with the consent letter dated May 24, 2024 issued by Gowthama & Company.
25. Annual Report of our Company for the last three financial years ended March 31, 2023, March 31, 2022 and March 31, 2021.
26. In-principle listing approval from BSE by its letter no. DCS/BM/PI-BOND/017/23-24 dated November 13, 2023.
27. In-principle listing approval from NSE by its letter no. NSE/LIST/D/2023/0296 dated November 9, 2023.
28. Due Diligence Certificate dated May 24, 2024 filed by Trust Investment Advisors Private Limited and Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited) with SEBI.
29. Due Diligence certificate dated May 24, 2024 filed by the Debenture Trustee to the Issue.

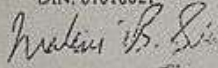
DECLARATION

We, the Directors of the Company, hereby certify and declare that all the applicable legal requirements in connection with the Tranche II Issue including the all relevant provisions of the Companies Act, 2013, as amended, and the rules prescribed thereunder, to the extent applicable and the guidelines issued by the Government of India and/or the regulations/guidelines/circulars issued by the Reserve Bank of India, and the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as applicable, including the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, provisions under the Securities Contracts (Regulation) Act, 1956, as amended, and rules made thereunder, including the Securities Contracts (Regulation) Rules, 1957, as amended, including the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable, as the case may be have been complied with and no statement made in this Tranche II Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules made there under, regulations or guidelines or circulars issued, as the case may be. We hereby confirm that the compliance with the Securities and Exchange Board of India Act, 1992 or rules made there under does not imply that payment of dividend or interest or repayment of debt securities, is guaranteed by the Central Government.

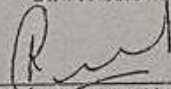
We further certify that all the disclosures and statements made in this Tranche II Prospectus are true, correct and complete in all material respects, are in conformity with Companies Act, 2013, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, the Securities Contracts (Regulation) Act, 1956, as amended and rules made thereunder including the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Securities and Exchange Board of India Act, 1992 or rules made there under, regulations or guidelines or circulars issued, as the case may be and do not omit disclosure of any material information which may make the statements made therein, in light of circumstances under which they were made, misleading and that this Tranche II Prospectus does not contain any misstatements. Furthermore, all the monies received under this Tranche II Issue shall be used only for the purposes and objects indicated in this Tranche II Prospectus. No information material to the subject matter of this form has been suppressed or concealed and whatever is stated in this Tranche II Prospectus thereto is true, correct, and complete and is as per the original records maintained by the Promoters subscribing to the Memorandum of Association and Articles of Association.

Signed by the Directors of our Company

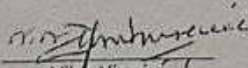

Narayanaswamy Venkatesh
Managing Director
DIN: 01018821



Malini Benjamin Eden
Independent Director
DIN: 00732954

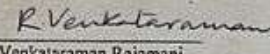


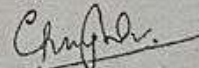
Kalengada Mandanna Nanaiah
Independent Director
DIN: 01276050



Nihar Niranjan
Jambusaria
Independent Director
DIN: 01808733


Shivaprakash Deviah
Whole Time Director
DIN: 02216802


Venkataraman Rajamani
Director
DIN: 00011919



Govinda Rajulu Chintala
Independent Director
DIN: 03622371

Date: 24-05-2024
Place: Bangalore

ANNEXURE A – RATING, RATIONALE AND PRESS RELEASE

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RL/SAMML/331552/NCD/1123/73313/157360087
November 20, 2023



Mr. Venkatesh N
Managing Director
IIFL Samasta Finance Limited
110/3, Lalbagh Main Road,
Krishnappa Layout,
Near Urvashi Theatre
Bengaluru Urban - 560027

Dear Mr. Venkatesh N,

Re: Review of CRISIL Rating on the Rs.2000 Crore Non Convertible Debentures[&] of IIFL Samasta Finance Limited

All ratings assigned by CRISIL Ratings are kept under continuous surveillance and review.

CRISIL Ratings has, after due consideration, reaffirmed the CRISIL AA- (pronounced as CRISIL double A minus rating) rating for the captioned Debt Instrument, and revised the outlook to Positive from Stable. Securities with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such securities carry very low credit risk.

In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL Ratings will be necessary.

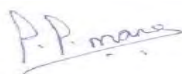
As per our Rating Agreement, CRISIL Ratings would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL Ratings reserves the right to withdraw, or revise the rating / outlook assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL Ratings believes may have an impact on the rating. Please visit www.crisilratings.com and search with the name of the rated entity to access the latest rating/s.

As per SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtissue@crisil.com. This will enable CRISIL Ratings to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us at debtissue@crisil.com for any clarification you may need.

Should you require any clarification, please feel free to get in touch with us.

With warm regards,

Yours sincerely,



Prashant Pratap Mane
Associate Director - CRISIL Ratings



Nivedita Shibu
Associate Director - CRISIL Ratings



& Public Issue

Disclaimer: A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com. CRISIL Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please visit www.crisilratings.com or contact Customer Service Helpdesk at CRISILratingdesk@crisil.com or at 1800-267-1301

CRISIL Ratings Limited

A subsidiary of CRISIL Limited, an S&P Global Company
Corporate Identity Number: U67100MH2019PLC326247

CONFIDENTIAL

RL/SAMML/328154/NCD/0923/70345/157360087

September 26, 2023

Mr. Venkatesh N
Managing Director
IIFL Samasta Finance Limited
110/3, Lalbagh Main Road,
Krishnappa Layout,
Near Urvashi Theatre
Bengaluru Urban - 560027
9845061610



Dear Mr. Venkatesh N,

Re: CRISIL Rating on the Rs.2000 Crore Non Convertible Debentures* of IIFL Samasta Finance Limited

We refer to your request for a rating for the captioned Debt instrument.

CRISIL Ratings has, after due consideration, assigned a CRISIL AA-/Stable (pronounced as CRISIL double A minus rating with Stable outlook) rating to the captioned Debt instrument. Securities with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such securities carry very low credit risk.

Further, in view of your decision to accept the CRISIL Ratings, we request you to apprise us of the instrument details (in the enclosed format) as soon as it has been placed. In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL Ratings will be necessary.

As per our Rating Agreement, CRISIL Ratings would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL Ratings reserves the right to withdraw, or revise the rating / outlook assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL Ratings believes may have an impact on the rating. Please visit www.crisilratings.com and search with the name of the rated entity to access the latest rating/s.

As per SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtissue@crisil.com. This will enable CRISIL Ratings to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us at debtissue@crisil.com for any clarification you may need.

Should you require any clarification, please feel free to get in touch with us.

With warm regards,

Yours sincerely,

Prashant Pratap Mane
Associate Director - CRISIL Ratings

Nivedita Shibu
Associate Director - CRISIL Ratings



* Public Issue

Disclaimer: A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com. CRISIL Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please visit www.crisilratings.com or contact Customer Service Helpdesk at CRISILRatingdesk@crisil.com or at 1800-267-1301

**Details of the Rs.2000 Crore Non Convertible Debentures of
IIFL Samasta Finance Limited**

	<i>1st tranche</i>		<i>2nd tranche</i>		<i>3rd tranche</i>	
<i>Instrument Series:</i>						
<i>Amount Placed:</i>						
<i>Maturity Period:</i>						
<i>Put or Call Options (if any):</i>						
<i>Coupon Rate:</i>						
<i>Interest Payment Dates:</i>						
<i>Principal Repayment Details:</i>	<i>Date</i>	<i>Amount</i>	<i>Date</i>	<i>Amount</i>	<i>Date</i>	<i>Amount</i>
<i>Investors:</i>						
<i>Trustees:</i>						

In case there is an offer document for the captioned Debt issue, please send us a copy of it.

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RL/SAMML/342801/NCD/0524/87397/157360087

May 08, 2024

Mr. Venkatesh N
Managing Director
IIFL Samasta Finance Limited
110/3, Lalbagh Main Road,
Krishnappa Layout,
Near Urvashi Theatre
Bengaluru Urban - 560027
9845061610



Dear Mr. Venkatesh N,

Re: Review of CRISIL Rating on the Rs. 2000 Crore Non Convertible Debentures[&] of IIFL Samasta Finance Limited

All ratings assigned by CRISIL Ratings are kept under continuous surveillance and review.

CRISIL Ratings has, after due consideration, reaffirmed its CRISIL AA- (pronounced as CRISIL double A minus rating) rating on the captioned debt instrument. Securities with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such securities carry very low credit risk. However, the rating continues to be under Rating Watch with Developing Implications. The Rating Watch reflects an emerging situation, which may affect the credit profile of the rated entity.

As per our Rating Agreement, CRISIL Ratings would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL Ratings reserves the right to withdraw, or revise the rating / outlook assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL Ratings believes may have an impact on the rating. Please visit www.crisilratings.com and search with the name of the rated entity to access the latest rating/s.

As per SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtissue@crisil.com. This will enable CRISIL Ratings to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us at debtissue@crisil.com for any clarification you may need.

Should you require any clarification, please feel free to get in touch with us.

With warm regards,

Yours sincerely,

Prashant Pratap Mane
Associate Director - CRISIL Ratings

Nivedita Shibu
Director - CRISIL Ratings



& Public Issue

Disclaimer: A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com. CRISIL Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please visit www.crisilratings.com or contact Customer Service Helpdesk at CRISILratingdesk@crisil.com or at 1800-267-1301

CRISIL Ratings Limited

A subsidiary of CRISIL Limited, an S&P Global Company
Corporate Identity Number: U67100MH2019PLC326247

Rating Rationale

May 08, 2024 | Mumbai

IIFL Samasta Finance Limited

'CRISIL AA-/Watch Developing' assigned to Non Convertible Debentures; Long-term rating continues on 'Watch Developing'; Rated amount enhanced for Commercial Paper

Rating Action

Total Bank Loan Facilities Rated	Rs.9200 Crore
Long Term Rating	CRISIL AA-/Watch Developing (Continues on 'Rating Watch with Developing Implications')

Rs.500 Crore Non Convertible Debentures	CRISIL AA-/Watch Developing (Assigned; Placed on 'Rating Watch with Developing Implications')
Rs.20 Crore Long Term Principal Protected Market Linked Debentures	CRISIL PPMLD AA-/Watch Developing (Continues on 'Rating Watch with Developing Implications')
Rs.200 Crore Long Term Principal Protected Market Linked Debentures	CRISIL PPMLD AA-/Watch Developing (Continues on 'Rating Watch with Developing Implications')
Rs.100 Crore Long Term Principal Protected Market Linked Debentures	CRISIL PPMLD AA-/Watch Developing (Continues on 'Rating Watch with Developing Implications')
Rs.100 Crore Principal Protected Market Linked Non-Convertible Subordinated Debentures	CRISIL PPMLD AA-/Watch Developing (Continues on 'Rating Watch with Developing Implications')
Rs.550 Crore Non Convertible Debentures[%]	CRISIL AA-/Watch Developing (Continues on 'Rating Watch with Developing Implications')
Rs.2000 Crore Non Convertible Debentures^{&}	CRISIL AA-/Watch Developing (Continues on 'Rating Watch with Developing Implications')
Rs.500 Crore Non Convertible Debentures[^]	CRISIL AA-/Watch Developing (Continues on 'Rating Watch with Developing Implications')
Rs.750 Crore (Enhanced from Rs.500 Crore) Commercial Paper	CRISIL A1+ (Reaffirmed)

[%] Interchangeable between secured and subordinated debt & Public Issue

[^] Interchangeable between secured and subordinated debt

Note: None of the Directors on CRISIL Ratings Limited's Board are members of rating committee and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings at its meetings.

1 crore = 10 million

Refer to Annexure for Details of Instruments & Bank Facilities

Detailed Rationale

CRISIL Ratings has assigned its '**CRISIL AA-**' rating to the Non-Convertible Debentures of IIFL Samasta Finance Ltd (IIFL Samasta, a part of IIFL Finance group) and placed the rating on '**Rating Watch with Developing Implications**'. Outstanding rating on the long term bank facilities and long term debt instruments continue to be on '**Rating Watch with Developing Implications**'. The commercial paper has been reaffirmed at 'CRISIL A1+'

CRISIL Ratings has also withdrawn its rating on the Long-term principal protected market linked debentures of Rs.133.8 crore and Principal protected market linked non-convertible subordinated debentures of Rs 100 crore (see 'Annexure - Details of Rating Withdrawn') on receipt of independent confirmation that these instruments are fully redeemed, in line with its withdrawal policy.

On March 12, 2024, CRISIL Ratings placed the rating on watch, subsequent to a similar action on the parent, IIFL Finance Ltd (IIFL Finance). The Reserve Bank of India (RBI) on March 04, 2024, issued a directive ordering IIFL Finance to cease and desist from sanctioning and disbursing gold loans, or assigning/securing/selling any of its gold loans. However, the RBI has allowed the company to continue servicing its existing gold loan portfolio, through usual collection and recovery processes.

CRISIL Ratings understands that IIFL Finance has been in continuous engagement with the RBI and the restriction imposed would be reviewed upon completion of RBI's special audit which has been underway since April 23, 2024. Earlier, the chairman of the board of IIFL Finance, who is also an independent director, had stated that the company has addressed all the gaps cited by the regulator and was fully compliant with all RBI requirements as of March 11, 2024. Subsequently, the company also received a commitment of \$200 million (~Rs 1,560 crore) liquidity line by Fairfax India – which has been a long-term strategic investor in IIFL Finance and currently holds 15.1% in the company. In light of this issue and the special audit being in progress, CRISIL Ratings will continue to closely monitor the developments pertaining to this restriction.

In the near term, this restriction on the gold loan business will lead to reduction in overall AUM, while other key businesses of the group viz, home loans, microfinance, loan against property and others, are not directly impacted by this RBI directive. However, the issues raised by the regulator bring forth questions on the operational processes and compliances. These developments could have a second order impact on fund raising for the group given the confidence sensitive nature of the funding environment for NBFCs - which could, in turn, impact growth in the other segments, and will remain a key monitorable.

In a scenario where this restriction is not lifted for a prolonged period, the company's business risk profile and profitability could be impacted in the medium to long run. The watch shall be resolved once greater clarity emerges on RBI's final decision on this matter. Further, any rating movement on IIFL Samasta's debt and bank loan facilities will be closely linked to rating movement on parent's (IIFL Finance) debt instruments and bank loan facilities. Further, any rating movement on IIFL Samasta's debt and bank loan facilities will be linked to rating movement on parent's (IIFL Finance) debt instruments and bank loan facilities.

The ratings of IIFL Samasta continue to factor in the expectation of strong financial and managerial support from the parent, IIFL Finance. The rating also factors in the shared name of the company, which further enhances the moral obligation of IIFL Finance to support IIFL Samasta. Additionally, the rating also reflects adequate capitalisation, above-average earnings profile and improving diversity in resource profile. These strengths are partially offset by IIFL Samasta's geographic concentration in revenue, ability to manage asset quality and control credit losses and susceptibility to regulatory and legislative risks associated with the microfinance sector.

Analytical Approach

CRISIL Ratings has analyzed the standalone business and financial risk profiles of IIFL Samasta and has factored in the strong support the company is likely to receive from its parent, IIFL Finance, on an ongoing basis and in times of distress.

Key Rating Drivers & Detailed Description

Strengths:

Strong financial and managerial support from IIFL Finance

The parent will continue to provide support on an ongoing basis and in the event of distress, given its majority ownership and IIFL Samasta's strategic importance to the group, and presence in the board of directors. The microfinance business is strategically important and helps diversify the financial product suite of the parent and expand its presence in the financial inclusion space. Also, the microfinance business is scalable, and expected to grow significantly over the medium term. IIFL Samasta's business is well established and growing at a healthy pace and formed around 16.8% of the group's AUM as on December 31, 2023. Regular financial support—through equity infusion—and strategic inputs from IIFL Finance have enabled the company to ramp-up operations. IIFL Finance has infused incremental capital of Rs 940 crore post-acquisition (in 2016), with the latest infusion of Rs 400 crore in calendar year 2023 and is expected to provide further capital on a regular basis. It also has representatives on the board and senior management of IIFL Finance is actively involved in managing the treasury. Hence, CRISIL Ratings believes IIFL Finance has a strong moral obligation to continue supporting IIFL Samasta.

Adequate capitalisation

Networth was adequate at Rs 2010 crore as on March 31, 2024 against Rs 1322 crore as on March 31, 2023. The capital position is supported by regular infusions by the parent, IIFL Finance, as is evidenced by the Rs 200 crore infusion done in February 2023 and another round of Rs 200 crore in November 2023. The gearing improved to 4.6 times as on March 31, 2024, as against 5.4 times as on March 31, 2023 (5.3 times as on March 31, 2022). The capital adequacy ratio (CAR) continued to be comfortable at 24.0% as on March 31, 2024 (against 17.1% as on March 31, 2023). On account of the parents' ability and willingness to infuse capital when required, IIFL Samasta's capitalisation is expected to remain adequate over the medium term in the normal course of business.

Above-average earnings profile

During fiscal 2024, the company's profit after tax (PAT) has improved to Rs 503 crores with return on managed assets (RoMA) of 4.2% as against a PAT of Rs 128 crore with RoMA of 1.4% during fiscal 2023 (as against Rs 50.6 crore and 0.8%, respectively, during fiscal 2022). The credit cost for the fiscal 2024 (Provisions + last 12 months write-offs) stood at 3.5% as against 5.2% during fiscal 2023. The company has written-off Rs 388.73 crores with Net Loss on asset reconstruction company (ARC) transaction worth Rs 78.8 crores during fiscal 2024 as against a write-off of Rs 450.9 crores and Net Loss on a sale to ARC transaction worth Rs 239.33 crores during fiscal 2023. Profitability has grown significantly post the revised regulation of RBI wherein the interest margin cap (of 10%) was discontinued. This has resulted in micro finance institutions (MFIs) going for risk-based pricing by increasing the yields. The Net interest margin (Net Interest Income/Average Managed assets) of the company has improved to 12.8% during fiscal 2024 as against 11.2% during fiscal 2023, the benefits of the same is directly visible in profitability. Nevertheless, given the pace of growth has remained high, the company's ability to maintain asset quality (in order to avoid any potential credit costs) for sustaining its earnings profile will remain a key rating sensitivity factor.

Improving diversity in funding profile

IIFL Samasta has significantly improved the diversity in its resource profile since its acquisition by IIFL Finance. Resource profile as on March 31, 2024, comprises of bank funding (53.2%), Non-Convertible Debenture funding (8.4%), refinance (12.8%), commercial paper [CP (2.2%)], sub debt (5.7%) and Securitization (17.7%). In terms of cost of borrowing, it remained around 10.52% during fiscal 2024 as against 9.46% during fiscal 2023. Post increase in interest rates in the market, the cost of borrowing has seen some elevation in the past 3-4 quarters.

Weaknesses:

Geographic concentration in operations

Though diversifying gradually, the loan portfolio of IIFL Samasta is still highly concentrated with 49% of its overall portfolio as on March 31, 2024, housed in three states: Bihar (22.3%), Tamil Nadu (14.3%) and Karnataka (13.0%). The top five districts accounted for 9.9% of the loan book. The company as on March 31, 2024, has operations in 22 states. Of these, growth of disbursements in Bihar has been particularly rapid, reflected in the proportion of AUM in the state increasing from 1.1% as on March 31, 2018, to 22.0% as on March 31, 2024. However, there has been a spurt in microfinance lending in certain states such as Punjab (0.1%), Haryana (0.4%), Madhya Pradesh (3.9%) etc. due to Karza mukt bharat abhiyan showing asset quality challenges in certain pockets, however the geographical concentration and growth in these regions have been limited, thus the ability of the company to manage portfolio quality in these regions is a key monitorable.

Average asset quality

The company's 90+ days past due adjusted for write-offs improved to 4.9% on March 31, 2024, as compared to 6.2% as on March 31, 2023. The company did write-offs of about Rs 388.8 crore during fiscal 2024 along with the sale to ARC of Rs 78.8 crore. As far as collection efficiency is concerned, (including overdues but excluding prepayments) it remained at over ~97.5 during fiscal 2024 from 95% during the previous fiscal. Recently due to the Karza mukt bhara abhiyan campaign there has been asset quality challenges across the industry in certain pockets of the country especially the epicentre being Punjab and Haryana, however the exposure of IIFL Samasta in these states is negligible hence no major impact is anticipated here. CRISIL Ratings will nevertheless continue to monitor the situation and its likely impact on credit losses as it evolves. Additionally, considering the pace of growth, the company's ability to sustain collection efficiency and eventually reach ~98-99% on a steady-state basis will remain a key monitorable.

Potential risk from local socio-political issues in the microfinance sector

The microfinance sector has witnessed various events over the years, including regulatory and legislative challenges that have resulted in disruption in operations. Some of these major events include Andhra crisis, demonetization in 2016, Covid-19 pandemic, and socio-political issues specific to certain states. These events have adversely affected the sector, leading to elevation in delinquencies and resulting in adverse impact on profitability and capital for the NBFC-MFIs. These challenges underscore the vulnerability of the microfinance business model to external risks. The COVID-19 pandemic in particular had introduced new challenges, aggravating existing vulnerabilities within the microfinance sector. It heightened credit risks and increased the likelihood of loan defaults among borrowers.

While the sector, on overall basis, has been able to manage all these major events, it continues to remain susceptible to events including local elections, natural calamities, and borrower protests among others, which may result in a momentary increase in delinquencies. In the case of IIFL Samasta, the ultimate credit loss for Samasta due to disruption after demonetization and Covid-19 pandemic was high. This indicates the fragility of the business model to external risks. MFIs will remain exposed to socially sensitive factors, including high interest rates, tighter regulations, and legislation.

Liquidity: Strong

Liquidity buffer (cash and liquid investments as on March 31, 2024), at a standalone level, to cover total debt repayment and operating expenses for the succeeding three months was 2.3 times (assuming 75% collection efficiency). Additionally, IIFL Finance will provide timely fund support for servicing of debt, if needed. Consolidated liquidity position: Rs 10,081 crore (Rs 5,157 crore of cash and equivalents, Rs 606 crore of unutilised cash credit limit and Rs 4,318 crore of undrawn sanctioned bank limits [including securitisation/DA limit]). Against this, total debt obligation was Rs 7,104 crore over the six months through June 2024.

Rating Sensitivity Factors

Upward Factors

- Any upward revision in the credit rating of IIFL Finance post resolution of rating watch
- Significant improvement in scale and geographic diversity of operations with top three states accounting for not more than 50% of loan portfolio.
- Sizeable increase in scale and geographic diversity of operations while maintaining RoMA above 3% and adjusted gearing below 3 times.

Downward Factors

- Any downward revision in the credit rating of IIFL Finance post resolution of rating watch
- Significant weakness in asset quality, leading to stress in profitability and capitalisation, resulting in a steady state capital adequacy ratio (CAR) of less than 20%
- Liquidity buffer remaining low as against scheduled debt and loan payments.

About the Company

IIFL Samasta, an NBFC and MFI, is a majority-owned subsidiary of IIFL Finance. IIFL Samasta started operations in March 2008 by taking over Colanac Finance Ltd, an NBFC. It follows the standard Grameen Bank model and lends to groups of five. The centres have 25-30 members. IIFL Finance acquired significant stake in IIFL Samasta in fiscal 2017, which stood at 99.51% as on March 31, 2024.

Key Financial Indicators

As on / for the period ended 31	Unit	Mar-24	Mar-23	Mar-22	Mar-21
AUM#	Rs crore	14211	10552	6484	4796
Total income	Rs crore	2770	1753	1020	702
Gross NPA*	%	1.9	2.1	3.1	1.8
Gearing	Times	4.6	5.4	5.3	5.3
Profit after tax (PAT)	Rs crore	503	128	51	67
Return on managed assets	%	4.2	1.5	0.9	1.5

*90 dpd

#including the BC portfolio

Any other information: Not Applicable

Note on complexity levels of the rated instrument:

CRISIL Ratings' complexity levels are assigned to various types of financial instruments and are included (where applicable) in the 'Annexure - Details of Instrument' in this Rating Rationale.

CRISIL Ratings will disclose complexity level for all securities - including those that are yet to be placed - based on available information. The complexity level for instruments may be updated, where required, in the rating rationale published subsequent to the issuance of the instrument when details on such features are available.

For more details on the CRISIL Ratings` complexity levels please visit www.crisilratings.com. Users may also call the Customer Service Helpdesk with queries on specific instruments.

Annexure - Details of Instrument(s)

ISIN	Name of instrument	Date of allotment	Coupon rate (%)	Maturity date	Issue size (Rs.Crore)	Complexity levels	Rating assigned with outlook
NA	Commercial paper	NA	NA	7 to 365 Days	750	Simple	CRISIL A1+
NA	Long-term principal protected market linked debentures^	NA	NA	NA	36.2	Highly complex	CRISIL PPMLD AA-/Watch Developing
NA	Long-term principal protected market linked debentures^	NA	NA	NA	150	Highly complex	CRISIL PPMLD AA-/Watch Developing
INE413U08044	Subordinated debt NCD	19-Aug-2022	11.25%	19-Jul-2028	150	Complex	CRISIL AA-/Watch Developing
INE413U08077	Subordinated debt NCD	02-Feb-2023	11.25%	02-Apr-2029	25	Complex	CRISIL AA-/Watch Developing
INE413U08093	Subordinated debt NCD	18-May-2023	11%	18-May-2030	150	Complex	CRISIL AA-/Watch Developing
INE413U08119	Subordinated debt NCD	07-Mar-2024	10.77%	28-Feb-2027	97	Simple	CRISIL AA-/Watch Developing
INE413U08127	Non-convertible debentures	29-Feb-2024	10.48%	07-Feb-2030	100	Complex	CRISIL AA-/Watch Developing
INE413U08085	Non-convertible debentures	24-Feb-2023	10.75%	24-Feb-2025	40	Simple	CRISIL AA-/Watch Developing
INE413U08069	Non-convertible debentures	19-Dec-2022	11.40%	19-Dec-2024	50	Simple	CRISIL AA-/Watch Developing
INE413U07210	Non-convertible debentures	26-May-2023	10.00%	26-Nov-2026	200	Simple	CRISIL AA-/Watch Developing
INE413U08101	Non-convertible debentures	13-Jun-2023	11.00%	13-Jun-2030	100	Simple	CRISIL AA-/Watch Developing
INE413U07228	Non-convertible debentures	21-Dec-23	9.60%	21-Dec-2025	116.84	Simple	CRISIL AA-/Watch Developing
INE413U07236	Non-convertible debentures	21-Dec-2023	9.57%	21-Dec-26	34.05	Simple	CRISIL AA-/Watch Developing
INE413U07244	Non-convertible debentures	21-Dec-2023	9.21%	21-Dec-2025	49.57	Simple	CRISIL AA-/Watch Developing
INE413U07251	Non-convertible debentures	21-Dec-2023	10.50%	21-Dec-2028	157.72	Simple	CRISIL AA-/Watch Developing
INE413U07269	Non-convertible debentures	21-Dec-2023	10.03%	21-Dec-2028	80.39	Simple	CRISIL AA-/Watch Developing
INE413U07277	Non-convertible debentures	21-Dec-2023	10.00%	21-Dec-2026	73.45	Simple	CRISIL AA-/Watch Developing
NA	Non-convertible debentures^*	NA	NA	NA	88	Simple	CRISIL AA-/Watch Developing
NA	Non-convertible debentures^	NA	NA	NA	1487.98	Simple	CRISIL AA-/Watch Developing
NA	Proposed Long Term Bank Loan Facility	NA	NA	NA	2057.42	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	1-Oct-2024	4.72	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	5-Apr-2025	11.95	NA	CRISIL AA-/Watch

							Developing
NA	Term Loan	NA	NA	13-Dec-2024	20.42	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	10-Feb-2025	74.93	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	10-Aug-2025	154.46	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	15-Sep-2025	40.9	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	31-Oct-2025	43.17	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	20-Feb-2026	190	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	24-Jul-2025	35.42	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	28-Jul-2024	21.43	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	24-Feb-2025	114.29	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	30-Sep-2024	8.33	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	30-Nov-2025	70	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	30-Nov-2026	48.49	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	30-Nov-2026	145.46	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	30-Nov-2026	48.48	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	30-Nov-2026	48.49	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	1-Sep-2024	27.15	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	28-Dec-2025	63.64	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	22-Sep-2024	54.55	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	4-Nov-2024	16.67	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	22-Mar-2025	25	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	21-Dec-2025	87.5	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	28-Feb-2026	95.83	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	31-May-2025	29.16	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	29-Sep-2024	6.36	NA	CRISIL AA-/Watch Developing

NA	Term Loan	NA	NA	8-Aug-2026	25	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	12-Sep-2024	6.25	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	3-Mar-2025	12.5	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	26-Sep-2025	37.52	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	24-Nov-2024	16.67	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	9-Jul-2025	46.67	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	31-Oct-2025	47.5	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	3-Jan-2025	22.18	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	3-Apr-2025	14.22	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	28-Nov-2024	14.24	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	28-Feb-2025	24.2	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	22-Sep-2025	38.48	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	17-Feb-2025	75.63	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	5-Jun-2025	43.75	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	5-Jun-2025	31.31	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	5-Jun-2025	18.75	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	5-Jun-2025	31.31	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	7-Sep-2025	60.47	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	25-Sep-2025	24.75	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	26-Dec-2025	21.87	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	6-Feb-2026	30.28	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	27-Mar-2026	39.77	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	27-Mar-2026	25.4	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	10-May-2024	3.64	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	9-Jun-2024	3.41	NA	CRISIL AA-/Watch

							Developing
NA	Term Loan	NA	NA	10-Jul-2024	4.36	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	9-Aug-2024	5.68	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	10-Sep-2024	7.36	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	10-Oct-2024	8.27	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	10-Nov-2024	5.09	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	10-Dec-2024	36.41	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	10-Jan-2025	12.73	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	10-Feb-2025	9.5	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	10-Mar-2025	12	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	10-Apr-2025	14.18	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	10-May-2025	14.64	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	10-Jun-2025	15	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	10-Jul-2025	16	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	10-Aug-2025	17.77	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	10-Sep-2025	104.73	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	10-Sep-2026	36	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	10-Nov-2025	42.73	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	20-Jan-2026	63	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	10-Feb-2026	33	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	1-Jun-2024	9.38	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	1-Mar-2025	30	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	1-Sep-2025	75	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	30-Jun-2024	22.86	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	27-Oct-2024	16.67	NA	CRISIL AA-/Watch Developing

NA	Term Loan	NA	NA	30-Mar-2025	57.14	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	20-Feb-2026	143.75	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	17-Mar-2025	36.35	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	30-Mar-2025	36.31	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	30-Mar-2025	99.95	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	30-Sep-2025	25	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	30-Sep-2025	12.5	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	1-Sep-2024	43.75	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	25-Jan-2025	115.14	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	3-Aug-2024	7.71	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	3-Oct-2024	11.63	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	3-Aug-2025	38.96	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	30-Mar-2026	40	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	21-Nov-2026	100	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	31-Aug-2025	12.88	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	31-Mar-2026	36.36	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	15-Feb-2027	50	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	15-Mar-2025	25	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	15-Nov-2025	43.75	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	15-Jan-2026	18	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	17-Feb-2026	70	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	29-Aug-2024	8.33	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	9-Mar-2025	22.5	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	27-Jul-2024	9.08	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	17-Aug-2024	11.33	NA	CRISIL AA-/Watch

							Developing
NA	Term Loan	NA	NA	10-Jan-2026	99.95	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	13-Mar-2026	150	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	1-Feb-2025	8.33	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	1-Jan-2025	23.57	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	1-Feb-2026	25	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	31-Mar-2025	17.23	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	31-Jan-2025	15	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	31-Mar-2026	24	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	31-Dec-2026	84	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	31-Dec-2025	126	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	30-Jun-2026	283.5	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	17-Mar-2025	26.4	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	31-Dec-2025	218.74	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	25-May-2025	46.88	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	30-Jan-2026	57.5	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	31-Mar-2025	9.1	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	28-Feb-2025	42.88	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	16-Nov-2024	27.21	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	16-Nov-2024	27.27	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	30-Dec-2024	2.05	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	30-Dec-2024	2.05	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	21-Mar-2025	6.27	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	21-Mar-2025	6.27	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	29-May-2025	7.32	NA	CRISIL AA-/Watch Developing

NA	Term Loan	NA	NA	29-May-2025	7.32	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	30-Jun-2025	3.41	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	30-Jun-2025	3.41	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	30-Dec-2025	38.18	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	31-Jan-2026	55	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	23-Jun-2024	3.75	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	28-Aug-2024	3.12	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	29-Nov-2024	8.25	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	31-Aug-2025	28.5	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	25-Dec-2025	16.62	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	10-Oct-2024	35	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	10-Aug-2025	226.58	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	10-Aug-2026	290	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	27-Mar-2027	50	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	28-Jun-2024	3.33	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	8-Nov-2024	42.95	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	8-May-2025	8.94	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	16-May-2025	8.94	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	14-Aug-2025	12	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	10-Sep-2025	41.78	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	15-Jan-2026	26.89	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	11-Feb-2025	93.67	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	26-Feb-2026	350	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	3-Nov-2025	42.32	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	5-Mar-2026	19.36	NA	CRISIL AA-/Watch

NA	Term Loan	NA	NA	10-Sep-2024	6.67	NA	Developing CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	31-Mar-2025	16.26	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	31-Mar-2025	16.14	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	31-Dec-2025	25.17	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	31-Mar-2026	44.45	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	25-Sep-2024	5.75	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	25-Oct-2025	27.71	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	30-Jun-2024	3.04	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	28-Feb-2025	18.79	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	31-Aug-2025	17.39	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	5-Mar-2026	32.52	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	31-Mar-2025	25	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	21-Dec-2025	52.5	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	31-Jan-2026	55	NA	CRISIL AA-/Watch Developing
NA	Term Loan	NA	NA	6-Mar-2026	150	NA	CRISIL AA-/Watch Developing

*Interchangeable between secured and subordinated debt

^Yet to be issued

Annexure - Details of Rating Withdrawn

ISIN	Name of instrument	Date of allotment	Coupon rate (%)	Maturity date	Issue size (Rs crore)	Complexity levels	Rating assigned with outlook
INE413U07178	Long-term principal protected market linked debentures	30-Mar-2021	G-SEC LINKED	30-Apr-2024	59	Highly complex	Withdrawn
INE413U07178	Long-term principal protected market linked debentures	31-May-2021	G-SEC LINKED	30-Apr-2024	74.8	Highly complex	Withdrawn
INE413U08036	Principal protected market linked non-convertible subordinated debentures	20-Jul-2018	NIFTY 50 INDEX LINKED	19-Apr-2024	21.85	Highly complex	Withdrawn
INE413U08028	Principal protected market linked non-convertible subordinated debentures	20-Jul-2018	NIFTY 50 INDEX LINKED	18-Apr-2024	11	Highly complex	Withdrawn
INE413U08036	Principal protected market linked non-convertible subordinated debentures	20-Jul-2018	NIFTY 50 INDEX LINKED	19-Apr-2024	67.15	Highly complex	Withdrawn

Annexure - Rating History for last 3 Years

Instrument	Current			2024 (History)		2023		2022		2021		Start of 2021
	Type	Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Fund Based Facilities	LT	9200.0	CRISIL AA-/Watch Developing	29-04-24	CRISIL AA-/Watch Developing	20-11-23	CRISIL AA-/Positive	26-09-22	CRISIL AA-/Stable	29-12-21	CRISIL AA-/Stable	CRISIL A+/Negative
			--	12-03-24	CRISIL AA-/Watch Developing	07-11-23	CRISIL AA-/Stable	20-09-22	CRISIL AA-/Stable	23-09-21	CRISIL AA-/Stable	--
			--	29-02-24	CRISIL AA-/Positive	26-10-23	CRISIL AA-/Stable	12-08-22	CRISIL AA-/Stable	14-09-21	CRISIL AA-/Stable	--
			--	29-01-24	CRISIL AA-/Positive	25-09-23	CRISIL AA-/Stable	09-06-22	CRISIL AA-/Stable	03-06-21	CRISIL A+/Stable	--
			--		--	16-08-23	CRISIL AA-/Stable		--	31-03-21	CRISIL A+/Stable	--
			--		--	06-06-23	CRISIL AA-/Stable		--	26-02-21	CRISIL A+/Negative	--
			--		--	23-05-23	CRISIL AA-/Stable		--		--	--
			--		--	15-03-23	CRISIL AA-/Stable		--		--	--
			--		--	07-02-23	CRISIL AA-/Stable		--		--	--
			--		--	24-01-23	CRISIL AA-/Stable		--		--	--
		--		--	09-01-23	CRISIL AA-/Stable		--		--	--	
Commercial Paper	ST	750.0	CRISIL A1+	29-04-24	CRISIL A1+	20-11-23	CRISIL A1+	26-09-22	CRISIL A1+	29-12-21	CRISIL A1+	CRISIL A1+
			--	12-03-24	CRISIL A1+	07-11-23	CRISIL A1+	20-09-22	CRISIL A1+	23-09-21	CRISIL A1+	--
			--	29-02-24	CRISIL A1+	26-10-23	CRISIL A1+	12-08-22	CRISIL A1+	14-09-21	CRISIL A1+	--
			--	29-01-24	CRISIL A1+	25-09-23	CRISIL A1+	09-06-22	CRISIL A1+	03-06-21	CRISIL A1+	--
			--		--	16-08-23	CRISIL A1+		--	31-03-21	CRISIL A1+	--
			--		--	06-06-23	CRISIL A1+		--	26-02-21	CRISIL A1+	--
			--		--	23-05-23	CRISIL A1+		--		--	--
			--		--	15-03-23	CRISIL A1+		--		--	--
			--		--	07-02-23	CRISIL A1+		--		--	--
			--		--	24-01-23	CRISIL A1+		--		--	--
		--		--	09-01-23	CRISIL A1+		--		--	--	
Non Convertible Debentures	LT	3550.0	CRISIL AA-/Watch Developing	29-04-24	CRISIL AA-/Watch Developing	20-11-23	CRISIL AA-/Positive	26-09-22	CRISIL AA-/Stable	29-12-21	CRISIL AA-/Stable	CRISIL A+/Negative
			--	12-03-24	CRISIL AA-/Watch Developing	07-11-23	CRISIL AA-/Stable	20-09-22	CRISIL AA-/Stable	23-09-21	CRISIL AA-/Stable	--
			--	29-02-24	CRISIL AA-/Positive	26-10-23	CRISIL AA-/Stable	12-08-22	CRISIL AA-/Stable	14-09-21	CRISIL AA-/Stable	--
			--	29-01-24	CRISIL AA-/Positive	25-09-23	CRISIL AA-/Stable	09-06-22	CRISIL AA-/Stable	03-06-21	CRISIL A+/Stable	--
			--		--	16-08-23	CRISIL AA-/Stable		--	31-03-21	CRISIL A+/Stable	--
			--		--	06-06-23	CRISIL AA-/Stable		--	26-02-21	CRISIL A+/Negative	--
			--		--	23-05-23	CRISIL AA-/Stable		--		--	--
			--		--	15-03-23	CRISIL AA-/Stable		--		--	--
			--		--	07-02-23	CRISIL AA-/Stable		--		--	--
			--		--	24-01-23	CRISIL AA-/Stable		--		--	--
		--		--	09-01-23	CRISIL AA-/Stable		--		--	--	
Long Term Principal Protected Market	LT	320.0	CRISIL PPMLD AA-/Watch Developing	29-04-24	CRISIL PPMLD AA-/Watch Developing	20-11-23	CRISIL PPMLD AA-/Positive	26-09-22	CRISIL PPMLD AA- r /Stable	29-12-21	CRISIL PPMLD AA- r /Stable	CRISIL PPMLD A+ r /Negative

Linked Debentures												
			--	12-03-24	CRISIL PPMLD AA-/Watch Developing	07-11-23	CRISIL PPMLD AA-/Stable	20-09-22	CRISIL PPMLD AA- r /Stable	23-09-21	CRISIL PPMLD AA- r /Stable	--
			--	29-02-24	CRISIL PPMLD AA-/Positive	26-10-23	CRISIL PPMLD AA-/Stable	12-08-22	CRISIL PPMLD AA- r /Stable	14-09-21	CRISIL PPMLD AA- r /Stable	--
			--	29-01-24	CRISIL PPMLD AA-/Positive	25-09-23	CRISIL PPMLD AA-/Stable	09-06-22	CRISIL PPMLD AA- r /Stable	03-06-21	CRISIL PPMLD A+ r /Stable	--
			--		--	16-08-23	CRISIL PPMLD AA-/Stable		--	31-03-21	CRISIL PPMLD A+ r /Stable	--
			--		--	06-06-23	CRISIL PPMLD AA-/Stable		--	26-02-21	CRISIL PPMLD A+ r /Negative	--
			--		--	23-05-23	CRISIL PPMLD AA-/Stable		--		--	--
			--		--	15-03-23	CRISIL PPMLD AA-/Stable		--		--	--
			--		--	07-02-23	CRISIL PPMLD AA-/Stable		--		--	--
			--		--	24-01-23	CRISIL PPMLD AA- r /Stable		--		--	--
			--		--	09-01-23	CRISIL PPMLD AA- r /Stable		--		--	--
Principal Protected Market Linked Non-Convertible Subordinated Debentures	LT	100.0	CRISIL PPMLD AA-/Watch Developing	29-04-24	CRISIL PPMLD AA-/Watch Developing	20-11-23	CRISIL PPMLD AA-/Positive	26-09-22	CRISIL PPMLD AA- r /Stable	29-12-21	CRISIL PPMLD AA- r /Stable	CRISIL PPMLD A+ r /Negative
			--	12-03-24	CRISIL PPMLD AA-/Watch Developing	07-11-23	CRISIL PPMLD AA-/Stable	20-09-22	CRISIL PPMLD AA- r /Stable	23-09-21	CRISIL PPMLD AA- r /Stable	--
			--	29-02-24	CRISIL PPMLD AA-/Positive	26-10-23	CRISIL PPMLD AA-/Stable	12-08-22	CRISIL PPMLD AA- r /Stable	14-09-21	CRISIL PPMLD AA- r /Stable	--
			--	29-01-24	CRISIL PPMLD AA-/Positive	25-09-23	CRISIL PPMLD AA-/Stable	09-06-22	CRISIL PPMLD AA- r /Stable	03-06-21	CRISIL PPMLD A+ r /Stable	--
			--		--	16-08-23	CRISIL PPMLD AA-/Stable		--	31-03-21	CRISIL PPMLD A+ r /Stable	--
			--		--	06-06-23	CRISIL PPMLD AA-/Stable		--	26-02-21	CRISIL PPMLD A+ r /Negative	--
			--		--	23-05-23	CRISIL PPMLD AA-/Stable		--		--	--
			--		--	15-03-23	CRISIL PPMLD AA-/Stable		--		--	--
			--		--	07-02-23	CRISIL PPMLD AA-/Stable		--		--	--
			--		--	24-01-23	CRISIL PPMLD AA- r /Stable		--		--	--
			--		--	09-01-23	CRISIL PPMLD AA- r /Stable		--		--	--

All amounts are in Rs.Cr.

Annexure - Details of Bank Lenders & Facilities

Facility	Amount (Rs.Crore)	Name of Lender	Rating
Proposed Long Term Bank Loan Facility	2057.42	Not Applicable	CRISIL AA-/Watch Developing
Term Loan	403.29	The Hongkong and Shanghai Banking Corporation Limited	CRISIL AA-/Watch Developing

Term Loan	172.61	Indian Bank	CRISIL AA-/Watch Developing
Term Loan	282.5	YES Bank Limited	CRISIL AA-/Watch Developing
Term Loan	56.9	Nabkisan Finance Limited	CRISIL AA-/Watch Developing
Term Loan	110.83	HDFC Bank Limited	CRISIL AA-/Watch Developing
Term Loan	114.38	IDBI Bank Limited	CRISIL AA-/Watch Developing
Term Loan	369.24	Bank of Baroda	CRISIL AA-/Watch Developing
Term Loan	16.67	Aditya Birla Finance Limited	CRISIL AA-/Watch Developing
Term Loan	29.16	DCB Bank Limited	CRISIL AA-/Watch Developing
Term Loan	532.5	National Bank For Agriculture and Rural Development	CRISIL AA-/Watch Developing
Term Loan	70	Kookmin Bank	CRISIL AA-/Watch Developing
Term Loan	31.36	Dhanlaxmi Bank Limited	CRISIL AA-/Watch Developing
Term Loan	523.87	Axis Bank Limited	CRISIL AA-/Watch Developing
Term Loan	30.83	Kotak Mahindra Bank Limited	CRISIL AA-/Watch Developing
Term Loan	225	DBS Bank India Limited	CRISIL AA-/Watch Developing
Term Loan	54.54	Canara Bank	CRISIL AA-/Watch Developing
Term Loan	601.58	Small Industries Development Bank of India	CRISIL AA-/Watch Developing
Term Loan	35.42	Bajaj Finance Limited	CRISIL AA-/Watch Developing
Term Loan	100	The Karnataka Bank Limited	CRISIL AA-/Watch Developing
Term Loan	33.46	Utkarsh Small Finance Bank Limited	CRISIL AA-/Watch Developing
Term Loan	104.38	Piramal Enterprises Limited	CRISIL AA-/Watch Developing
Term Loan	6.67	Tata Capital Financial Services Limited	CRISIL AA-/Watch Developing
Term Loan	135.71	Bandhan Bank Limited	CRISIL AA-/Watch Developing
Term Loan	90.79	Bank of Maharashtra	CRISIL AA-/Watch Developing
Term Loan	465.5	ICICI Bank Limited	CRISIL AA-/Watch Developing
Term Loan	185.82	RBL Bank Limited	CRISIL AA-/Watch Developing
Term Loan	218.74	Odisha Gramya Bank	CRISIL AA-/Watch Developing
Term Loan	16.26	UCO Bank	CRISIL AA-/Watch Developing
Term Loan	99.24	The Karur Vysya Bank Limited	CRISIL AA-/Watch Developing
Term Loan	443.67	State Bank of India	CRISIL AA-/Watch Developing
Term Loan	26.4	Northern Arc Capital Limited	CRISIL AA-/Watch Developing

Term Loan	17.23	Nabsamruddhi Finance Limited	CRISIL AA-/Watch Developing
Term Loan	249.95	Micro Units Development and Refinance Agency Limited	CRISIL AA-/Watch Developing
Term Loan	60.25	SBM Bank (India) Limited	CRISIL AA-/Watch Developing
Term Loan	51.97	Punjab and Sind Bank	CRISIL AA-/Watch Developing
Term Loan	85.77	Union Bank of India	CRISIL AA-/Watch Developing
Term Loan	20.41	Mahindra and Mahindra Financial Services Limited	CRISIL AA-/Watch Developing
Term Loan	36.39	Hero FinCorp Limited	CRISIL AA-/Watch Developing
Term Loan	42.32	Sundaram Finance Limited	CRISIL AA-/Watch Developing
Term Loan	86.75	Kisetsu Saison Finance India Private Limited	CRISIL AA-/Watch Developing
Term Loan	71.75	Woori Bank	CRISIL AA-/Watch Developing
Term Loan	76.92	Hinduja Leyland Finance Limited	CRISIL AA-/Watch Developing
Term Loan	158.89	JM Financial Products Limited	CRISIL AA-/Watch Developing
Term Loan	144.81	Standard Chartered Bank Limited	CRISIL AA-/Watch Developing
Term Loan	19.36	Suryoday Small Finance Bank Limited	CRISIL AA-/Watch Developing
Term Loan	56.27	The Federal Bank Limited	CRISIL AA-/Watch Developing
Term Loan	98.3	Jana Small Finance Bank Limited	CRISIL AA-/Watch Developing
Term Loan	240.42	IDFC FIRST Bank Limited	CRISIL AA-/Watch Developing
Term Loan	37.5	Indian Overseas Bank	CRISIL AA-/Watch Developing

Criteria Details

Links to related criteria

[Rating Criteria for Finance Companies](#)

[CRISILs Bank Loan Ratings - process, scale and default recognition](#)

[Criteria for Notching up Stand Alone Ratings of Companies based on Parent Support](#)

[CRISILs Criteria for rating short term debt](#)

Media Relations	Analytical Contacts	Customer Service Helpdesk
<p>Aveek Datta Media Relations CRISIL Limited M: +91 99204 93912 B: +91 22 3342 3000 AVEEK.DATTA@crisil.com</p> <p>Prakruti Jani Media Relations CRISIL Limited M: +91 98678 68976 B: +91 22 3342 3000 PRAKRUTI.JANI@crisil.com</p> <p>Rutuja Gaikwad Media Relations CRISIL Limited</p>	<p>Ajit Velonie Senior Director CRISIL Ratings Limited B:+91 22 3342 3000 ajit.velonie@crisil.com</p> <p>Malvika Bhotika Director CRISIL Ratings Limited B:+91 22 3342 3000 malvika.bhotika@crisil.com</p> <p>Pratibha Sahoo Senior Rating Analyst CRISIL Ratings Limited D:+91 22 3342 3000 Pratibha.Sahoo@crisil.com</p>	<p>Timings: 10.00 am to 7.00 pm Toll free Number:1800 267 1301</p> <p>For a copy of Rationales / Rating Reports: CRISILratingdesk@crisil.com</p> <p>For Analytical queries: ratingsinvestor@crisil.com</p>

B: +91 22 3342 3000

Rutuja.Gaikwad@ext-crisil.com

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Rating Letter - Intimation of Rating Action

Letter Issued on : October 06, 2023
 Letter Expires on : September 07, 2024
 Annual Fee valid till : September 07, 2024

Scan this QR Code to
 verify authenticity of this
 rating



IIFL SAMASTA FINANCE LIMITED
 NO 110/3, LALBAGH ROAD,
 KRISHNAPPA LAYOUT, BENGALURU URBAN,
 Bangalore 560027
 KARNATAKA

Kind Attn.: Mr. ANANTHA KUMAR T, CHIEF FINANCIAL OFFICER (Tel. No.9843978845)

Sir / Madam,

Sub.: Rating(s) Reaffirmed - Debt Instruments of IIFL SAMASTA FINANCE LIMITED

Please note that the current rating(s) and outlook, instrument details, and latest rating action for the aforementioned instrument are as under:

	Long Term Instruments	Short Term Instruments
Total Rated Quantum (Rs. Cr.)	2000.00*	0.00
Quantum of Enhancement (Rs. Cr.)	0.00	0.00
Rating(s)	ACUITE AA	Not Applicable
Outlook	Stable	Not Applicable
Most recent Rating Action(s)	Reaffirmed	Not Applicable
Date of most recent Rating Action(s)	October 06, 2023	Not Applicable
Rating Watch	Not Applicable	Not Applicable

**Public Issue*

Acuite reserves the right to revise the rating(s), along with the outlook, at any time, on the basis of new information, or other circumstances which Acuite believes may have an impact on the rating(s). Such revisions, if any, would be appropriately disseminated by Acuite as required under prevailing SEBI guidelines and Acuite's policies.

This letter will expire on **September 07, 2024** or on the day when Acuite takes the next rating action, whichever is earlier. It may be noted that the rating(s) is subject to change anytime even before the expiry date of this letter. Hence lenders / investors are advised to visit <https://www.acuite.in/> OR scan the QR code given above to confirm the current outstanding rating(s).

Acuite will re-issue this rating letter on **September 08, 2024** subject to receipt of surveillance fee as applicable. If the rating(s) is reviewed before **September 07, 2024**, Acuite will issue a new rating letter.



Antony Jose
 Chief Rating Officer

Annexures:

A. Details of the Rated Instrument

Annexure A. Details of the rated instrument			
Instruments	Scale	Amt. (Rs. Cr)	Rating Assigned (Outlook) Rating Action
Proposed Non Convertible Debentures	Long-term	2000.00*	ACUITE AA (Stable) Reaffirmed
Total Quantum Rated		2000.00	-

*Public Issue

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Rating Revalidation Letter

Letter Issued on: May 10, 2024
 Letter Expires on: March 12, 2025
 Fees Valid till: September 06, 2024

Scan this QR Code to verify
 authenticity of this rating



IIFL SAMASTA FINANCE LIMITED
 NO 110/3, LALBAGH ROAD,
 KRISHNAPPA LAYOUT, BENGALURU URBAN,
 BENGALURU 560027,
 KARNATAKA

Kind Attn.: - Mr. ANANTHA KUMAR T, CHIEF FINANCIAL OFFICER (Tel. No. 9843978845)

Sir / Madam,

Sub.: Credit Rating of Non-Convertible Debenture Issue by IIFL SAMASTA FINANCE LIMITED aggregating Rs. 2000.00 Cr

Acuite Ratings & Research Limited has an outstanding rating of '**ACUITE AA | Reaffirmed**' read as [**ACUITE double A**]. The rating is now under watch with Negative Implications for the mentioned debt instrument [see annexure 1].

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Please note that under extant SEBI regulations and as per the terms of the rating agreement, once a rating is accepted and outstanding, the issuer is required to promptly furnish the 'No Default Statement' on the first working day of every month.

Kindly inform us the details of the NCDs being issued by you, immediately, but not later than 7 days from the date of such issuances in the following format:

Type of Instrument	ISIN	Issue Size (Rs. Cr.)	Date of issue	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Debenture Trustee	Names of top 10 investors
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Yours truly,
 For Acuite Ratings & Research Limited



Antony Jose
 Chief Rating Officer

ANNEXURE - 1

Instrument	Scale	Amount (Rs. Cr.)	Ratings
Proposed Non-Convertible Debentures	Long-term	1487.98	ACUITE AA Reaffirmed Rating Watch with Negative Implications
Non-Convertible Debentures (NCD)	Long-term	80.39	ACUITE AA Reaffirmed Rating Watch with Negative Implications
Non-Convertible Debentures (NCD)	Long-term	157.72	ACUITE AA Reaffirmed Rating Watch with Negative Implications
Non-Convertible Debentures (NCD)	Long-term	73.45	ACUITE AA Reaffirmed Rating Watch with Negative Implications
Non-Convertible Debentures (NCD)	Long-term	34.05	ACUITE AA Reaffirmed Rating Watch with Negative Implications
Non-Convertible Debentures (NCD)	Long-term	116.84	ACUITE AA Reaffirmed Rating Watch with Negative Implications
Non-Convertible Debentures (NCD)	Long-term	49.57	ACUITE AA Reaffirmed Rating Watch with Negative Implications

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 708, Lodha Supremus, Lodha iThink Techno Campus, Kanjurmarg (East), Mumbai - 400042 | +91 22 49294000 SMS: +91 9969898000 |
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Press Release

March 12, 2024

IIFL SAMASTA FINANCE LIMITED Rating Reaffirmed

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Non Convertible Debentures (NCD)	3000.00	ACUITE AA Reaffirmed Rating Watch with Negative Implications	-
Commercial Paper (CP)	50.00	-	ACUITE A1+ Reaffirmed Rating Watch with Negative Implications
Total Outstanding	3050.00	-	-

Rating Rationale

Acuite has reaffirmed its long-term rating of **ACUITE AA (read as ACUITE double A)** on the Rs. 3000 Cr. Non-Convertible Debentures facility* of IIFL Samasta Finance Limited (IIFL Samasta). The rating is now under watch with Negative Implications.

*Out of the Rs. 3000 Cr. NCD facility, Rs. 1487.98 Cr. are proposed to be a public issue.

Acuite has reaffirmed its short-term rating of **ACUITE A1+ (read as ACUITE A one plus)** on the Rs. 50.00 Cr. Proposed Commercial Paper of IIFL Samasta Finance Limited. The rating is now under watch with Negative Implications.

Rationale for rating

The rating watch with negative implications is on account of material supervisory concern raised by RBI as it asked IIFL Finance to stop giving fresh gold loans with immediate effect. The decision was taken considering the discrepancies observed by the regulator on the assessment of the purity of gold at the time of sanction and at the time of auction, which would have bearing on the Loan to Value threshold. The subsequent observations were the auctions not being done at Taluka level and the cash disbursements exceeding Rs 20,000 limit. As per the management, the company has submitted their written response to the regulator against these observations along with the measures to be adapted to rectify such discrepancies in the future. Acuite has discussed the issue with the management and is in touch to understand further developments. Acuite will keep on monitoring the same for its implications on the operational and financial performance of the company.

The rating continues to derive strength from IIFL Samasta's strong parentage through IIFL Finance Limited (IIFL Finance), the NBFC-MFI (Samasta) is a 99.51 percent subsidiary of the parent company, and expectations of continued support going forward. By virtue of majority ownership, IIFL Samasta also enjoys significant managerial and financial synergies with IIFL Finance group. The rating further derives strength from IIFL Samasta's strategic importance for the parent company given that the NBFC-MFI arm provides business & revenue diversification. Acuite also takes cognizance that the promoter will maintain majority ownership in IIFL Samasta Finance Limited. The parent company IIFL Finance Limited (Listed) has a total networth of ~Rs. 10,202 Crore and a market cap of over Rs. 17,755 Crore as on March 31, 2023. The rating also takes into consideration the significant growth in IIFL Samasta's assets under management (AUM) over the last year, leading to improved and healthy profitability metrics. The company's loan portfolio outstanding as on March 31, 2023 grew significantly to Rs. 10,552.24 Cr. as compared to Rs. 6,483.84 Cr. as on March 31, 2022 and has reported PAT of Rs. 128.18 Cr. as on March 31, 2023 as against Rs.50.60 Cr. as on March 31, 2022. Further, the loan portfolio outstanding increased to Rs. 11, 072.31 Cr. and reported PAT of Rs. 91.60 Cr. during Q1FY2024. The rating also factors in company's sound asset quality and robust risk management practices. IIFL Samasta reported gross nonperforming assets (GNPA) of 2.11 percent as on June 30, 2023. The rating is however constrained by concentration of loan portfolio in the top 4 states (Bihar, Tamil Nadu, Karnataka and Rajasthan) comprising ~60 percent of the AUM and susceptibility to risks inherent to microfinance segment.

About the Company

IIFL Samasta started operations in March 2008. The Company aims at helping customers with income generating activities and working capital requirements. IIFL Finance acquired significant stake in Samasta in fiscal year 2017.

As on June 30, 2023, Samasta had a presence in 21 states, catering to more than 34 lakh customers through a network of 1,352 branches spread across 363 districts.

About the Group

IIFL Finance Limited is the listed holding company of the IIFL Finance group and is registered as a systemically important non-deposit-taking, non-banking financial company. The group offers various retail lending products, including gold loans, home loans, LAP, business loans and microfinance loans which are the core segments and form 93% of the AUM while the rest comprises capital market-based lending (margin funding and loans against shares) and construction and developer finance.

Unsupported Rating

Not Applicable

Analytical Approach

Extent of Consolidation

•Full Consolidation

Rationale for Consolidation or Parent / Group / Govt. Support

Acuite has consolidated the business and financial risk profiles of IIFL Finance Limited (Parent Company) and its subsidiaries, including IIFL Home Finance Limited and IIFL Samasta Finance Ltd (IIFL Samasta). This consolidation is in the view of the common promoters, shared brand name and strong financial and operation synergies.

Key Rating Drivers

Strength

Promoter support and synergies arising from association with IIFL Finance Group

Samasta is supported by the managerial, and the financial synergies of the group. IIFL Group made a strategic investment in IIFL Samasta Finance Limited, and the Group shall continue to hold a controlling stake in the business. The credit profile of Samasta derives significant financial flexibility as a part.

Samasta has been receiving periodical support from its promoters over the years. IIFL Group had infused a total capital of ~Rs. 200 Cr. during Q4FY23. Furthermore, Samasta is expected to receive funding support from the group to support the expansion of its business operations. It also has representatives on the board from IIFL group.

Acuite believes that the microfinance business is strategically important for IIFL group and it helps diversify the financial product suite of the parent and expand its presence in the financial inclusion space. Also, the microfinance business is scalable, and is expected to grow moderately over the medium term.

Adequate Earnings Profile

At IIFL Finance group level, the revenue streams comprise of IIFL Finance Limited (Parent Company) and its subsidiaries IIFL Home Finance Limited and IIFL Samasta Finance Limited. The parent company along with IIFL Home Finance Limited contributed ~90 percent towards the bottom-line in FY2023.

On a consolidated level, the IIFL group reported a profit of Rs. 1,607.55 Cr. as on March 31, 2023 improving from Rs. 1,188.25 Cr. as on March 31, 2022. On a standalone basis, Samasta's profitability indicators were healthy marked by Net Interest Margin (NIM) which stood at 14.17 percent as on March 31, 2023. The NBFC-MFI reported a PAT of Rs 128.18 Cr. as on March 31, 2023 vis-à-vis Rs 50.60 Cr. as on March 31, 2022. Samasta reported a PAT of Rs. 91.60 Cr during Q1FY24. IIFL Samasta's loan portfolio has grown steadily owing to healthy disbursement levels.

The company's overall disbursement remained healthy, the disbursement stood at Rs. 10,213.76 Cr. as on FY2023 as compared to Rs. 6,483.84 Cr. as on FY2022.

Acuite believes that the ability of the company to sustain the improved levels of earnings profile would be a key monitorable.

Significant AUM growth while maintaining sound asset quality

IIFL Samasta's loan portfolio outstanding as on March 31, 2023 grew significantly to Rs.10,552.24 Cr. as compared to Rs. 6,483.84 Cr. as on March 31, 2022. The loan portfolio outstanding further grew to Rs. 11,072.31 Cr. as on June 30, 2023. The loans have an average tenure ranging upto 24months. IIFL Samasta has demonstrated sound asset quality, as reflected in the Gross NonPerforming Assets (GNPA) of 2.11 percent and NNPA of 0.62 percent as on June 30, 2023. The company has structured inherent checks for effective risk management that include lending policy, underwriting process and dedicated due diligence team, which helps to maintain asset quality. The company's collection efficiency for current month due averages above 95 percent for last 6 month ended June 30, 2023, resulting to an ontime portfolio of 95.50 percent as on June 30, 2023.

Acuite believes that the ability of the company to grow its loan portfolio while maintaining asset quality will be key monitorable.

Weakness

Geographic concentration in operations

IIFL Samasta has its operations spreads across 21 states spanning 363 districts through its network of 1,352 branches as on June 30, 2023. The company has added 460 branches during FY2023. Despite the expansion geographic concentration of loan portfolio was seen in the top 4 states (Bihar, Tamil Nadu, Karnataka and Rajasthan) comprising ~60 percent of the AUM. IIFL Samasta has been gradually reducing its exposure to geographic concentration with addition of new branches in different districts and venturing in new states. Acuite believes that containing additional slippages while maintaining the growth in the loan portfolio and reducing geographic concentration will be crucial.

Susceptibility to risks inherent to microfinance segment

IIFL Samasta Finance Limited primarily extends unsecured loans to economically challenged borrowers who have limited ability to absorb income shocks. Since financial assistance to economic challenged borrowers is a sensitive issue, from government standpoint the regulatory dispensation in respect of the policies becomes relevant. Any changes in the regulatory environment impeding the ability of entities like IIFL Samasta to enforce collections, etc will have an impact on its operational performance. Besides the regulatory risks, the inherent nature of the business renders the portfolios vulnerable to event risks such as natural calamities in the area of operations.

ESG Factors Relevant for Rating

IIFL Finance is the listed holding company of the IIFL Finance group and is registered as a systemically important non-deposit-taking, non-banking financial company. Some of the material governance issues for the financial services sector are policies and practices with regard to business ethics, board diversity and independence, compensation structure for board and KMPs, role of the audit committee and shareholders' rights. On the social aspect, some of the critical issues for the sector are the contributions to financial inclusion and community development, responsible financing including environmentally friendly projects and policies around data privacy. The industry, by nature has a low exposure to environmental risks. The entity maintains adequate transparency in its business ethics practices as can be inferred from the entity's disclosures regarding related party transactions, vigil mechanism and whistle blower policy. The board of directors of the company comprise of 8 directors out of which 4 are independent director. The audit committee is with the objective to monitor and provide an unbiased supervision of the management's financial reporting process. IFL also maintains transparency in terms of disclosures pertaining to interest rate policy and its adherence to Fair Practice Code as disseminated by Reserve Bank of India's circular. It continues to work on several community development initiatives and has also developed a social performance management system to facilitate financial stability of its staff and clients. In digitalization, the Company promotes technology that encapsulates the entire MFI operations of the company on Application Service Provider model.

Rating Sensitivity

- Movement in profitability as per the expectations
- Movement in the asset quality and collection efficiency
- Changes in Regulatory environment
- Continued funding support from promoters as well as capital raising ability Changes in Capital Structure

Liquidity Position**Adequate**

IIFL Samasta Finance Limited's liquidity profile is adequate with no cumulative mismatches in individual buckets up in near to medium term based on the ALM statement as on June 30, 2023. Further, the company has cash and cash equivalents of Rs. 227.11 Cr. as on March 31, 2023. Additionally, IIFL Finance will provide timely fund support for servicing of debt if needed.

Outlook: Not Applicable**Other Factors affecting Rating**

None

Key Financials - Standalone / Originator

Particulars	Unit	FY23 (Actual)	FY22 (Actual)
Total Assets	Rs. Cr.	8859.06	6331.31
Total Income*	Rs. Cr.	1060.60	612.84
PAT	Rs. Cr.	128.18	50.60
Net Worth	Rs. Cr.	1322.15	999.28
Return on Average Assets (RoAA)	(%)	1.69	0.95
Return on Average Net Worth (RoNW)	(%)	11.04	6.14
Debt/Equity	Times	5.5	5.21
Gross NPA	(%)	2.12	3.07
Net NPA	(%)	0.81	0.82

*Total income equals to Net Interest Income plus other income.

Key Financials (Consolidated)

Particulars	Unit	FY23 (Actual)	FY22 (Actual)
Total Assets	Rs. Cr.	52878.65	45624.36

Total Income*	Rs. Cr.	5225.28	3990.07
PAT	Rs. Cr.	1607.55	1188.25
Net Worth	Rs. Cr.	10202.14	6469.73
Return on Average Assets (RoAA)	(%)	3.26	2.76
Return on Average Net Worth (RoNW)	(%)	19.28	20.03
Debt/Equity	Times	3.88	5.55
Gross NPA	(%)	1.84	3.15
Net NPA	(%)	1.08	1.83

*Total income equals to Net Interest Income plus other income.

Status of non-cooperation with previous CRA (if applicable)

Not applicable

Any Other Information

None

Applicable Criteria

- Non-Banking Financing Entities: <https://www.acuite.in/view-rating-criteria-44.htm>
- Banks And Financial Institutions: <https://www.acuite.in/view-rating-criteria-45.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.htm>

Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuite has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
06 Oct 2023	Non-Convertible Debentures (NCD)	Long Term	150.00	ACUITE AA Stable (Reaffirmed)
	Proposed Non Convertible Debentures	Long Term	50.00	ACUITE AA Stable (Reaffirmed)
	Proposed Non Convertible Debentures	Long Term	500.00	ACUITE AA Stable (Reaffirmed)
	Non-Convertible Debentures (NCD)	Long Term	200.00	ACUITE AA Stable (Reaffirmed)
	Non-Convertible Debentures (NCD)	Long Term	100.00	ACUITE AA Stable (Reaffirmed)
	Proposed Non Convertible Debentures	Long Term	2000.00	ACUITE AA Stable (Reaffirmed)
	Proposed Commercial Paper Program	Short Term	50.00	ACUITE A1+ (Reaffirmed)
25 Sep 2023	Proposed Commercial Paper Program	Short Term	50.00	ACUITE A1+ (Reaffirmed)
	Non-Convertible Debentures (NCD)	Long Term	150.00	ACUITE AA Stable (Reaffirmed)
	Proposed Non Convertible Debentures	Long Term	50.00	ACUITE AA Stable (Reaffirmed)
	Proposed Non Convertible Debentures	Long Term	500.00	ACUITE AA Stable (Reaffirmed)
	Proposed Non Convertible Debentures	Long Term	2000.00	ACUITE AA Stable (Assigned)
	Non-Convertible Debentures (NCD)	Long Term	200.00	ACUITE AA Stable (Reaffirmed)
	Non-Convertible Debentures (NCD)	Long Term	100.00	ACUITE AA Stable (Reaffirmed)
07 Jun 2023	Proposed Non Convertible Debentures	Long Term	150.00	ACUITE AA Stable (Reaffirmed)
	Proposed Non Convertible Debentures	Long Term	350.00	ACUITE AA Stable (Reaffirmed)
	Proposed Non Convertible Debentures	Long Term	500.00	ACUITE AA Stable (Assigned)
	Proposed Commercial Paper Program	Short Term	50.00	ACUITE A1+ (Reaffirmed)
15 May 2023	Proposed Commercial Paper Program	Short Term	50.00	ACUITE A1+ (Reaffirmed)
	Proposed Non Convertible Debentures	Long Term	150.00	ACUITE AA Stable (Reaffirmed)
	Proposed Non Convertible Debentures	Long Term	350.00	ACUITE AA Stable (Reaffirmed)
08 May 2023	Proposed Non Convertible Debentures	Long Term	150.00	ACUITE AA Stable (Assigned)
	Proposed Non Convertible Debentures	Long Term	350.00	ACUITE AA Stable (Assigned)
	Proposed Commercial Paper Program	Short Term	50.00	ACUITE A1+ (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Not Applicable	INE413U08093	Non-Convertible Debentures (NCD)	18 May 2023	11.00	18 May 2030	150.00	Simple	ACUITE AA Reaffirmed Rating Watch with Negative Implications
Not Applicable	INE413U07269	Non-Convertible Debentures (NCD)	21 Dec 2023	10.03	21 Dec 2028	80.39	Simple	ACUITE AA Reaffirmed Rating Watch with Negative Implications
Not Applicable	INE413U07251	Non-Convertible Debentures (NCD)	21 Dec 2023	10.50	21 Dec 2028	157.72	Simple	ACUITE AA Reaffirmed Rating Watch with Negative Implications
Not Applicable	INE413U07277	Non-Convertible Debentures (NCD)	21 Dec 2023	10.00	21 Dec 2026	73.45	Simple	ACUITE AA Reaffirmed Rating Watch with Negative Implications
Not Applicable	INE413U07236	Non-Convertible Debentures (NCD)	21 Dec 2023	9.57	21 Dec 2026	34.05	Simple	ACUITE AA Reaffirmed Rating Watch with Negative Implications
Not Applicable	INE413U07228	Non-Convertible Debentures (NCD)	21 Dec 2023	9.60	21 Dec 2025	116.84	Simple	ACUITE AA Reaffirmed Rating Watch with Negative Implications
Not Applicable	INE413U07244	Non-Convertible Debentures (NCD)	21 Dec 2023	9.21	21 Dec 2025	49.57	Simple	ACUITE AA Reaffirmed Rating Watch with Negative Implications
Not Applicable	INE413U07210	Non-Convertible Debentures (NCD)	26 May 2023	10.00	26 Nov 2026	200.00	Simple	ACUITE AA Reaffirmed Rating Watch with Negative Implications
Not Applicable	INE413U08101	Non-Convertible Debentures (NCD)	13 Jun 2023	11.00	13 Jun 2030	100.00	Simple	ACUITE AA Reaffirmed Rating Watch with Negative Implications
Not Applicable	Not avl. / Not appl.	Proposed Commercial Paper Program	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	50.00	Simple	ACUITE A1+ Reaffirmed Rating Watch with Negative Implications
Not Applicable	Not avl. / Not appl.	Proposed Non Convertible Debentures	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	50.00	Simple	ACUITE AA Reaffirmed Rating Watch with Negative Implications
Not Applicable	Not avl. / Not appl.	Proposed Non Convertible Debentures	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	500.00	Simple	ACUITE AA Reaffirmed Rating Watch with Negative Implications

Not Applicable	Not avl. / Not appl.	Proposed Non Convertible Debentures	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	1487.98	Simple	ACUITE AA Reaffirmed Rating Watch with Negative Implications
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***Annexure 2 - List of Entities (applicable for Consolidation or Parent / Group / Govt. Support)**

Sr no	Company Name	Relationship
1	IIFL Finance Limited	Parent Company
2	IIFL Home Finance Limited	Subsidiary
3	IIFL Samasta Finance Limited	Subsidiary
4	IIFL Open Fintech Private Limited	Subsidiary

Contacts

Mohit Jain Senior Vice President - Rating Operations	Contact details exclusively for investors and lenders
Akancha Singh Analyst - Rating Operations	Mob: +91 8591310146 Email ID: analyticalsupport@acuite.in

About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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www.acuite.in

ANNEXURE B – DEBENTURE TRUSTEE CONSENT LETTER

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38735/CL/MUM/23-24/DEB/233

Date: October 31,2023

IIFL Samasta Finance Limited

110/3, Lalbagh Main Road
Krishnappa Layout
Bengaluru, Karnataka
India - 560027

Dear Ma'am/Sir

Subject: Proposed public issue by IIFL Samasta Finance Limited (“Company” / “Issuer”) of Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of face value of Rs. 1000 Each (“NCDs”) for an amount aggregating to Rs. 2000 crore (“Shelf Limit”) (“Issue”).

We, the undersigned, hereby consent to be named as the Debenture Trustee to the Issue and to our name being inserted as the Debenture Trustee to the Issue in (i) the draft shelf prospectus (“**Draft Shelf Prospectus**”) to be filed with BSE Limited (“**BSE**”) and/or National Stock Exchange of India Limited (“**NSE**” together with BSE, the “**Stock Exchanges**” for the purpose of receiving public comments and submitted with the Securities and Exchange Board of India (“**SEBI**”) for record purposes; (ii) the shelf prospectus and relevant tranche prospectus proposed to be filed with Registrar of Companies, Bangalore (“**RoC**”) and submitted to SEBI and the Stock Exchanges in relation to the Issue (“**Shelf Prospectus and relevant Tranche Prospectus**”); (iii) the abridged prospectus; and (iv) all related advertisements and communications sent pursuant to the Issue. The NCDs are proposed to be listed on the Stock Exchanges. The following details may, be disclosed in the aforementioned offer documents and any other documents in relation to the Issue:

Name: Beacon Trusteeship Limited
Address: 7 A & B, Siddhivinayak Chambers, Opposite MIG Cricket Club, Gandhi Nagar, Bandra East, Mumbai 400 051
Telephone: 022-26558759
Fax: 022-26558759
Email: contact@beacontrustee.co.in
Investor Grievance Email: investorgrievances@beacontrustee.co.in
Website: https://beacontrustee.co.in/
Contact Person: Mr. Kaustubh Kulkarni
Compliance Officer: Mr. Kaustubh Kulkarni
SEBI Registration No.: IND000000569
Logo: 

We confirm that we are registered with the SEBI and that such registration is valid as on the date of this letter. We enclose a copy of our registration certificate enclosed herein as **Annexure A** and declaration regarding our registration with SEBI as **Annexure B**.

BEACON TRUSTEESHIP LTD.

Regd & Corporate Office : 7 A & B Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club, Bandra East (E),
Mumbai - 400051

CIN: U74999MH2015PLC271288

Phone : 022-26558759 | Email : contact@beacontrustee.co.in | Website : www.beacontrustee.co.in

We also confirm that we have not been prohibited by SEBI to act as an intermediary in capital market issues. We also confirm that we have not been debarred from functioning as an intermediary by any regulatory authority, court or tribunal.

We hereby authorise you to deliver this letter of consent to the RoC, pursuant to the provisions of Section 26 and 31 of the Companies Act, 2013 and other applicable laws or any other regulatory/statutory authorities as required by law.

We further confirm that the information in relation to us in this certificate together with the annexures is true and correct.

We also agree to keep strictly confidential, until such time as the proposed transaction is publicly announced by the Company in the form of a press release, (i) the nature and scope of this transaction; and (ii) our knowledge of the proposed transaction of the Company; and (iii) any other information in connection thereto.

We confirm that we will immediately inform you and the Lead Manager(s) in writing of any change to the above information until the date when the NCDs commence trading on the Stock Exchanges. In the absence of any such communication from us, the above information should be taken as updated information until the NCDs commence trading on the Stock Exchanges.

This letter may be relied upon by the Company, the Lead Manager(s) and the legal advisor to the Issue in respect of the Issue.

Sincerely,
For Beacon Trusteeship Limited



Deepavali Vankalu
Vice President
Authorised Signatory

CC:

1. JM Financial Limited

7th Floor, Cnergy,
Appasaheb Marathe Marg,
Prabhadevi, Mumbai 400 025
Maharashtra, India

2. IIFL Securities Limited

24th Floor, One Lodha Place
Senapati Bapat Marg
Lower Parel (West),
Mumbai 400 013,
Maharashtra, India

BEACON TRUSTEESHIP LTD.

Regd & Corporate Office : 7 A & B Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club, Bandra East (E),
Mumbai - 400051

CIN: U74999MH2015PLC271288

Phone : 022-26558759 | Email : contact@beacontrustee.co.in | Website : www.beacontrustee.co.in

3. Trust Investment Advisors Private Limited

109&110, 1st Floor, Balarama Premises Co-op Soc,
Vilg Parigkhari, BKC, Bandra East, Mumbai – 400 051
Maharashtra, India

4. Nuvama Wealth Management Limited

(formerly known as Edelweiss Securities Limited)

801-804, Wing A, Building No 3
Inspire BKC, G Block, Bandra Kurla Complex
Bandra East, Mumbai – 400 051

BEACON TRUSTEESHIP LTD.

Regd & Corporate Office : 7 A & B Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club, Bandra East (E),
Mumbai - 400051

CIN: U74999MH2015PLC271288

Phone : 022-26558759 | Email : contact@beacontrustee.co.in | Website : www.beacontrustee.co.in

Annexure A

डिबेंचर न्यासी	प्ररूप ख FORM-B	DEBENTURE TRUSTEE
भारतीय प्रतिभूति और विनियम बोर्ड SECURITIES AND EXCHANGE BOARD OF INDIA (डिबेंचर न्यासी) विनियम, 1993 (DEBENTURE TRUSTEE) REGULATIONS, 1993 000 270 (विनियम 8) (Regulation 8) रजिस्ट्रीकरण प्रमाणपत्र CERTIFICATE OF REGISTRATION		
<p>1) बोर्ड, भारतीय प्रतिभूति और विनियम बोर्ड अधिनियम, 1992 के अधीन डिबेंचर न्यासी के लिए बनाए गए नियमों और विनियमों के साथ पठित उस अधिनियम की धारा-12 की उपधारा (1) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए, 1) In exercise of the powers conferred by sub-section (1) of section 12 of the Securities and Exchange Board of India Act, 1992, read with the rules and regulations made thereunder for the debenture trustee the Board hereby grants a certificate of registration to</p> <p>BEACON TRUSTEESHIP LIMITED 4C & D, SIDDHIVINAYAK CHAMBERS, GANDHI NAGAR, OPP. MIG CRICKET CLUB, BANDRA EAST, MUMBAI - 400051 MAHARASHTRA, INDIA</p>		
<p>को नियमों में, शर्तों के अधीन रहते हुए और विनियमों के अनुसार डिबेंचर न्यासी के रूप में रजिस्ट्रीकरण का प्रमाणपत्र इसके द्वारा प्रदान करता है। as a debenture trustee subject to the conditions in the rules and in accordance with the regulations.</p>		
<p>2) डिबेंचर न्यासी के लिए रजिस्ट्रीकरण कूट है। 2) Registration Code for the debenture trustee is IND000000569</p>		
<p>This Certificate of registration shall be valid for permanent, unless suspended or cancelled by the Board</p>		
<p>3) जब तक नवीकृत न किया जाए, रजिस्ट्रीकरण का प्रमाणपत्र से तक विधिमान्य है। 3) Unless renewed, the certificate of registration is valid from to</p>		
स्थान Place : Mumbai		आदेश से भारतीय प्रतिभूति और विनियम बोर्ड के लिए और उसकी ओर से By order For and on behalf of Securities and Exchange Board of India
तारीख Date : February 12, 2021		 ANUPMA CHADHA प्राधिकृत हस्ताक्षरकर्ता Authorised Signatory

BEACON TRUSTEESHIP LTD.Regd & Corporate Office : 7 A & B Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club, Bandra East (E),
Mumbai - 400051

CIN: U74999MH2015PLC271288

Phone : 022-26558759 | Email : contact@beacontrustee.co.in | Website : www.beacontrustee.co.in

Annexure B

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

1.	Registration Number	IND000000569
2.	Date of Registration/Renewal of Registration	12th Feb 2021
3.	Date of expiry of registration	Permanent Certificate
4.	If applied for renewal, date of application	NA
5.	Any communication from SEBI prohibiting the entity from acting as an intermediary	NA
6.	Any enquiry/investigation being conducted by SEBI	NA
7.	Details of any penalty imposed by SEBI	NA

BEACON TRUSTEESHIP LTD.

Regd & Corporate Office : 7 A & B Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club, Bandra East (E),
Mumbai - 400051

CIN: U74999MH2015PLC271288

Phone : 022-26558759 | Email : contact@beacontrustee.co.in | Website : www.beacontrustee.co.in

52345/CL/MUM/23-24/DEB/233

Date: May 18, 2024

IIFL Samasta Finance Limited

110/3, Lalbagh Main Road
Krishnappa Layout
Bengaluru, Karnataka
India - 560027

Dear Ma'am/Sir,

Reference: Pursuant to the consent letter dated October 31, 2023 having reference no. 38735/CL/MUM/23-24/DEB/233

Subject: Proposed public issue by IIFL Samasta Finance Limited (“Company” / “Issuer”) of Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of face value of Rs. 1000 Each (“NCDs”) for an amount aggregating to Rs. 2000 crore (“Shelf Limit”) (“Issue”).

We, the undersigned, hereby consent to be named as the Debenture Trustee to the Issue and to our name being inserted as the Debenture Trustee to the Issue in (i) the draft shelf prospectus (“**Draft Shelf Prospectus**”) to be filed with BSE Limited (“**BSE**”) and/or National Stock Exchange of India Limited (“**NSE**” together with BSE, the “**Stock Exchanges**” for the purpose of receiving public comments and submitted with the Securities and Exchange Board of India (“**SEBI**”) for record purposes; (ii) the shelf prospectus and relevant tranche prospectus proposed to be filed with Registrar of Companies, Bangalore (“**RoC**”) and submitted to SEBI and the Stock Exchanges in relation to the Issue (“**Shelf Prospectus and relevant Tranche Prospectus**”); (iii) the abridged prospectus; and (iv) all related advertisements and communications sent pursuant to the Issue. The NCDs are proposed to be listed on the Stock Exchanges. The following details may, be disclosed in the aforementioned offer documents and any other documents in relation to the Issue:

Name: Beacon Trusteeship Limited
Address: 7 A & B, Siddhivinayak Chambers, Opposite MIG Cricket Club, Gandhi Nagar, Bandra East, Mumbai 400 051
Telephone: 022-46060278
Fax: -
Email: compliance@beacontrustee.co.in
Investor Grievance Email: investorgrievances@beacontrustee.co.in
Website: <https://beacontrustee.co.in/>
Contact Person: Mr. Kaustubh Kulkarni
Compliance Officer: Mr. Kaustubh Kulkarni
SEBI Registration No.: IND000000569
Logo: 

BEACON TRUSTEESHIP LTD.

Regd & Corporate Office : 7 A & B Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club, Bandra East (E),
Mumbai - 400051

CIN: U74999MH2015PLC271288

Phone : 022-26558759 | Email : contact@beacontrustee.co.in | Website : www.beacontrustee.co.in

We confirm that we are registered with the SEBI and that such registration is valid as on the date of this letter. We enclose a copy of our registration certificate enclosed herein as **Annexure A** and declaration regarding our registration with SEBI as **Annexure B**.

We also confirm that we have not been prohibited by SEBI to act as an intermediary in capital market issues. We also confirm that we have not been debarred from functioning as an intermediary by any regulatory authority, court or tribunal.

We hereby authorise you to deliver this letter of consent to the RoC, pursuant to the provisions of Section 26 and 31 of the Companies Act, 2013 and other applicable laws or any other regulatory/statutory authorities as required by law.

We further confirm that the information in relation to us in this certificate together with the annexures is true and correct.

We also agree to keep strictly confidential, until such time as the proposed transaction is publicly announced by the Company in the form of a press release, (i) the nature and scope of this transaction; and (ii) our knowledge of the proposed transaction of the Company; and (iii) any other information in connection thereto.

We confirm that we will immediately inform you and the Lead Manager(s) in writing of any change to the above information until the date when the NCDs commence trading on the Stock Exchanges. In the absence of any such communication from us, the above information should be taken as updated information until the NCDs commence trading on the Stock Exchanges.

This letter may be relied upon by the Company, the Lead Manager(s) and the legal advisor to the Issue in respect of the Issue.

Sincerely,
For Beacon Trusteeship Limited



Deepavali Vankalu
Vice President
Authorised Signatory

CC:

1. IIFL Securities Limited
24th Floor, One Lodha Place
Senapati Bapat Marg
Lower Parel (West),
Mumbai 400 013,
Maharashtra, India

BEACON TRUSTEESHIP LTD.

Regd & Corporate Office : 7 A & B Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club, Bandra East (E),
Mumbai - 400051

CIN: U74999MH2015PLC271288

Phone : 022-26558759 | Email : contact@beacontrustee.co.in | Website : www.beacontrustee.co.in

2. Trust Investment Advisors Private Limited

109&110, 1st Floor, Balarama Premises Co-op Soc,
Vilg Parikhari, BKC, Bandra East, Mumbai – 400 051
Maharashtra, India

3. Nuvama Wealth Management Limited

(formerly known as Edelweiss Securities Limited)
801-804, Wing A, Building No 3
Inspire BKC, G Block, Bandra Kurla Complex
Bandra East, Mumbai – 400 051

BEACON TRUSTEESHIP LTD.

Regd & Corporate Office : 7 A & B Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club, Bandra East (E),
Mumbai - 400051

CIN: U74999MH2015PLC271288

Phone : 022-26558759 | Email : contact@beacontrustee.co.in | Website : www.beacontrustee.co.in

Annexure A

डिबेंचर न्यासी	प्ररूप ख FORM-B	DEBENTURE TRUSTEE
भारतीय प्रतिभूति और विनियम बोर्ड SECURITIES AND EXCHANGE BOARD OF INDIA (डिबेंचर न्यासी) विनियम, 1993 (DEBENTURE TRUSTEE) REGULATIONS, 1993 000 270 (विनियम 8) (Regulation 8) रजिस्ट्रीकरण प्रमाणपत्र CERTIFICATE OF REGISTRATION		
<p>1) बोर्ड, भारतीय प्रतिभूति और विनियम बोर्ड अधिनियम, 1992 के अधीन डिबेंचर न्यासी के लिए बनाए गए नियमों और विनियमों के साथ पठित उस अधिनियम की धारा-12 की उपधारा (1) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए, 1) In exercise of the powers conferred by sub-section (1) of section 12 of the Securities and Exchange Board of India Act, 1992, read with the rules and regulations made thereunder for the debenture trustee the Board hereby grants a certificate of registration to</p> <p>BEACON TRUSTEESHIP LIMITED 4C & D, SIDDHIVINAYAK CHAMBERS, GANDHI NAGAR, OPP. MIG CRICKET CLUB, BANDRA EAST, MUMBAI - 400051 MAHARASHTRA, INDIA</p>		
<p>को नियमों में, शर्तों के अधीन रहते हुए और विनियमों के अनुसार डिबेंचर न्यासी के रूप में रजिस्ट्रीकरण का प्रमाणपत्र इसके द्वारा प्रदान करता है। as a debenture trustee subject to the conditions in the rules and in accordance with the regulations.</p>		
2) डिबेंचर न्यासी के लिए रजिस्ट्रीकरण कूट	है।	
2) Registration Code for the debenture trustee is		IND000000569
This Certificate of registration shall be valid for permanent, unless suspended or cancelled by the Board		
3) जब तक नवीकृत न किया जाए, रजिस्ट्रीकरण का प्रमाणपत्र	से	तक विधिमान्य है।
3) Unless renewed, the certificate of registration is valid from	to	
<p>आदेश से भारतीय प्रतिभूति और विनियम बोर्ड के लिए और उसकी ओर से By order For and on behalf of Securities and Exchange Board of India</p> <p> ANUPMA CHADHA प्राधिकृत हस्ताक्षरकर्ता Authorised Signatory</p>		
स्थान Place :	Mumbai	
तारीख Date :	February 12, 2021	
		

BEACON TRUSTEESHIP LTD.Regd & Corporate Office : 7 A & B Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club, Bandra East (E),
Mumbai - 400051

CIN: U74999MH2015PLC271288

Phone : 022-26558759 | Email : contact@beacontrustee.co.in | Website : www.beacontrustee.co.in

Annexure B

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

1.	Registration Number	IND000000569
2.	Date of Registration/Renewal of Registration	12th Feb 2021
3.	Date of expiry of registration	Permanent Certificate
4.	If applied for renewal, date of application	NA
5.	Any communication from SEBI prohibiting the entity from acting as an intermediary	NA
6.	Any enquiry/investigation being conducted by SEBI	NA
7.	Details of any penalty imposed by SEBI	NA

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ANNEXURE C – FINANCIAL STATEMENTS

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Independent Auditors Report

To the Members of IIFL Samasta Finance Limited

Report on the Audit of the Financial statements

Opinion

1. We have audited the financial statements of M/s IIFL Samasta Finance Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "financial statements").
2. 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 ("Act") in the manner so required and give a true and fair view in conformity with 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 March 31, 2024, its profit, other total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the 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 Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. 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 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 the matters described below to be the key audit matters to be communicated in our report.



Key Audit Matter	How our Audit addressed the Key Audit Matter
<p>(a) Expected Credit Loss</p> <p>Refer note 2 (c) of significant accounting policies and note 40 for credit disclosures.</p> <p>As at 31 March 2024, the Company has total gross loan assets of Rs. 9,708.70 crores (2023: Rs. 7,998.53 crores) against which an Expected Credit Loss ('ECL') of Rs. 286.44 crores (2023 Rs. 257.22 crores) has been accrued.</p> <p>The ECL approach as required under Ind AS 109, Financial instruments, involves high degree of complexity and requires significant judgement of the management.</p> <p>The Management is required to determine the ECL that may occur over either a 12-month period or the remaining life of an asset, depending on the categorization of the individual asset. The key areas of judgment include:</p> <p>1. Categorization of loans in Stage 1, 2 and 3 based on identification of:</p> <p>a) exposures with Significant Increase in Credit Risk (SICR) since their origination and</p> <p>b) Individually impaired / default exposures.</p> <p>2. Techniques used to determine Loss Given Default ('LGD') and Probability of Default ('PD') to calculate an ECL are based on past experience and.</p> <p>3. The impact of different future macroeconomic conditions in the determination of ECL.</p> <p>These parameters are derived from the Company's internally developed statistical models, historical data and a change in such models or assumptions could have a material impact on the accompanying financial statements.</p>	<p>Our audit focused on assessing the appropriateness of management's judgment and estimates used in the impairment analysis through procedures that included, but were not limited to, the following:</p> <p>a) Evaluated the Company's accounting policies for estimation of expected credit loss on loan assets in accordance with the requirements of Ind AS 109, Financial Instruments.</p> <p>b) Obtained an understanding of the modelling techniques adopted by the Company including the key inputs and assumptions. Since modelling assumptions and parameters are based on historical data, we assessed whether historical experience was representative of current circumstances and was relevant in view of the recent impairment losses incurred within the portfolios.</p> <p>c) Assessed the design and implementation and tested the operating effectiveness of controls over the modelling process including governance over monitoring of the model and approval of key assumptions.</p> <p>d) Evaluated the appropriateness of the Company's process of determination of significant increase in credit risk in accordance with the applicable accounting standard and the basis for classification of exposures into various stages.</p> <p>e) Obtained the approved policy of board of directors to understand the relief measures sanctioned to various class of borrowers in accordance with the directions given by the RBI and tested, on sample basis, the compliance with respect to asset classification and provisioning norms as per such directions.</p> <p>f) Tested management's computation of ECL by performing following procedures:</p> <p>g) Evaluated management's groupings of borrowers on the basis of different product lines and customer segments with different risk characteristics.</p> <p>h) Tested classification of loans into various categories based on their past due status</p>



<p>These factors required the models to be reassessed based on the available information including the additional risk profiling due to the impact of COVID-19 Pandemic, geographical, political and economic risk to measure the ECL.</p> <p>Management has made a number of interpretations and assumptions when designing and implementing models that are compliant with the standard. The accuracy of data flows and the implementation of related controls is critical for the integrity of the estimated impairment provisions.</p> <p>Considering the significance of the above matter to the financial statements and the significant auditor attention required to test such complex accounting estimates, we have identified this as a key audit matter for current year audit.</p>	<p>and other loss indicators. On a sample basis, inspected the repayment schedule from the underlying borrower agreements and collection made on due dates;</p> <p>i) Tested the design and operating effectiveness of key controls (including application controls) over approval, recording, monitoring.</p> <p>j) Testing of Application controls includes testing of automated controls, reports, and system reconciliations.</p> <p>k) Performed test of details of the input information used in ECL computation on a sample basis.</p> <p>l) Tested the arithmetical accuracy of the computation.</p> <p>m) Performed analytical procedures by determining various ratios or percentage-based measures to review overall reasonableness of the estimate determined by the management.</p>
<p>2. Identification and Measurement of NPA: As per RBI's circular dated November 12, 2021 read with earlier circular dated October 1, 2021 on "Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances, Automation of NPA and provisioning is required to be implemented by all lending Institutions.</p> <p>The NPA provisioning as per ECL methodology followed by the Company are not fully automated in Software Applications used by the Company for Loans Management and are performed using other software. Further, marking of some legacy linked accounts at borrower level as NPAs in two different Loan management systems are done manually. These may have impact on the accuracy and completeness of the provision accrued for NPAs.</p> <p>Considering the significance, we have identified this as a key audit matter for current year audit.</p>	<p>Performed other substantive procedures, included but not limited to the following:</p> <ul style="list-style-type: none"> Assessed the appropriateness of asset classification and adequacy of related provisioning by performing procedures such as computation of overdue ageing, assessment of borrower level NPA identification and verification of applicable provision rates as per ECL policy of the Company on test check basis; Selected samples of performing loan accounts to assess, independently, whether such loan accounts should be classified as NPA; Recompilation of the amount of ECL provisioning on the total advances base considering the stage wise categories of advances, LGD (Loss given default) and PD (Probability of default) arrived by the Company.



Information Other than the Financial Statements and Auditor's Report thereon

5. The Company's Board of Directors is 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 auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's 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 above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the financial statements:

6. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the financial statements

8. 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.



9. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism 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 override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures 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.
10. Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.
11. 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.
12. 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.



13. 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 auditors' 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

14. As required by Sec 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with schedule V to the Act.
15. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013, we give in "Appendix - A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
16. As required by Section 143(3) of the Act, we report that:
- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the financial statements.
 - 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.
 - The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account for the purpose of preparation of the financial statements.
 - In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - 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 "Appendix-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) 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, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position in its financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv.
 - a. The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entities, including foreign entities ('the 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries.
 - b. The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ('the 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; and
 - c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Company has paid dividend during the year which is in compliance with section 123 of the Companies Act, 2013.



vi. Based on our examination which included test checks, the company has used an 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. Further, during the course of our audit we did 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 April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For Brahmayya & Co.,
Chartered Accountants
ICAI Firm Registration No: 000515S



G. Srinivas
Partner
Membership No: 086761
UDIN No. 24086761BKCIZW3511

Place: Bengaluru
Date: April 24, 2024



Appendix - A to the Independent Auditors' Report

The Appendix referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2024, we report that:

- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment ('PPE') and relevant details of Right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular program of physically verifying all property, plant and equipment at its offices in a phased manner, which in our opinion is reasonable having regard to the size of the company and the nature of its assets.
- Based on the information and explanation given to us and on verification of the records of the Company, the Company has physically verified the property, plant and equipment as per their program during the year. No material discrepancies as compared to book records 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's (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), the title deeds of immovable properties are held in the name of the Company.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) The Company is not carrying on any trading or manufacturing activities and hence does not have inventories. Therefore, paragraph 3(ii) of the Order is not applicable to the Company.
- (iii)
- (a) The Company's principal business is to give loans. Hence, the provisions stated in paragraph 3(iii)(a) of the Order are not applicable to the Company.
- (b) In our opinion, having regard to the nature of the Company's business, the investments made and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the Company's interest;
- (c) In respect of the aforesaid loans and advances in nature of loans, the schedule of repayment of principal and payment of interest have been stipulated by the Company. Considering that the Company is a Non-Banking Financial Company engaged in the business of granting loans in the micro finance industry, the details of



the amount, due date for payment and extent of delay (that has been suggested in the Guidance Note on CARO 2020 issued by the Institute of Chartered Accountants of India for reporting under this clause) have not been detailed hereunder because it is not practicable to furnish such details owing to the voluminous nature of data generated in the normal course of the Company's business. Further, except for the instances where there are delays or defaults in repayment of principal and/ or interest and in respect of which the Company has recognised necessary provisions in accordance with the principles of Indian Accounting Standards (Ind AS) and the guidelines issued by the Reserve Bank of India ("RBI") for Income Recognition and Asset Classification, the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest, as applicable.

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, Rs. 83.37 Crores amount overdue for more than ninety days.
- (e) The Company's principal business is to give loans. Hence, the provisions stated in paragraph 3(iii)(e) of the Order are not applicable to the Company.
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.
- (iv) The Company has not advanced loans or made investments in or provided guaranty or security to parties covered by section 185 and section 186 is not applicable to the Company. Hence reporting under paragraph 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits from the public, within the meaning of Section 73 to 76 or any other relevant provisions of the Act and Rules framed thereunder. We are informed that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or other tribunal.
- (vi) According to the information and explanations given to us, in respect of the class of industry the Company falls under, the Central Government has not specified the maintenance of cost records under section 148 (1) of the Act. Therefore, the provisions of clause (vi) of the Order are not applicable to the Company.
- (vii) (a) According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues payable including Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, and Cess and other material statutory dues as applicable to the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance Income Tax, Goods and Services Tax, and Cess were in arrears as at March 31, 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 are no dues in respect of income tax, sales tax, service tax, value added tax, goods and service tax, customs duty, excise duty, cess which have not been deposited on account of dispute except for the below:



Name of the Statute	Nature of Dues	Forum where Dispute is pending	Period for which the amount relates	Amount involved (Amount ₹ in Crores)
The Income Tax Act, 1961	Disallowance of Late payment of PF Contribution and Health & Education Cess	Commissioner of Income Tax (Appeals)	2020-21	0.85

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(ix)

(a) On the basis of verification of records and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to Financial Institutions, Banks and monies raised by issue of debentures. The Company has not raised any loan from Government.

(b) The company has not been declared wilful defaulter by any bank or financial institution or other lender.

(c) According to the information and explanations provided to us, the Company has applied the loans for which the loans were obtained.

(d) On an overall examination of financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) According to the information and explanation provided to us and based on our examination of the records of the Company, the Company doesn't have any subsidiaries, joint ventures or associate companies. Accordingly, reporting under clause (ix) (e) (f) is not applicable.

(x) (a) According to the information and explanations given by the management, the Company has raised moneys by way of initial public offer by issue of debt instruments which have been, prima facie, applied for the purposes for which they were raised.

(b) During the year, the company issued shares on private placement basis and the Company has complied with the requirements of section 42 and section 62 of the Companies Act, 2013 and the funds raised have been used for purposes for which the funds were raised.

(xi) (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given to us by the Management and the representations obtained from the management, we report that no material fraud by the Company and no material fraud on the Company by its officers or employees, except for 1,239 cases of frauds in the nature of 'fraudulent encashment / manipulation of books of accounts' amounting to Rs. 3.64 Crores on the Company have been noticed or reported during the year.



- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year, while determining the nature, timing and extent of our audit procedures.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) In our opinion and according to the information and explanations given to us, based on verification of the records and approvals of the Audit Committee, the Company is in compliance with Section 177 and Section 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the books of account:
- (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him as referred to in section 192 of companies Act, 2013. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) (a) The Company is registered under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of



the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) According to the information and explanations provided to us, in our opinion, the company does not have any unspent amount in respect of any ongoing or other than ongoing project as at the end of financial year. Accordingly, reporting under this clause is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) is not applicable in respect of audit of financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For Brahmayya & Co.,
Chartered Accountants
ICAI Firm Registration No: 000515S



G. Srinivas
Partner
Membership No: 086761
UDIN No. 24086761BKCIZW3511

Place: Bengaluru
Date: April 24, 2024



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 over financial reporting of IIFL Samasta Finance Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Managements Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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 over financial reporting 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting 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 over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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 Control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Institute of Chartered Accountants of India.

For Brahmayya & Co.,
Chartered Accountants
ICAI Firm Registration No: 000515S



G. Srinivas
Partner
Membership No: 086761
UDIN No. 24086761BKCIZW3511

Place: Bengaluru
Date: April 24, 2024



HFL Samasta Finance Limited
CIN: U65191KA1995PLC057884

Registered Office: 110/3, Lalbagh Main Road, Krishnaappa Layout, Bengaluru, Karnataka- 560027

BALANCE SHEET AS AT MARCH 31, 2024

(Amount in ₹ Cr)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
ASSETS			
1 Financial Assets			
(a) Cash and cash equivalents	3	822.45	227.11
(b) Bank Balance other than (a) above	3	450.97	382.39
(c) Derivative financial instruments	4	-	9.22
(d) Receivables			
(i) Trade Receivables	5	40.95	17.98
(ii) Other Receivables			
(e) Loans	6	9411.37	7,736.08
(f) Investments	7	370.54	160.42
(g) Other Financial assets	8	186.91	289.48
2 Non-Financial Assets			
(a) Inventories			
(a) Other non-financial assets	9	11.46	5.70
(b) Current tax assets (Net)	10	22.57	2.12
(c) Deferred tax Assets (Net)	11	39.91	45.04
(d) Investment Property	12	0.05	0.05
(e) Property, Plant and Equipment	13	28.47	20.36
(f) Right to Use	13	14.61	8.15
(g) Other Intangible assets	14	0.00	-
Total Assets		11,400.26	8,904.10
LIABILITIES AND EQUITY			
LIABILITIES			
1 Financial Liabilities			
(a) Derivative financial instruments	4	-	9.22
(b) Payables			
(i) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	15	25.91	20.38
(ii) Other Payables			
(i) total outstanding dues of micro enterprises and small enterprises			
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises			
(c) Debt Securities	16	1076.84	477.00
(d) Borrowings (Other than Debt Securities)	17	7123.34	6,328.70
(e) Deposits			
(f) Unsecured/ Subordinated Liabilities	18	804.51	464.60
(g) Lease Liability	19	16.11	9.21
(h) Other financial liabilities	20	271.47	232.80
2 Non-Financial Liabilities			
(a) Current tax liabilities (Net)	21	-	0.18
(b) Provisions	22	21.12	13.29
(c) Other non-financial liabilities	23	51.24	26.57
3 Equity			
(a) Equity Share capital	24	668.44	593.64
(b) Other Equity	25	1341.28	728.51
Total Liabilities and Equity		11,400.26	8,904.10
Material Accounting policies	2		

Accompanying notes are an integral part of these financial statements.

As per our attached report of even date.

For Brahmayya & Co.,
Chartered Accountants
Firm No. 0085155

For and on behalf of the Board of Directors
of HFL Samasta Finance Limited

N. Venkatesh
D. Shivaprakash

N. Venkatesh D. Shivaprakash
Managing Director Whole-Time Director
DIN : 01018821 DIN : 02216802

G. Srinivas

G. Srinivas
Partner
M. No. 086761



Place: Bengaluru
Date: 24-04-2024



Anantha Kumar T
Manoranjan Biswal
Anantha Kumar T Manoranjan Biswal
Chief Financial Officer Company Secretary

IFIL Saranata Finance Limited
CIN: U65191KA1995PLC057884
Registered Office: 110/3, Lehigh, Main Road, Jayanagar, 2nd Stage, Jayanagar Layout, Bengaluru, Karnataka- 560027

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

(Amount in ₹ Cr)

Particulars	Note No.	Year Ended March 31, 2024	Year Ended March 31, 2023
Revenue from operations			
(a) Interest Income	26	2,406.00	1,539.63
(b) Fees and commission Income	27	294.05	100.67
(c) Net gain on derecognition of financial instruments under amortised cost category	28	33.05	105.93
(I) Total Revenue from operations		2,733.10	1,746.23
(II) Other Income	29	36.93	7.28
(III) Total Income (I+II)		2,770.03	1,753.51
Expenses			
(a) Finance Costs	30	880.39	586.98
(b) Net loss on derecognition of financial instruments under amortised cost category	31	388.73	480.91
(c) Impairment on financial instruments	32	29.25	4.37
(d) Employee Benefits Expenses	33	591.21	393.87
(e) Depreciation, amortisation and impairment	12, 13, 14	19.43	13.24
(f) Other expenses	34	203.28	145.63
(IV) Total Expenses		2,112.89	1,595.00
(V) Profit before tax (III-IV)		657.14	158.51
(VI) Tax Expense			
(1) Current Tax	35	148.40	13.77
(2) Tax related to Earlier Years	35	(0.06)	(1.63)
(3) Deferred Tax	35	5.76	18.19
Total Tax Expense (1+2+3)		154.10	30.33
(VII) Profit for the Year (V-VI)		503.04	128.18
(VIII) Profit/(loss) from discontinued operations			
		-	-
(VIII) Other Comprehensive Income			
(A) (i) Items that will not be reclassified to profit or loss			
(a) Remeasurement of defined benefit liabilities/assets	35	(2.51)	(0.42)
(b) Cash Flow Hedge (net)			
(ii) Income tax relating to items that will not be reclassified to profit or loss	35	0.63	0.11
Subtotal (A)	35	(1.88)	(0.31)
(B) (i) Items that will be reclassified to profit or loss			
(ii) Income tax relating to items that will be reclassified to profit or loss			
Subtotal (B)		-	-
Other Comprehensive Income		(1.88)	(0.31)
(IX) Total Comprehensive Income for the period (Comprising Profit and other Comprehensive Income for the period) (VII+VIII)		501.16	127.87
(X) Earnings per Share (EPS)			
Basic (₹s.)		8.09	2.50
Diluted (₹s.)		7.95	2.50
Notes on Accounting Policies	2		

Accounting policies are an integral part of these financial statements.
 They are our attached report of even date.
For Brahmayya & Co.,
 Chartered Accountants
 Firm No. 0085155

For and on behalf of the Board of Directors
 of IFIL Saranata Finance Limited

(Signature)

N. Venkatesh
 Managing Director
 DIN : 01018821

D. Shivaprakash
 Whole-Time Director
 DIN : 02216802

(Signature)
G. Srinivas
 Partner
 M. No. 006761



(Signature)
Anand Kumar
 Chief Financial Officer

(Signature)
Mannanjan Biswal
 Company Secretary

Place: Bengaluru
 Date: 24-04-2024


CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2024

		(Amount in ₹ Cr)	
SR.No.	Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
1	Cash flows from operating activities		
	Net profit before taxation, and extraordinary items	657.14	158.51
	Adjustments for:		
	Depreciation	19.43	13.23
	ESOPS - Share Based Payments	3.11	
	Net (gain) / loss on derecognition of financial instruments under amortised cost category	(31.02)	(93.20)
	Interest income on FD's	(28.94)	(17.66)
	Interest income - Govt Securities	(10.24)	
	Short Term Capital Gain	(26.35)	(7.01)
	Gratuity and Leave Salary	5.32	4.51
	Profit on sale of assets	(0.01)	-
	Dividend income	-	-
	Interest expense	-	-
	Provisions for Standard and Non Performing Assets	29.25	4.37
	Net loss on derecognition of financial instruments under amortised cost category	388.73	450.91
	Operating profit before working capital changes	1,006.42	513.67
	(Increase) / Decrease in Trade Receivables	(22.97)	(9.30)
	Decrease in inventories		
	(Increase) / Decrease in loans	(2,093.27)	(2,672.74)
	(Increase) / Decrease in Other Assets	47.19	(153.59)
	(Increase) / Decrease in Loans & Advances		
	(Increase) / Decrease in Other Assets		
	Increase / (Decrease) in Other Liabilities	34.22	190.61
	Increase / (Decrease) in long term provisions		
	Increase / (Decrease) in Other Liabilities		
	Increase / (Decrease) in trade payables	5.52	12.32
	Changes in Working Capital	(1,929.30)	(2,632.91)
	Cash generated from operations	(922.80)	(2,119.23)
	Income taxes paid	(138.00)	(5.10)
	Net cash from operating activities	(1,060.80)	(2,124.33)
2	Cash flows from investing activities		
	Purchase of PPE	(23.72)	(22.25)
	Purchase of Investment Property		
	Proceeds from sale of equipment	0.11	0.01
	Purchase of Investments	(49,978.92)	(8,136.40)
	(Increase)/Decrease in fixed deposit (lien marked)		
	Investment in Deposits	(68.58)	(126.83)
	Sale of Investments	49,805.34	8,143.41
	Investment in Security Receipts	(64.60)	(160.37)
	Proceeds from Security Receipts	54.42	-
	Interest received- Fixed Deposits	32.25	17.85
	Interest received- Government Securities	10.08	-
	Dividends received	-	-
	Net cash from investing activities	(233.62)	(284.58)
3	Cash flows from financing activities		
	Proceeds from issuance of share capital	200.00	200.00
	Proceeds from long-term borrowings	7,560.30	6,093.24
	Repayment of long-term borrowings	(5,853.75)	(4,104.33)
	Interest paid		
	Dividends paid	(16.71)	(4.98)
	Net cash used in financing activities	1,889.84	2,183.93
4	Net increase/(decrease) in cash and cash equivalents	595.34	(224.98)
5	Cash and cash equivalents at beginning of period	227.11	452.09
6	Cash and cash equivalents at end of period	822.45	227.11

Accompanying notes are an integral part of these financial statements.

As per our attached report of even date.

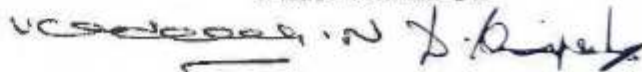
For Brahmayya & Co.,
Chartered Accountants
Firm No. 0005155


G. Srinivas
Partner
M. No. 086761



Place: Bengaluru
Date: 24.04.2024

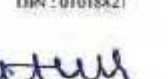
For and on behalf of the Board of Directors
of HFL Samasta Finance Limited



M. Venkatesh
Managing Director
DIN : 01018821

D. Shivaprakash
Whole Time Director
DIN : 02216802




Anantha Kumar I
Chief Financial Officer


Manoranjan Biswal
Company Secretary

Note 1. Corporate Information:

IIFL Samasta Finance Limited (Formerly known as Samasta Microfinance Limited) has its registered office at Bangalore, India and was incorporated under the Provisions of Companies Act 1956. The company has obtained certificate of registration from RBI dated 05-09-2013. The Company is categorised as systematically important Non Banking Finance (non - deposit accepting or holding) Company - Micro Finance Institution (NBFC MFI) under the provisions of RBI Act 1934. The Company is engaged in providing micro finance services to women who are enrolled as members and organized as Joint Liability Group ('JLG'), Small business loans and loans against property. The Company is a subsidiary of IIFL Finance Limited.

Note 2. Material Accounting Policies And Key Accounting Estimates And Judgements

a) Basis of Preparation of financial statements:

The financial statements, together with the comparative period date as at and for the year ended March 31, 2023, comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015], as amended and other relevant provisions of the Act.

The Company has followed statutory requirements, circulars and guidelines issued by the Reserve Bank of India (RBI) for Non-Banking Financial Companies (NBFC), time to time.

b) Historical cost convention:

The financial statements have been prepared on a historical cost basis, except for the following:

- 1) certain financial assets and liabilities (including derivative instruments) are measured at fair value as stated in notes;
- 2) defined benefit plans – plan assets measured at fair value.

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.

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 b)
- ii) Estimation of defined benefit obligation - (Refer Note s (II))

The areas involving critical judgements are:

- 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 Payment of Principal and Interest (SPPI) on the principal amount outstanding.
- ii) Derecognition of financial assets and securitization.
- iii) Categorisation of loan portfolios

d) 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. 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 and Loss during the reporting period in which they are incurred.



ii) Intangible Asset

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets with finite useful life are carried at cost less accumulated amortization and accumulated impairment loss, if any.

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, an entity shall measure all of its investment properties in accordance with Ind AS 40's requirements for cost model.

Depreciation/ Amortisation

Depreciation on each item of PPE and Investment Property is provided using the Straight-Line Method 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 assessed based on the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc. 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.

No depreciation is charged from the month in which assets are sold. Depreciation/ Amortisation on PPE, Investment Property and Intangible Assets added or disposed off during the year is calculated on pro-rata basis with reference to the date of addition or deletion.

Estimated useful life of the assets is as under:

Class of assets	Useful life in years
Buildings *	20
Furniture and fixtures *	5
Office equipment *	5
Electrical Equipment *	5
Vehicles *	5
Computers *	3
Software *	3

* For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuers the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013. Leasehold improvement is amortised on a straight line basis over the primary period of lease.

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.

e) Impairment of Non Financial Assets

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.

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.



g) 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, transaction costs. 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.

Business Model Assessment

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.

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)

Reclassifications

Financial Assets are reclassified only if the entity's business model objective for its financial assets changes so its previous model assessment would no longer apply.

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.

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 subsidiaries and 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.



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 F

- i) Loans
- ii) Trade Receivables

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

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

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

Stage	Past Due	ECL	Regulatory Standards
Stage 1	0-30 Days Past Due	12 Month ECL	Equivalent to standard assets as per RBI
Stage 2	31-90 Days Past Due	Life time ECL	
Stage 3	Above 90 Days Past Due	Life time ECL	Equivalent to NPA assets as per RBI

Measurement of ECL

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

Financial assets that are not credit-impaired at the reporting date: As the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive);

Trade Receivables

For trade receivables, the Company applies the simplified approach which requires life-time ECL to be recognised from initial recognition of the receivables.

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



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)

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.

(iii) For derivatives embedded in the liability, the embedded derivative is subsequently measured at fair value through profit and loss and the liability is subsequently measured at amortised cost using the effective interest method.

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

h) Derivative Financial Instruments

Derivatives Financial Contracts are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

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

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:

i. In the principal market for the asset or liability, or

ii. 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 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

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

k) Functional Currency

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

ii) Transactions and balances

a. Foreign currency transactions are translated into functional currency using exchange rates at the date of transaction.

l) Assignment transaction

Income from assignment transactions i.e. present value of excess interest spread is recognised when the related loan assets are de-

m) Revenue Recognition

i) Interest and processing fee income on loans

Interest and processing fee income is recorded on accrual basis using the effective interest rate (EIR) method. Additional interest/overdue interest/penal charges, if any, are recognised only when it is reasonable certain that the ultimate collection will be made.

For financial assets that are not Purchases Originally Credit Impaired "POCI" but have subsequently become credit-impaired (or 'stage-3'), the Company records interest income on actual receipt basis.

ii) Other revenue from operation:

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 in the consideration.

iii) Other Income:

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

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



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

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

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

o) 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 measured reliably. 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 expense. 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

p) 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.

q) 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

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 up to 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 the Statement of Profit and 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.



III. ESOP:

The Company has formulated an Employees Stock Option Plan as per provisions of Companies Act 2013. The fair value of options granted under Employee Stock Option Plan is recognised as an employee benefits expense with a corresponding increase in other equity. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the service conditions. It recognises the impact of the revision to original estimates, if any, in Statement of Profit and Loss, with a corresponding adjustment to equity.

r) Segment Reporting

The Company operates in a single business segment i.e. lending to members, having similar risk and returns for the purpose of IND AS 108 on 'Operating Segments'. The Company operates in a single geographical segment i.e. domestic.

s) Leases

The Company's lease asset classes primarily consist of leases for buildings. The Company, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset. The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less. The Company recognises the lease payments associated with these leases as an expense over the lease term.

t) Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss (interest and other finance cost associated) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

u) Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.



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 Registered Office: 110/3, Lalbagh Main Road, Krishnappa Layout, Bengaluru, Karnataka - 560027
 Notes forming part of Financial Statements for the year ended March 31, 2024
 (All amounts are stated in crores unless otherwise stated)

Note 3, Cash and Cash Equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Cash and Cash Equivalents		
Cash on hand	0.77	0.72
Balance with Banks	410.11	214.20
In Fixed Deposit Accounts	411.57	12.19
Cash and Cash Equivalents	822.45	227.11

Out of the Fixed Deposits shown above:

Particulars	As at March 31, 2024	As at March 31, 2023
Lien Marked *	-	-
Other deposits	411.57	12.19
Total	411.57	12.19

*Deposits have been placed with certain banks as cash collateral against term loans and working capital.

Particulars	As at March 31, 2024	As at March 31, 2023
Other Bank Balances		
In Fixed Deposit Account (Maturity upto 12 months)	264.88	201.45
In Fixed Deposit account (Maturity more than 12 months)	186.09	180.94
Total	450.97	382.39

Out of the Fixed Deposits shown above:

Particulars	As at March 31, 2024	As at March 31, 2023
Lien Marked *	442.91	382.39
Other deposits	8.06	0.00
Total	450.97	382.39

*Deposits have been placed with certain banks as cash collateral against term loans and working capital.

Particulars	As at March 31, 2024	As at March 31, 2023
Cash and Cash Equivalents (As per Ind AS 7 Statement of Cash Flows)		
Cash on hand	0.77	0.72
Balance with Banks	410.11	214.20
- In current accounts		
In Fixed Deposit Accounts	411.57	12.19
	822.45	227.11
Less: Cash Credit / Overdraft facilities (Refer Note no 17)	-	-
Cash and cash equivalents (As per Ind AS 7 Statement of Cash Flows) (A)	822.45	227.11



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Registered Office: 110/3, Lalbagh Main Road, Krishnappa Layout, Bengaluru, Karnataka- 560027

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

(All amounts are stated in crores unless otherwise stated)

Note 4. Derivative Financial Instruments

Particulars	As at March 31, 2024			As at March 31, 2023		
	Nominal Amount	Fair Value - Assets	Fair Value - Liabilities	Nominal Amount	Fair Value - Assets	Fair Value - Liabilities
Interest Rate Derivatives						
Options Purchased *	-	-	-	4.32	9.22	9.22
Total	-	-	-	4.32	9.22	9.22

* Unsecured Non Convertible Debentures of ₹ NIL (P.Y. ₹ 9.22 Cr) made as per the terms of issue and on maturity will be transferred to the investors of the NCD.



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(All amounts are stated in crores unless otherwise stated)

Note 5. Receivables

Particulars	As at March 31, 2024	As at March 31, 2023
Trade Receivables		
Receivables considered good - Unsecured	40.95	17.98
Total - Gross	40.95	17.98
Less: Impairment loss allowance	-	-
Total - Net	40.95	17.98

The Company follows simplified method of estimation of expected credit loss and hence information required under Part (C) (i) is not furnished.

5.1 Trade Receivables ageing schedule as on March 31, 2024

Particulars	Outstanding for following periods from						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	37.49	3.46	-	-	-	-	40.95
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
Total	37.49	3.46	-	-	-	-	40.95

5.2 Trade Receivables ageing schedule as on March 31, 2023

Particulars	Outstanding for following periods from						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	1.56	16.41	0.00	0.01	-	-	17.98
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
Total	1.56	16.41	0.00	0.01	-	-	17.98



HFI Samasta Finance Limited
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(All amounts are stated in crores unless otherwise stated)

Note 6. Loans

Particulars	As at March 31, 2024		As at March 31, 2023	
	Amortised cost	Total	Amortised cost	Total
Loans				
(A)				
Term Loans	9,708.70	9,708.70	7,998.53	7,998.53
Inter Corporate Deposit to Holding Company	-	-	-	-
Unamortized Processing Fee	(84.41)	(84.41)	(69.20)	(69.20)
Advance from Customers	-	-	-	-
Accrued Interest but not due	73.52	73.52	63.97	63.97
Total (A) -Gross	9,697.81	9,697.81	7,993.30	7,993.30
Less: Impairment loss allowance (including ECL on Stage 3 of Rs. 152.84 Cr P.Y. Rs.105.04 Cr)	(286.44)	(286.44)	(257.22)	(257.22)
Total (A) - Net	9,411.37	9,411.37	7,736.08	7,736.08
(B)				
(i) Secured by tangible assets	72.24	72.24	37.24	37.24
Less: Impairment loss allowance (including ECL on Stage 3 of Rs.1.66 Cr P.Y. Rs.0.16 Cr)*	(3.05)	(3.05)	(0.94)	(0.94)
Total (i)	69.19	69.19	36.30	36.30
(ii) Unsecured	9,625.57	9,825.57	7,956.06	7,956.06
Less: Impairment loss allowance (including ECL on Stage 3 of Rs. 151.18 Cr P.Y. Rs.104.88 Cr)	(283.39)	(283.39)	(256.28)	(256.28)
Total (ii)	9,342.18	9,342.18	7,699.78	7,699.78
Total (B)-Net	9,411.37	9,411.37	7,736.08	7,736.08
(C)				
(I) Loans in India				
(i) Public Sector	-	-	-	-
(ii) Others				
Joint Liability Group	9,439.72	9,439.72	7,439.98	7,439.98
Small Business Loans	185.85	185.85	516.08	516.08
Loan Against Property	72.24	72.24	37.24	37.24
Inter Corporate Deposit to Holding Company	-	-	-	-
Less: Impairment loss allowance (including ECL on Stage 3 of Rs. 152.84 Cr P.Y. Rs.105.04 Cr)	(286.44)	(286.44)	(257.22)	(257.22)
Total(C) (I)-Net	9,411.37	9,411.37	7,736.08	7,736.08
(II) Loans outside India				
Less: Impairment loss allowance	-	-	-	-
Total (C) (II)- Net	-	-	-	-
Total C(I) and C(II)	9,411.37	9,411.37	7,736.08	7,736.08

*Benefit of collateral has not been considered in secured portfolio due to insufficient historical data. The same will be considered in future periods.

6.1	Particulars	As at 31 March 2024	As at 31 March 2023
	The loan receivables reflected above excludes microfinance loans assigned to a third party on direct assignment in accordance with RBI Guidelines which qualify for derecognition as per Ind AS 109. The amounts given are net of minimum retention retained in the books:	1,914.73	1,620.51

6.2	Particulars	As at 31 March 2024	As at 31 March 2023
	Provisions as per RBI Prudential Norms	(135.18)	(117.96)
	Provisions as per ECL model under Ind AS 109	(286.44)	(257.22)
	Amount recorded in the books	(286.44)	(257.22)

6.3 Reconciliation of impairment allowance on Loans*

Particulars	Amount
Impairment allowance as at 1 April 2022	254.79
Add: Impairment allowance provided in statement of Profit & Loss	453.34
Less: Impairment allowance Utilised for writing off Loss assets	(450.91)
Impairment allowance as at 31 March 2023	257.22
Add: Impairment allowance provided in statement of Profit & Loss	417.95
Less: Impairment allowance Utilised for writing off Loss assets	(388.73)
Impairment allowance as at 31 March 2024	286.44

* Reconciliation table does not include ECL provision on other receivables (Refer point no.9).

The Company has not given any loans or advances to directors, promoters, key managerial person and related parties either repayable on demand or without any terms of financial.



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(All amounts are stated in crores unless otherwise stated)

Note 7. Investments

Particulars	As at March 31, 2024			As at March 31, 2023		
	At Fair Value through profit or loss	Others *	Total	At Fair Value through profit or loss	Others *	Total
(A)						
Equity instruments	-	-	-	-	-	-
Alpha Microfinance Consultants Private Limited (50,000 Equity Shares of Rs. 10 each)	-	0.05	0.05	-	0.05	0.05
(B)						
Investments in Mutual Funds	-	-	-	-	-	-
Investments in Government securities	-	199.94	199.94	-	-	-
Investments in Security Receipts	170.55	-	170.55	160.37	-	160.37
Total – Gross (A+B)	170.55	199.99	370.54	160.37	0.05	160.42
i) Investments outside India	-	-	-	-	-	-
ii) Investments in India	170.55	199.99	370.54	160.37	0.05	160.42
Unquoted equity instruments in India	-	0.05	0.05	-	0.05	0.05
Quoted equity instruments in India	-	-	-	-	-	-
Other than Equity Instruments	170.55	199.94	370.49	160.37	-	160.37
Total (B)	170.55	199.99	370.54	160.37	0.05	160.42
Less: Allowance for Impairment Loss (C)	-	-	-	-	-	-
Total- Net (D) = A-C	170.55	199.99	370.54	160.37	0.05	160.42

* The Company has carried investment in equity shares at cost.



IIFL Samasta Finance Limited
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(All amounts are stated in crores unless otherwise stated)

Note 8. Other financial assets

Particulars	As at March 31, 2024		As at March 31, 2023	
Accrued interest on Fixed Deposits		1.07		4.38
Accrued interest on G-secs		0.16		-
Staff Advances		0.09		0.09
Security Deposits		13.93		9.67
Interest Strip Asset on Assignment		160.89		129.88
Other Receivables	17.38		152.02	
Less: Impairment loss allowance towards other receivable	(6.60)	10.78	(6.57)	145.46
Total		186.91		289.48



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

(All amounts are stated in crores unless otherwise stated)

Note 9. Other Non Financial Assets

Particulars	As at March 31, 2024	As at March 31, 2023
Prepaid expenses	11.46	4.33
Vendor Advances	-	1.37
Other Assets	-	-
Total	11.46	5.70

Note 10. Current Tax Assets (net)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance Tax	143.10	8.31
TDS Receivables	41.64	11.33
Provision for Taxation	(162.16)	(17.52)
Total	22.57	2.12



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Note 11. Deferred Tax Assets (net)

Significant components of deferred tax assets and liabilities for the year ended March 31, 2024 are as follows:

Particulars	Opening balance	(Charged) / Recognised in Profit or Loss	Effect of the Tax Rate	Deferred Tax Taken to Balance Sheet	(Charged) / Recognised in OCI	Closing balance
Deferred Tax Assets:						
Provisions, allowances for doubtful receivables	65.29	1.10	-	-	-	66.39
Compensated absences and retirement benefits	3.15	1.54	-	-	0.63	5.32
Unamortized Processing Fees Income	17.42	3.82	-	-	-	21.24
Lease Liability	0.27	0.11	-	-	-	0.38
Total Deferred Tax Assets	86.13	6.58	-	-	0.63	93.33
Deferred Tax Liabilities:						
Property, plant and equipment	2.86	1.46	-	-	-	4.32
Prepaid expenses claimed	(11.02)	(6.07)	-	-	-	(17.09)
Unamortized Processing Fees Expense	(0.18)	0.12	-	-	-	(0.06)
Interest Strip Assets	(32.69)	(7.81)	-	-	-	(40.50)
Derivative financial instruments	-	-	-	-	-	-
Income on Security Deposit	(0.05)	(0.04)	-	-	-	(0.09)
Total Deferred Tax Liabilities	(41.88)	(12.34)	-	-	-	(53.42)
Deferred Tax Assets	45.04	(5.76)	-	-	0.63	39.91

Significant components of Deferred Tax Assets and Liabilities for the year ended March 31, 2023 are as follows:

Particulars	Opening balance	(Charged) / Recognised in Profit or Loss	Effect of the Tax Rate	Deferred Tax Taken to Balance Sheet	(Charged) / Recognised in OCI	Closing balance
Deferred Tax Assets:						
Provisions, allowances for doubtful receivables*	63.00	2.29	-	-	-	65.29
Compensated absences and retirement benefits	2.13	0.91	-	-	0.11	3.15
Unamortized Processing Fees Income	12.09	5.32	-	-	-	17.42
Lease Liability	0.17	0.10	-	-	-	0.27
Total Deferred Tax Assets	77.39	8.62	-	-	0.11	86.13
Deferred Tax Liabilities:						
Property, plant and equipment	1.92	0.94	-	-	-	2.86
Prepaid expenses claimed	(6.57)	(4.45)	-	-	-	(11.02)
Unamortized Processing Fees Expense	(0.36)	0.18	-	-	-	(0.18)
Interest Strip Assets	(9.23)	(23.46)	-	-	-	(32.69)
Derivative financial instruments	-	-	-	-	-	-
Income on Security Deposit	(0.03)	(0.02)	-	-	-	(0.05)
Total Deferred Tax Liabilities	(14.27)	(26.81)	-	-	-	(41.08)
Deferred Tax Assets	63.12	(18.19)	-	-	0.11	45.04



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(All amounts are stated in crores unless otherwise stated)

Note 12. Investment Property

Particulars	Land	Building	Total
Cost or Valuation as at April 1, 2023	0.01	0.05	0.06
Additions	-	-	-
Deductions /Adjustments during the year	-	-	-
As at March 31, 2024	0.01	0.05	0.06
Depreciation			
As at April 1, 2023	-	0.01	0.01
Depreciation For the year	-	0.00	0.00
Deductions/Adjustments during the year	-	-	-
Up to March 31, 2024	-	0.01	0.01
Net Block as at March 31, 2024	0.01	0.04	0.05

Particulars	Land	Building	Total
Cost or Valuation as at April 1, 2022	0.01	0.05	0.06
Additions	-	-	-
Additions due to acquisition of Subsidiary	-	-	-
Deductions /Adjustments during the year	-	-	-
As at March 31, 2023	0.01	0.05	0.06
Depreciation			
As at April 1, 2022	-	0.01	0.01
Additions due to acquisition of Subsidiary	-	-	-
Depreciation For the year	-	0.00	0.00
Depreciation For the year(Discontinuing operations)	-	-	-
Reclassification	-	-	-
Deductions/Adjustments during the year	-	-	-
Up to March 31, 2023	-	0.01	0.01
Net Block as at March 31, 2023	0.01	0.04	0.05

- i) There are no direct expenses incurred towards above investment property.
- ii) The investment property is given as security against non - convertible debentures,
- iii) There are no contractual obligation existed as on 31st March 2024 in connection to purchase, construct or develop investment property.
- iv) The title deed of the above property is held in the name of the Company.
- v) The Fair Valuation of the property is not done since the value of the property is immaterial.
- vi) The Company does not have any Benami Property and no proceedings have been initiated during the year or are pending against the company as at March 31, 2024 for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1988 as amended in 2016 and Rules made thereunder.



IIFL Samasta Finance Limited

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

(All amounts are stated in crores unless otherwise stated)

Note 13. Property Plant and Equipment

Particulars	Furniture & Fixture	Office Equipment	Electrical Equipment	Air Conditioner	Computers	Vehicles	Right to Use*	Total
Cost as at April 1, 2023	13.16	13.33	2.62	0.56	26.41	0.43	13.22	69.73
Additions	5.73	10.52	1.42	0.47	5.57	-	10.37	34.08
Deductions/Adjustments	(0.00)	(0.09)	(0.11)	-	(0.03)	-	-	(0.23)
As at March 31, 2024	18.89	23.76	3.93	1.03	31.95	0.43	23.59	103.58
Depreciation								-
As at April 1, 2023	11.65	4.03	1.29	0.27	18.50	0.41	5.06	41.21
Depreciation for the year	4.47	4.81	0.59	0.16	5.47	0.01	3.92	19.43
Deductions/Adjustments	(0.00)	(0.01)	(0.10)	-	(0.02)	-	-	(0.14)
Up to March 31, 2024	16.12	8.83	1.78	0.43	23.95	0.42	8.98	60.50
Net Block as at March 31, 2024	2.77	14.93	2.15	0.60	8.00	0.01	14.61	43.08

Particulars	Furniture & Fixture	Office Equipment	Electrical Equipment	Air Conditioner	Computers	Vehicles	Right to Use*	Total
Cost as at April 1, 2022	8.15	3.82	1.47	0.37	20.21	0.43	9.58	44.03
Additions	5.13	9.52	1.18	0.19	6.23	-	3.64	25.89
Deductions/Adjustments	(0.12)	(0.01)	(0.03)	-	(0.03)	-	-	(0.19)
As at March 31, 2023	13.16	13.33	2.62	0.56	26.41	0.43	13.22	69.73
Depreciation								-
As at April 1, 2022	7.35	2.50	0.92	0.18	13.98	0.41	2.83	28.17
Depreciation for the year	4.42	1.57	0.39	0.09	4.51	0.01	2.23	13.22
Reclassification	(0.00)	(0.03)	(0.00)	0.00	0.03	-	-	(0.00)
Deductions /Adjustments	(0.12)	(0.01)	(0.02)	-	(0.02)	-	-	(0.17)
Up to March 31, 2023	11.65	4.03	1.29	0.27	18.50	0.41	5.06	41.22
Net Block as at March 31, 2023	1.51	9.29	1.33	0.29	7.91	0.01	8.15	28.51

*Right to use represent Lease asset

During the year, the company has not performed any revaluation of Plant and Equipment



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Note 14. Intangible Assets (Other than internally generated)

Particulars	Software
Cost as at April 1, 2023	0.76
Additions	-
Deductions /Adjustments during the year	-
As at March 31, 2024	0.76
Amortization	
As at April 1, 2023	0.76
Amortization For the year	-
Reclassification	-
Deductions/Adjustments during the year	-
Up to March 31, 2024	0.76
Net Block as at March 31, 2024	-

Particulars	Software
Cost as at April 1, 2022	0.76
Additions	-
Deductions /Adjustments during the year	-
As at March 31, 2023	0.76
Amortization	
As at April 1, 2022	0.75
Amortization For the year	0.01
Reclassification	-
Deductions/Adjustments during the year	-
Up to March 31, 2023	0.76
Net Block as at March 31, 2023	-

14.1 There are no intangible assets under development.



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Note 15. Trade Payables

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Trade Payables		
(i) Total outstanding dues of micro enterprises and small enterprises (Refer note 15.1) *	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	25.91	20.38
Total	25.91	20.38

* Dues to micro, small and medium enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. There are no interest due or outstanding on the same.

15.1 Disclosure under The Micro, Small and Medium Enterprises Development Act, 2006

The following disclosure is made as per the requirements under the Micro, Small and Medium Enterprises Development Act, 2016 (MSMED) on the basis of confirmations sought from suppliers on registration with the specified authority under MSMED:

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Principal amount remaining unpaid to any supplier at the year end	-	-
(b) Interest due thereon remaining unpaid to any supplier at the year end	-	-
(c) Amount of interest paid and payments made to the supplier beyond the appointed day during the year	-	-
(d) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-
(e) Amount of interest accrued and remaining unpaid at the year end	-	-
(f) Amount of further interest remaining due and payable over in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a	-	-

15.2 Trade Payables Ageing Schedule

As at March 31, 2024

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	25.91	-	-	-	25.91
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	25.91	-	-	-	25.91

As at March 31, 2023

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	20.38	-	-	-	20.38
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	20.38	-	-	-	20.38



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Note 16. Debt Securities

Particulars	As at March 31, 2024		As at March 31, 2023	
	At Amortised Cost	Total	At Amortised Cost	Total
Secured				
Secured Non Convertible Debentures	795.82	795.82	438.80	438.80
Less : Derivative Financial Liability	-	-	-	-
Less : Unamortised Debenture Issue Expenses	(13.17)	(13.17)	(0.93)	(0.93)
Interest Accrued on Debt Securities	62.19	62.19	39.13	39.13
Others (Bonds/ Debenture etc.)				
Total	844.85	844.85	477.00	477.00
Commercial Paper	235.00	235.00	-	-
Less : Unexpired Discount on CP	(3.01)	(3.01)	-	-
Total	231.99	231.99	-	-
Total	1,076.84	1,076.84	477.00	477.00
Debt Securities in India	1,076.84	1,076.84	477.00	477.00
Debt Securities outside India	-	-	-	-
Total	1,076.84	1,076.84	477.00	477.00

(a) These Non convertible debentures are secured by way of first pari-passu charge on investment property, book debts, loans and advances including receivables other than those specifically charged.

16.1 Details of commercial paper - Unsecured

Particulars	Tenor	Interest Rate (%)	As at March 31, 2024	As at March 31, 2023
Sundaram Finance Limited	365 Days	9.95%	50.00	-
Northern Arc Money Market Alpha Trust	180 Days	9.85%	60.00	-
Mirac Assets	180 Days	9.85%	75.00	-
Quant Mutual Funds	91 Days	9.00%	50.00	-
Total			235.00	-

(i) Details of commercial paper issued/repaid during the current year ended 31 March 2024

Particulars	Tenor	Interest Rate (%)	Date of Transaction	Redemption Date
Northern Arc	169 Days	9.85%	13-Apr-23	29-Sep-23
Sundaram Finance Limited	365 Days	9.95%	10-Aug-23	09-Aug-24
Quant Mutual Funds	91 Days	8.45%	22-Aug-23	21-Nov-23
Northern Arc	180 Days	9.85%	12-Oct-23	09-Apr-24
Mirac Asset Mutual Fund	180 Days	9.85%	27-Oct-23	24-Apr-24
Quant Mutual Funds	91 Days	8.90%	30-Nov-23	29-Feb-24
Quant Mutual Funds	91 Days	9.00%	05-Mar-24	04-Jun-24

(ii) Details of commercial paper issued/repaid during the current year ended 31 March 2023

Particulars	Tenor	Discount Rate p.a	Date of Transaction	Redemption Date
India Energy Exchange Limited	182 Days	8.00%	11-Feb-22	12-Aug-22
India Energy Exchange Limited	182 Days	8.00%	30-Aug-22	28-Feb-23
Northern Arc Money Market Alpha Trust	90 Days	8.65%	29-Nov-22	27-Feb-23

16.2 The funds received through above borrowings have been utilised for the purpose, it is generated.

16.3 All the charges against the receivable has been registered with the ROC and there are no charges which are to be registered as on March 31, 2024.

16.4 During the year, the Company has submitted quarterly statement of book debts with all the lenders and the value of book debts statement submitted is as per the books of accounts.



16.5 Debt securities-Secured

Particulars	March 31, 2024	March 31, 2023	Date of borrowing	Repayment start date	Maturity date	Terms of repayment
INE413U07103 - Bank of India - NCD	-	25.00	18-06-2020	05-06-2023	05-06-2023	Rate of Interest - 11.50% p.a. principal repayable on maturity.
INE413U07103 - Bank of Maharashtra - NCD	-	15.00	05-06-2020	05-06-2023	05-06-2023	Rate of Interest - 11.50% p.a. principal repayable on maturity.
INE413U07103 - Canara Bank - NCD	-	20.00	05-06-2020	05-06-2023	05-06-2023	Rate of Interest - 11.50% p.a. principal repayable on maturity.
INE413U07178 - MLD	59.00	59.00	30-03-2021	30-04-2024	30-04-2024	Rate of Interest - 9% p.a. principal repayable on maturity.
INE413U07178 - MLD	74.80	74.80	30-03-2021	30-04-2024	30-04-2024	Rate of Interest - 9% p.a. principal repayable on maturity.
INE413U07129 - Indian Bank - NCD	-	25.00	10-07-2020	10-07-2023	10-07-2023	Rate of Interest - 11.50% p.a. principal repayable on maturity.
INE413U07111 - State Bank of India - NCD	-	100.00	26-06-2020	21-04-2023	21-04-2023	Rate of Interest - 11.50% p.a. principal repayable on maturity.
INE413U07111 - Union Bank of India - NCD	-	15.00	26-06-2020	21-04-2023	21-04-2023	Rate of Interest - 11.50% p.a. principal repayable on maturity.
INE413U07202 - MLD	-	105.00	01-06-2022	01-06-2022	01-09-2023	Rate of Interest - 8.70% p.a. principal repayable on maturity.
INE413U07210 - Aditya Birla & Sports - NCD	150.00	-	26-05-2023	26-11-2026	26-11-2026	Rate of Interest - 10% p.a. principal repayable on maturity.
INE413U07244 - Public Issuance - NCD - Series I	49.57	-	21-12-2023	21-12-2025	21-12-2025	Rate of Interest - 9.21% p.a. principal repayable on maturity.
INE413U07228 - Public Issuance - NCD - Series II	116.84	-	21-12-2023	21-12-2025	21-12-2025	Rate of Interest - 9.60% p.a. principal repayable on maturity.
INE413U07236 - Public Issuance - NCD - Series III	34.05	-	21-12-2023	21-12-2026	21-12-2026	Rate of Interest - 9.57% p.a. principal repayable on maturity.
INE413U07277 - Public Issuance - NCD - Series IV	73.45	-	21-12-2023	21-12-2026	21-12-2026	Rate of Interest - 10% p.a. principal repayable on maturity.
INE413U07269 - Public Issuance - NCD - Series V	80.39	-	21-12-2023	21-12-2028	21-12-2028	Rate of Interest - 10.03% p.a. principal repayable on maturity.
INE413U07251 - Public Issuance - NCD - Series VI	157.72	-	21-12-2023	21-12-2028	21-12-2028	Rate of Interest - 10.50% p.a. principal repayable on maturity.
Total	795.82	438.80				



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Note 17. Borrowings

Particulars	As at March 31, 2024		As at March 31, 2023	
	At Amortised Cost	Total	At Amortised Cost	Total
(a) Term Loans				
- (i) From Banks	5,073.21	5,073.21	4,311.87	4,311.87
- (ii) From Other Parties	2,069.37	2,069.37	2,030.68	2,030.68
Unamortised Processing Fees	(35.09)	(35.09)	(31.75)	(31.75)
Interest Accrued on Borrowings	15.85	15.85	17.90	17.90
	7,123.34	7,123.34	6,328.70	6,328.70
(b) Other Loans (specify nature)				
Cash Credit / Overdraft Facilities	-	-	-	-
Total	7,123.34	7,123.34	6,328.70	6,328.70
Borrowings in India	7,123.34	7,123.34	6,328.70	6,328.70
Borrowings outside India	-	-	-	-
Total	7,123.34	7,123.34	6,328.70	6,328.70

17.1 Security given for Term Loans from Banks and Others

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Deposits with Banks & Others	321.53	289.66
(b) Deposits with NBFCs	-	-
Total	321.53	289.66

17.2 The funds received through above borrowings have been utilised for the purpose, it is generated.

17.3 All the charges against the receivable has been registered with the ROC and there are no charges which are to be registered as on March 31, 2024.

17.4 During the year, the Company has submitted quarterly statement of book debts with all the lenders and the value of book debts statement submitted is as per the books of accounts.



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17.5 Loan from Banks

Particulars	March 31, 2024	March 31, 2023	Loan taken	Repayment start date	Maturity date
Axis Bank Limited	-	60.86	09-12-21	09-02-22	09-12-23
Axis Bank Limited	20.42	47.67	13-12-22	13-03-23	13-12-24
Axis Bank Limited	74.93	150.00	10-02-23	10-05-23	10-02-25
Axis Bank Limited	154.46	-	31-08-23	30-11-23	10-08-25
Axis Bank Limited	40.90	-	13-09-23	15-12-23	15-09-25
Axis Bank Limited	43.17	-	31-10-23	31-01-24	31-10-25
Axis Bank Limited	190.00	-	20-02-24	20-05-24	20-02-26
Bandhan Bank Limited	-	57.14	22-12-21	01-07-22	22-12-23
Bandhan Bank Limited	-	57.14	18-02-22	01-09-22	18-02-24
Bandhan Bank Limited	21.43	64.29	29-07-22	01-02-23	28-07-24
Bandhan Bank Limited	14.29	200.00	24-03-23	01-09-23	23-02-25
Bank of Baroda	8.33	25.00	24-09-21	31-10-21	30-09-24
Bank of Baroda	70.00	100.00	28-02-23	31-08-23	30-11-25
Bank of Baroda	48.49	-	18-12-23	31-03-24	30-11-26
Bank of Baroda	145.46	-	08-01-24	31-03-24	30-11-26
Bank of Baroda	48.48	-	18-12-23	31-03-24	30-11-26
Bank of Baroda	48.49	-	18-12-23	31-03-24	30-11-26
Bank of Maharashtra	27.15	81.70	28-09-21	01-03-22	01-09-24
Bank of Maharashtra	63.64	100.00	31-12-22	28-06-23	28-12-25
Capital Small Finance Bank Limited	-	5.40	31-03-21	01-05-21	01-03-24
Cozora Bank	54.55	163.64	22-09-21	22-03-22	22-09-24
DBS Bank Limited	-	17.05	31-08-21	25-11-21	25-08-23
DBS Bank Limited	16.67	41.67	04-08-22	04-12-22	04-11-24
DBS Bank Limited	25.00	50.00	22-12-22	22-04-23	22-03-25
DBS Bank Limited	87.50	-	21-09-23	21-01-24	21-12-25
DBS Bank Limited	95.83	-	30-11-23	30-03-24	28-02-26
DCB Bank Limited	-	7.49	28-09-21	04-01-22	04-12-23
DCB Bank Limited	29.16	50.00	27-03-23	30-06-23	31-05-25
Dhanlaxmi Bank Limited	-	9.00	12-03-21	12-07-21	12-03-24
Dhanlaxmi Bank Limited	6.38	19.09	29-09-21	29-01-22	29-09-24
Dhanlaxmi Bank Limited	25	-	08-05-2023	08-11-2023	08-08-2026
Federal Bank	-	7.50	30-12-21	29-01-22	29-12-23
Federal Bank	6.25	18.75	12-09-22	12-10-22	12-09-24
Federal Bank	12.50	25.00	03-03-23	03-04-23	03-03-25
Federal Bank	37.52	-	26-09-23	26-10-23	26-09-25
HDFC Bank Limited	-	34.37	25-03-23	25-03-22	25-02-24
HDFC Bank Limited	16.67	41.67	25-11-22	25-12-22	24-11-24
HDFC Bank Limited	46.67	-	10-07-23	10-08-23	09-07-25
HDFC Bank Limited	47.50	-	31-10-23	30-11-23	31-10-25
The Hongkong and Shanghai Banking Corporation Limited	-	30.00	23-03-22	23-04-22	23-03-24
The Hongkong and Shanghai Banking Corporation Limited	-	20.00	15-03-22	16-04-22	15-03-24
The Hongkong and Shanghai Banking Corporation Limited	75.63	158.13	17-02-23	17-03-23	17-05-25
The Hongkong and Shanghai Banking Corporation Limited	43.75	-	05-06-23	05-07-23	05-06-25
The Hongkong and Shanghai Banking Corporation Limited	31.31	-	05-06-23	05-07-23	05-06-25
The Hongkong and Shanghai Banking Corporation Limited	18.75	-	05-06-23	05-07-23	05-06-25
The Hongkong and Shanghai Banking Corporation Limited	31.31	-	05-06-23	05-07-23	05-06-25
The Hongkong and Shanghai Banking Corporation Limited	60.47	-	07-09-23	07-10-23	07-09-25
The Hongkong and Shanghai Banking Corporation Limited	24.75	-	25-09-23	25-10-23	25-09-25
The Hongkong and Shanghai Banking Corporation Limited	21.87	-	26-12-23	26-01-24	26-12-25
The Hongkong and Shanghai Banking Corporation Limited	30.28	-	06-03-24	06-03-24	06-02-26
The Hongkong and Shanghai Banking Corporation Limited	39.77	-	29-02-24	31-03-24	27-02-26
The Hongkong and Shanghai Banking Corporation Limited	25.40	-	29-02-24	31-03-24	27-02-26
ICICI Bank Limited	-	1.94	26-10-21	10-12-21	10-04-23
ICICI Bank Limited	-	2.35	30-11-21	10-01-22	10-05-23
ICICI Bank Limited	-	3.88	29-12-21	10-02-22	10-06-23
ICICI Bank Limited	-	12.94	23-02-22	10-04-22	10-08-23
ICICI Bank Limited	-	37.64	31-03-22	10-06-22	10-03-24
ICICI Bank Limited	3.64	25.45	31-05-22	10-08-22	10-05-24
ICICI Bank Limited	3.41	17.05	28-06-22	10-09-22	09-06-24
ICICI Bank Limited	4.36	17.45	31-07-22	10-10-22	10-07-24
ICICI Bank Limited	5.68	19.32	25-08-22	10-11-22	10-08-24
ICICI Bank Limited	7.36	22.09	26-09-22	10-12-22	10-09-24
ICICI Bank Limited	8.27	22.45	27-10-22	10-01-23	10-10-24
ICICI Bank Limited	5.09	12.73	28-11-22	10-02-23	10-11-24
ICICI Bank Limited	36.41	84.95	30-12-22	10-03-23	08-12-24
ICICI Bank Limited	12.73	28.00	11-01-23	10-04-23	10-01-25
ICICI Bank Limited	9.50	19.00	28-02-23	10-05-23	10-02-25
ICICI Bank Limited	12.00	22.00	20-03-23	10-06-23	13-03-25
ICICI Bank Limited	14.18	-	19-04-23	10-07-23	10-04-25
ICICI Bank Limited	14.64	-	30-05-23	10-08-23	10-05-25
ICICI Bank Limited	15.80	-	26-06-23	08-09-23	10-06-25
ICICI Bank Limited	16.00	-	20-07-23	10-10-23	10-07-25
ICICI Bank Limited	17.77	-	22-08-23	10-11-23	10-08-25
ICICI Bank Limited	104.73	-	25-09-23	10-12-23	10-09-25
ICICI Bank Limited	36.00	-	27-09-23	10-12-23	10-09-25
ICICI Bank Limited	42.73	-	29-11-23	10-02-24	10-11-25
ICICI Bank Limited	63.00	-	27-01-24	10-04-24	10-03-26
ICICI Bank Limited	33.00	-	28-02-24	10-05-24	10-04-26



IDBI Bank Limited	-	41.67	30-10-21	01-02-22	01-01-24
IDBI Bank Limited	9.38	46.88	24-03-22	01-07-22	01-06-24
IDBI Bank Limited	30.00	60.00	28-12-22	01-04-23	01-03-25
IDBI Bank Limited	75.00	-	22-06-23	01-10-23	01-09-25
IDFC First Bank Limited	-	37.50	31-12-21	31-01-22	31-12-23
IDFC First Bank Limited	22.86	114.29	30-06-22	31-10-22	30-06-24
IDFC First Bank Limited	16.67	45.24	27-10-22	28-02-23	27-10-24
IDFC First Bank Limited	57.14	100.00	30-03-23	31-07-23	30-03-25
IDFC First Bank Limited	143.75	-	20-02-24	20-03-24	20-02-26
Indian Bank	-	4.13	19-03-20	18-06-20	18-06-23
Indian Bank	-	8.31	04-06-20	04-01-21	04-09-23
Indian Bank	36.35	72.72	17-03-22	17-09-22	17-03-25
Indian Bank	36.31	72.71	30-03-22	30-09-22	30-03-25
Indian Bank	99.95	200.00	30-03-23	30-04-23	30-03-25
Indian Overseas Bank	25.00	41.67	30-03-22	31-12-22	30-09-25
Indian Overseas Bank	12.50	20.83	30-04-22	31-12-22	30-09-25
Jana Small Finance Bank Limited	7.71	25.47	31-07-21	03-08-21	03-08-24
Jana Small Finance Bank Limited	11.63	31.67	28-09-22	03-11-22	03-10-24
Jana Small Finance Bank Limited	38.96	-	18-07-23	03-09-23	03-08-25
Jana Small Finance Bank Limited	40.00	-	29-03-24	03-05-24	03-04-26
Karnataka Bank Limited	-	24.90	29-09-21	28-06-22	28-12-23
Karnataka Bank Limited	100.00	-	21-12-23	21-08-24	21-11-26
Karur Vysya Bank	12.88	21.97	30-08-22	31-12-22	31-08-25
Karur Vysya Bank	36.36	50.00	08-03-23	31-07-23	31-03-26
Karur Vysya Bank	50.00	-	15-03-24	30-06-24	15-02-27
Kookmin Bank	70.00	70.00	17-02-23	17-05-24	17-02-26
Kotak Mahindra Bank	-	18.75	29-12-21	29-01-22	29-12-23
Kotak Mahindra Bank	8.33	28.33	29-08-22	29-09-22	29-08-24
Kotak Mahindra Bank	22.50	45.00	09-03-23	09-04-23	09-03-25
Odisha Gramya Bank	218.74	-	29-09-23	31-01-24	31-12-25
Punjab and Sindh Bank	9.10	18.26	08-03-22	30-09-22	31-03-25
Punjab and Sindh Bank	42.88	75.00	27-03-23	30-09-23	26-03-25
RBL Bank Limited	-	5.00	24-06-21	24-10-21	24-06-23
RBL Bank Limited	27.27	68.18	16-11-22	16-02-23	16-11-24
RBL Bank Limited	27.27	68.18	16-11-22	16-02-23	16-11-24
RBL Bank Limited	2.05	4.77	30-12-22	30-03-23	30-12-24
RBL Bank Limited	2.05	4.77	30-12-22	30-03-23	30-12-24
RBL Bank Limited	6.27	11.50	21-03-23	21-06-23	21-03-25
RBL Bank Limited	6.27	11.50	21-03-23	21-06-23	21-03-25
RBL Bank Limited	7.32	-	29-05-23	29-08-23	29-05-25
RBL Bank Limited	7.32	-	29-05-23	29-08-23	29-05-25
RBL Bank Limited	3.41	-	30-06-23	30-09-23	30-06-25
RBL Bank Limited	3.41	-	30-06-23	30-09-23	30-06-25
RBL Bank Limited	38.18	-	30-12-23	30-03-24	30-12-25
RBL Bank Limited	55.00	-	31-01-24	30-04-24	31-01-26
South Indian Bank Limited	-	49.90	21-03-22	21-04-22	21-03-24
Standard Chartered Bank Limited	-	25.00	25-05-22	24-08-22	24-11-23
Standard Chartered Bank Limited	-	36.25	31-05-22	31-08-22	31-08-23
Standard Chartered Bank Limited	42.95	100.21	10-11-22	10-02-23	08-11-24
Standard Chartered Bank Limited	3.33	16.67	27-12-22	29-03-23	28-06-24
Standard Chartered Bank Limited	8.94	-	09-05-23	09-08-23	08-05-25
Standard Chartered Bank Limited	8.94	-	19-05-23	18-08-23	16-05-25
Standard Chartered Bank Limited	12.00	-	14-08-23	18-11-23	14-08-25
Standard Chartered Bank Limited	41.78	-	11-09-23	11-12-23	10-09-25
Standard Chartered Bank Limited	26.89	-	16-01-24	15-07-24	15-01-26
State Bank (Mauritius) Limited	-	7.50	28-04-21	28-10-21	28-07-23
State Bank (Mauritius) Limited	-	10.00	30-12-21	30-06-22	30-03-24
State Bank (Mauritius) Limited	3.75	18.75	24-03-22	24-07-22	23-06-24
State Bank (Mauritius) Limited	3.12	9.38	30-05-22	28-11-22	28-08-24
State Bank (Mauritius) Limited	8.25	19.25	29-08-22	28-02-23	30-11-24
State Bank (Mauritius) Limited	28.50	-	31-05-23	30-11-23	31-08-25
State Bank (Mauritius) Limited	16.62	-	25-09-23	25-03-24	25-12-25
State Bank Of India	-	70.00	28-10-20	27-04-21	27-10-23
State Bank Of India	98.67	206.25	11-02-22	30-06-22	31-01-25
State Bank Of India	350.00	-	26-02-24	26-05-24	26-02-26
Suryoday Small Finance Bank Limited	-	7.20	26-10-21	05-12-21	05-11-23
Suryoday Small Finance Bank Limited	18.36	31.98	30-01-23	05-02-23	05-03-26
UCO Bank	16.26	33.16	07-02-22	30-06-22	31-03-25
Union Bank of India	-	6.67	26-02-21	26-05-21	26-02-24
Union Bank of India	16.14	32.73	24-03-22	24-09-22	31-03-25
Union Bank of India	25.17	40.00	23-01-23	30-06-23	31-12-25
Union Bank of India	44.45	-	14-12-23	31-03-24	31-03-26
Utkarsh Small Finance Bank	-	8.75	29-10-21	29-11-21	25-10-23
Utkarsh Small Finance Bank	5.75	17.25	30-09-22	25-10-22	25-09-24
Utkarsh Small Finance Bank	27.71	-	31-10-23	25-11-23	25-10-25
Woori Bank	-	13.22	24-12-21	31-01-21	30-11-23
Woori Bank	5.04	21.30	28-06-22	31-07-22	28-06-24
Woori Bank	18.79	39.29	08-03-23	31-03-23	28-02-25
Woori Bank	17.39	-	31-08-23	31-10-23	30-09-25
Woori Bank	32.52	-	04-03-24	31-03-24	31-01-26
YES Bank Limited	25.00	50.00	31-03-23	30-04-23	31-03-25
YES Bank Limited	52.50	-	21-12-23	21-01-24	21-12-25
YES Bank Limited	55.00	-	31-01-24	29-02-24	31-01-26
YES Bank Limited	150.00	-	05-03-24	05-04-24	05-03-26
Total	5,073.21	4,311.87			



HFL Samasta Finance Limited

CIN: U65191KA1995PLC057884

Registered Office: 110/3, Lalbagh Main Road, Krishnappa Layout, Bengaluru, Karnataka- 560027

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

(All amounts are stated in crores unless otherwise stated)

17.6 Loan from others

Particulars	March 31, 2024	March 31, 2023	Start date	Repayment date	Maturity date
Aditya Birla Finance Limited	-	13.00	30-03-2022	01-05-2022	01-04-2024
Aditya Birla Finance Limited	4.72	14.15	30-09-2022	01-11-2022	01-10-2024
Aditya Birla Finance Limited	11.95	21.00	27-03-2023	05-05-2023	05-04-2025
Bajaj Finance Limited	-	8.75	28-10-2021	02-12-2021	28-10-2023
Bajaj Finance Limited	35.42	-	24-07-2023	05-09-2023	24-07-2025
Hero Fin Corp Limited	22.18	46.21	22-12-2022	03-02-2023	03-01-2025
Hero Fin Corp Limited	14.22	25.00	30-03-2023	03-05-2023	03-04-2025
JM Financial Products Limited	-	170.92	26-09-2022	01-11-2022	25-03-2024
JM Financial Products Limited	43.75	141.91	10-03-2023	01-04-2023	01-09-2024
JM Financial Products Limited	115.14	-	26-07-2023	01-09-2023	25-01-2025
Kisetsu Saison Finance (India) Private Limited	25.00	50.00	15-03-2023	15-06-2023	15-03-2025
Kisetsu Saison Finance (India) Private Limited	43.75	-	28-11-2023	15-02-2024	15-11-2025
Kisetsu Saison Finance (India) Private Limited	18.00	-	30-01-2024	15-04-2024	15-01-2026
Mahindra & Mahindra Financial Services Limited	9.08	34.44	27-07-2022	27-08-2022	27-07-2024
Mahindra & Mahindra Financial Services Limited	11.33	36.54	17-08-2022	27-09-2022	27-08-2024
Maanaveeya Development & Finance Private Limited	-	16.66	26-03-2021	26-06-2021	26-03-2024
MAS Financial Services Ltd.	-	2.50	01-07-2021	23-07-2021	23-06-2023
MAS Financial Services Ltd.	-	5.63	31-12-2021	23-01-2022	25-12-2023
Micro Units Development & Refinance Agency Ltd (MUDRA)	99.95	150.00	31-01-2023	10-05-2023	10-01-2026
Micro Units Development & Refinance Agency Ltd (MUDRA)	150.00	-	12-03-2024	11-12-2026	11-12-2026
Nabkisan Finance Limited	-	6.63	01-03-2021	01-06-2021	01-03-2024
Nabkisan Finance Limited	8.33	16.66	25-02-2022	01-05-2022	01-02-2025
Nabkisan Finance Limited	23.57	55.00	13-01-2023	01-07-2023	01-01-2025
Nabkisan Finance Limited	25.00	-	10-01-2024	01-08-2024	01-02-2026
Nabsamrudhi Finance Limited	-	5.10	09-02-2021	31-03-2021	29-02-2024
Nabsamrudhi Finance Limited	17.23	29.00	09-03-2023	31-07-2023	31-03-2025
Northern Arc	-	26.37	21-03-2024	25-04-2022	25-03-2024
Northern Arc	-	26.55	25-03-2024	25-04-2022	25-03-2024
Northern Arc	26.40	50.00	15-03-2023	15-04-2023	15-03-2025
NABARD	15.00	45.00	31-10-2019	31-01-2020	31-01-2025
NABARD	24.00	66.00	18-02-2021	30-06-2021	31-03-2026
NABARD	-	18.00	17-12-2021	30-11-2022	30-06-2023
NABARD	84.00	136.00	29-03-2022	30-06-2022	31-12-2026
NABARD	126.00	200.00	20-02-2023	30-06-2023	31-12-2025
NABARD	283.50	-	07-09-2023	31-12-2023	30-06-2026
Hinduja Leyland Finance Limited	14.24	33.88	30-11-2022	30-12-2022	28-11-2024
Hinduja Leyland Finance Limited	24.20	48.11	28-02-2023	28-03-2023	28-02-2025
Hinduja Leyland Finance Limited	38.48	-	22-09-2023	22-10-2023	22-09-2025
Piramal Enterprises Ltd.	46.88	-	26-05-2023	05-07-2023	25-05-2025
Piramal Enterprises Ltd.	57.50	-	31-01-2024	05-03-2024	30-01-2026
SIDBI	-	30.00	31-03-2021	10-10-2021	10-03-2024
SIDBI	35.00	95.00	12-11-2021	10-05-2022	10-10-2024
SIDBI	226.58	386.66	30-09-2022	10-03-2023	10-08-2025
SIDBI	290.00	-	27-09-2023	10-03-2024	10-08-2026
SIDBI	50.00	-	26-03-2024	10-09-2024	10-02-2027
Sundaram Finance Ltd.	42.32	-	07-11-2023	03-12-2023	03-11-2025
Meta Capital Financial Services Limited	6.67	20.00	28-02-2023	10-04-2023	10-09-2024
	2,069.37	2,030.68			



IFL Sainsta Finance Limited

CIN: U65191KA1995PLC057884

Registered Office: 110/3, Lalbagh Main Road, Krishnappa Layout, Bengaluru, Karnataka- 560027

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

(All amounts are stated in crores unless otherwise stated)

Note 18. Unsecured/Subordinated Liabilities:

(a). Unsecured, Unsubordinated Non-Convertible Debentures

Particulars	As at March 31, 2024		As at March 31, 2023	
	At Amortised Cost	Total	At Amortised Cost	Total
Unsecured Non Convertible Debentures - Other than Sub Debt	107.50	107.50	140.00	140.00
Unamortised Debenture Issue Expenses	(19.81)	(19.81)	(0.99)	(0.99)
Interest Accrued on Debt Securities	0.41	0.41	0.82	0.82
Total (a)	88.10	88.10	139.83	139.83

(b) Unsecured Subordinated Non-Convertible Debentures

Particulars	As at March 31, 2024		As at March 31, 2023	
	At Amortised Cost	Total	At Amortised Cost	Total
Unsecured Non convertible debentures - Sub Debt	622.00	622.00	275.00	275.00
Less : Derivative Financial Liability	-	-	(4.32)	(4.32)
Less : Debenture Issue Expenses	(10.21)	(10.21)	(11.50)	(11.30)
Interest Accrued on Subordinated Liabilities	104.62	104.62	65.59	65.59
Total	716.41	716.41	324.77	324.77
Subordinated Liabilities in India	716.41	716.41	324.77	324.77
Subordinated Liabilities outside India	-	-	-	-
Total (b)	716.41	716.41	324.77	324.77
Total (a+b)	804.51	804.51	464.60	464.60

18.1 Unsecured Non convertible Debentures - Sub Debt includes debentures amounting to Rs. 11 Cr (P.V. Rs.11 Cr) in respect of which the company was having a call option which got matured in July '23.

18.2 The funds received through above borrowings have been utilised for the purpose, it is generated.



HFL Samasta Finance Limited
CIN: U65191KA1995PLC057884

Registered Office: 110/3, Lalbagh Main Road, Krishnappa Layout, Bengaluru, Karnataka- 560027
Notes forming part of Financial Statements for the year ended March 31, 2024
(All amounts are stated in crores unless otherwise stated)

18.4 Loan from Other Parties- Unsecured Subordinated Non Convertible Debentures

Particulars	March 31, 2024	March 31, 2023	Borrowing Date	Repayment start date	Maturity date
INE413U08036 - NCD*	21.85	21.85	20-07-2018	19-04-2024	19-04-2024
INE413U08036 - NCD*	67.15	67.15	20-07-2018	19-04-2024	19-04-2024
INE413U08028 - NCD*	11.00	11.00	20-07-2018	19-04-2024	18-04-2024
INE413U08044 - NCD	150.00	150.00	19-08-2022	19-07-2028	19-07-2028
INE413U08077 - NCD	25.00	25.00	02-02-2023	02-04-2029	02-04-2029
INE413U08093 - NCD	150.00	-	18-05-2023	18-05-2030	18-05-2030
INE413U08101 - NCD	100.00	-	13-06-2023	13-06-2030	13-06-2030
INE413U08127- NCD	97.00	-	07-03-2024	07-02-2030	07-02-2030
Total	622.00	275.00			

* Represents Market Linked Debenture invested by various Parties

18.4 Loan from Other Parties- Unsecured Unsubordinated Non- Convertible Debentures

Particulars	March 31, 2024	March 31, 2023	Borrowing Date	Repayment start date	Maturity date
INE413U08051-Northern Arc Money Market A	-	50.00	19-12-2022	19-09-2023	20-12-2023
INE413U08069-Northern Arc Capital Limited	37.50	50.00	19-12-2022	19-01-2024	19-12-2024
INE413U08085 - UNIFI-AIF	20.00	40.00	24-02-2023	24-05-2023	24-02-2025
INE413U08119	50.00	-	29-02-2024	28-02-2027	28-02-2027
Total	107.50	140.00			



HFL Samasta Finance Limited
CIN: U65191KA1995PLC057884

Registered Office: 110/3, Lalbagh Main Road, Krishnappa Layout, Bengaluru, Karnataka- 560027
 Notes forming part of Financial Statements for the year ended March 31, 2024
 (All amounts are stated in crores unless otherwise stated)

Note 19. Lease Liability

Particulars	As at March 31, 2024	As at March 31, 2023
Lease Liability	16.11	9.21
Total	16.11	9.21

Note 20. Other Financial Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Employee payables	24.00	18.27
Payable to assignee	236.03	194.60
Money held under trust	-	-
Payable / Refundable to Borrowers	10.85	19.93
Other Payables	0.59	-
Total	271.47	232.80

Note 21. Current tax liabilities (net)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Taxation	-	37.00
Advance Tax	-	(33.90)
TDS Receivables	-	(2.92)
Total	-	0.18

Note 22. Provisions:

Particulars	As at March 31, 2024	As at March 31, 2023
Leave encashment.	8.44	5.89
Gratuity.	12.68	7.40
Total	21.12	13.29

Note 23. Other Non Financial Liabilities:

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory Dues Payable	18.99	13.99
Income received in advance	2.60	-
Others	29.65	12.58
Total	51.24	26.57



Note 24. Equity Share Capital

Equity Share Capital:

(a) The Authorized, Issued, Subscribed and fully paid up share capital comprises of equity shares having a par value of ₹ 10/- as follows:

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount in ₹ Cr	No. of shares	Amount in ₹ Cr
Authorized Share Capital				
(a) Equity Shares of ₹ 10 each	68,80,00,000	998.00	68,80,00,000	598.00
(b) Preference Shares of ₹ 10 each	20,00,000	2.00	20,00,000	2.00
(One of 20,00,000 shares 1.45,000 are Redeemable Non Convertible Preference Shares of ₹ 10 each)				
Issued, Subscribed and Paid Up:				
Equity Shares of ₹ 10 each fully paid	66,84,37,152	668.44	55,36,43,037	593.64

(b) Reconciliation of the Equity Shares outstanding at the beginning and at the end of the reporting period.

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount in ₹	No. of shares	Amount in ₹
At the beginning of the year	59,16,43,037	593.64	49,82,23,190	498.22
Add: Issued during the year	7,47,94,315	74.79	9,54,19,847	95.42
Outstanding at the end of the year	66,64,37,352	668.44	59,36,43,037	593.64

(c) Terms/rights attached to equity shares

The Company has only one class of Equity shares having a face value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees in the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. However, no such preferential amount is also currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

(d) Details of Equity Shareholders holding more than 5% shares and details of shares held by the Holding Company:

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% of holding	No. of shares	% of holding
Equity shares of ₹ 10 each fully paid	66,55,10,372	99.56%	59,07,16,057	99.51%
IFPL Finance Limited	-	0.00%	-	0.00%
IFPL Home Finance Limited	-	-	-	-

(e) Details of Equity Shares held by promoters at the end of the year

Promoter Name	No. of shares at the beginning of the year	Changes during the year	No. of shares at the end of the year	As at March 31, 2024		% change during the year
				No. of shares	% of Total shares	
IFPL Finance Limited	59,07,16,057	7,47,94,315	66,55,10,372	99.5656		12.60%
Narayanaswamy Venkatesh	13,35,840	10,52,037	23,87,877	0.36%		78.82%
Shriprakash Devish	3,45,000	-	3,45,000	0.005%		0.00%

As at March 31, 2023

Promoter Name	No. of shares at the beginning of the year	Changes during the year	No. of shares at the end of the year	As at March 31, 2023		% change during the year
				No. of shares	% of Total shares	
IFPL Finance Limited	37,07,40,413	21,39,75,664	58,47,16,077	99.51%		59.33%
Narayanaswamy Venkatesh	13,35,840	-	13,35,840	0.22%		0.00%
Shriprakash Devish	3,45,000	-	3,45,000	0.005%		0.00%

(f) The Company's capital management is focused on create value for shareholders. The assessment of Capital level and requirements are assessed having regard to long-term strategies of the Company and regulatory capital requirements of the businesses and counterpart entities.

(g) Statement of changes in equity share capital

Particulars	Balance at the beginning of the reporting period		Changes in equity share capital during the year		Balance at the end of the reporting period	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
	593.64	498.22	74.79	95.42	668.44	593.64



HFL Samasta Finance Limited
CIN: U65101KA1995PLC957884
Registered Office: 110/3, Lalbagh Main Road, Krishnappa Layout, Bengaluru, Karnataka- 560027
Notes forming part of Financial Statements for the year ended March 31, 2024
(All amounts are stated in crores unless otherwise stated)

Note 25. Other Equity

Particulars	Attributable to the Owners					Non Controlling Interest	Total
	Securities Premium Reserve	Special Reserve Pursuant to Section 45 IC of Reserve Bank of India Act, 1934*	Capital Reserve	Retained Earnings	Stock Compensation Reserve	Re-measurement of Actuarial Gains and Losses	
Balance at the beginning of the 01-04-2023	358.85	82.47	0.25	289.28	-	(2.34)	728.51
Total Comprehensive Income for the year	-	-	-	903.04	-	(1.88)	501.16
Additions	125.21	100.23	-	(100.23)	3.11	-	128.32
Sub Total	484.06	182.70	0.25	692.09	3.11	(4.22)	1,357.99
Interim Dividend / Final Dividend	-	-	-	(16.71)	-	-	(16.71)
Balance at the end of the 31-03-2024	484.06	182.70	0.25	675.38	3.11	(4.22)	1,341.28

(Rs in Crores)

Particulars	Attributable to the Owners					Non Controlling Interest	Total
	Securities Premium Reserve	Special Reserve Pursuant to Section 45 IC of Reserve Bank of India Act, 1934*	Capital Reserve	Retained Earnings	Stock Compensation Reserve	Re-measurement of Actuarial Gains and Losses	
Balance at the beginning of the 01-04-2022	254.27	56.84	0.25	191.72	-	(2.02)	501.06
Total Comprehensive Income for the year	-	-	-	128.17	-	(0.32)	127.85
Additions	104.58	25.63	-	(25.63)	-	-	104.58
Sub Total	358.85	82.47	0.25	294.26	-	(2.34)	733.49
Final Dividend	-	-	-	(4.98)	-	-	(4.98)
Balance at the end of the 31-03-2023	358.85	82.47	0.25	289.28	-	(2.34)	728.51

*As per section 45-IC of the Reserve Bank of India Act, 1934, the company is required to create a reserve fund at a rate of 20% of the net profit after tax of the company every year. Considering the profit after tax for the year ended 31st March 2024, ₹ 100.23 Cr (P.Y. ₹ 25.63 Cr) being 30% of the profit after taxes for the year has been transferred from the Statement of Profit and Loss to Special Reserve. The Board of Directors had recommended an interim dividend of ₹ 0.25 per equity share amounting to Rs. 16.71 Cr for the financial year 2023-24 on 15th January, 2024 which has been duly paid to the shareholders.

Accompanying notes are an integral part of these financial statements
As per our attached report of even date.
For Brahmaya & Co.,
Chartered Accountants
Firm No. 0005155

G.Srinivas
Partner
M. No. 086761



Place: Bengaluru
Date: 24-04-2024

For and on behalf of the Board of Directors
of HFL Samasta Finance Limited

N. Venkatesh
Managing Director
DIN : 01018821

D. Shivaprakash
Whole-Time Director
DIN : 02216802

Anantha Kumar T
Chief Financial Officer

Manojanjan Bhat
Company Secretary

Place: Bengaluru
Date: 24-04-2024

Place: Bengaluru
Date: 24-04-2024



HFL Samasta Finance Limited
CIN: U65191KA1995PLC057884
 Registered Office: 110/3, Lalbagh Main Road, Krishnappa Layout, Bengaluru, Karnataka- 560027
 Notes forming part of Financial Statements for the year ended March 31, 2024
 (All amounts are stated in crores unless otherwise stated)

Note 26. Interest Income

Particulars	Year Ended March 31, 2024			Year Ended March 31, 2023		
	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at fair value through profit or loss	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at fair value through profit or loss
Interest on Loans	-	2,377.06	-	-	1,521.97	-
Interest on deposits with Banks	-	28.94	-	-	17.66	-
Total	-	2,406.00	-	-	1,539.63	-



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Note 27. Fee and Commission Income

Particulars	Year ended March 31 2024	Year ended March 31 2023
	On Financial Assets measured at Amortised Cost	On Financial Assets measured at Amortised Cost
Income from Referral Fee	31.02	21.76
Income from Business Correspondents	196.71	56.72
Commission Income	62.05	20.09
Documentation Charges	4.27	2.10
Total	294.05	100.67

Note 28. Net gain on derecognition of financial instruments under amortised cost category :

Particulars	Year ended March 31 2024	Year ended March 31 2023
Bad debts recovered	2.03	12.73
Amortisation of Interest only strip	31.02	93.20
Total	33.05	105.93



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Note 29. Other Income

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Profit on sale of investments	36.60	7.01
Miscellaneous Income	0.33	0.27
Total	36.93	7.28



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Note 30. Finance Cost

Particulars	Year Ended March 31, 2024		Year Ended March 31, 2023	
	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost
Interest on Debt Securities	-	48.13	-	50.71
Interest on subordinated liabilities	-	71.32	0.33	28.35
Interest on Borrowings	-	685.86	-	465.20
Discount on Commercial Paper	-	13.16	-	2.72
Interest Expense on Other borrowings	-	11.75	-	10.97
Amortisation of Processing Fees	-	45.07	-	25.99
Interest on Lease Liability	-	1.56	-	1.05
Documentation Charges.	-	0.16	-	0.21
Amortisation of Debenture Issue Expenses	-	1.65	-	0.70
Other Borrowing Cost	-	1.73	-	0.75
Total	-	880.39	0.33	586.65

Note 31. Net loss on derecognition of financial instruments under amortised cost category

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Bad Debts Written off	388.73	450.91
Total	388.73	450.91

Note 32. Impairment On Financial Instruments:-

Particulars	Year Ended March 31, 2024		Year Ended March 31, 2023	
	On Financial instruments measured at fair value through OCI	On Financial instruments measured at Amortised Cost	On Financial instruments measured at fair value through OCI	On Financial instruments measured at Amortised Cost
Loans - Expected Credit Loss	-	29.25	-	4.37
Total	-	29.25	-	4.37



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(All amounts are stated in crores unless otherwise stated)

Note 33. Employee Benefit Expenses

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Salaries and bonus	512.36	345.37
Contribution to provident and other funds	39.97	28.41
Leave Encashment	7.89	6.10
Gratuity	3.10	2.23
Share Based Payments to employees	3.11	-
Staff Welfare Expenses	24.78	11.76
Total	591.21	393.87

Note 34. Other Expenses

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Rent Expenses	30.83	21.57
Rates and Taxes	2.23	1.00
Marketing Expense	1.16	0.12
Bank Charges	24.23	17.53
Repairs and maintenance	3.83	2.02
Electricity	3.92	2.51
Communication Costs	5.64	5.38
Printing and stationery	8.68	8.81
Postage and courier	2.76	2.38
Advertisement and publicity	0.04	0.02
Payment to Auditors		
(i) As Auditors	0.18	0.17
(ii) For taxation matters	-	-
(iii) For company law matters	-	-
(iii) For Certification Works	0.02	0.01
(iv) Out of pocket expenses	0.02	0.03
Legal and Professional charges	20.35	14.67
Software Charges/ Technology Cost	26.84	16.49
Travelling and conveyance	52.45	40.09
Miscellaneous Expenses	20.70	12.83
Total	203.88	145.63



33.1 Gratuity Abridged Disclosure Statement as per Indian Accounting Standard - 19 "Employee Benefits" for the period 01/04/2023 - 31/03/2024

Details of defined benefit plan of gratuity are given below:

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
i) Changes in the Present Value of Obligation (PVO)		
PVO as at the beginning of the period	8.90	6.67
Interest Cost	0.65	0.38
Current service cost:	2.56	1.96
Past service cost - (non vested benefits)	-	-
Past service cost - (vested benefits)	-	-
Liability Transferred In/ Acquisitions	-	-
Benefits paid	(1.46)	(0.47)
The Effect Of Changes in Foreign Exchange Rates	-	-
Actuarial loss/(gain) on obligation -Due to Change in Demographic Assumptions	-	-
Actuarial (Gain)/Losses on Obligations - Due to Change in Financial Assumptions	0.14	(1.37)
Actuarial (Gain)/Losses on Obligations - Due to Experience	2.26	1.73
PVO as at the end of the year	13.04	8.90

ii) Changes in the Fair Value of Plan Assets

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
Fair value of plan assets as at the beginning of the period		
Interest Income	1.50	1.92
Contributions by the Employer	0.11	0.11
Benefits paid from the Fund	0.33	-
Return on Plan Assets, Excluding Interest Income	(1.46)	(0.47)
Fair value of plan assets as at the end of the period	(0.11)	(0.07)
1.50	1.50	
iii) Amount recognized in the Balance Sheet and Related Analysis		
Present Value of Benefit Obligation at the end of the Period	(13.04)	(8.90)
Fair Value of Plan Assets at the end of the Period	0.37	1.50
Financial Status - Deficit	(12.68)	(7.40)
Net Liability recognized in the balance sheet	(12.68)	(7.40)
iv) Net Interest Cost for Current Period		
Present Value of Benefit Obligation at the Beginning of the Period	8.90	6.67
Fair Value of Plan Assets at the Beginning of the Period	(1.50)	(1.92)
Net Liability at the Beginning	7.40	4.75
Interest Cost	0.65	0.38
Interest Income	(0.11)	(0.11)
Net Interest Cost for the Period	0.54	0.27
v) Expenses recognized in the Statement of Profit or Loss for Current Period		
Current service cost	2.56	1.96
Net Interest Cost	0.54	0.27
Past Service Cost	-	-
Expected Contributions by the Employees	-	-
(Gain)/Losses on Curtailments And Settlements	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
Expenses recognized in the statement of profit and loss	3.10	2.23
vi) Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period		
Actuarial (Gain)/Losses on Obligation For the Period	2.40	0.36
Return on Plan Assets, Excluding Interest Income	0.11	0.07
Change in Asset Ceiling	-	-
Net Expense For the Period Recognized in OCI	2.51	0.43



vii) Principal Actuarial Assumptions (Expressed as weighted averages)		
Discount Rate	7.16%	7.29%
Salary escalation rate	8.00%	8.00%
	For service 4 years and below: 35%p.a	For service 4 years and below: 35%p.a
	For service 5 years and above: 10% p.a	For service 5 years and above: 10% p.a
Attrition rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Mortality Rate		
Expected rate of return on Plan Assets	7.16%	7.29%

Sensitivity Analysis

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Projected Benefit Obligation on Current Assumptions	13.04	8.90
Delta Effect of +1% Change in Rate of Discounting	(1.03)	(0.70)
Delta Effect of -1% Change in Rate of Discounting	1.12	0.77
Delta Effect of +1% Change in Rate of Salary Increase	1.22	0.81
Delta Effect of -1% Change in Rate of Salary Increase	(1.07)	(0.72)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.19)	(0.12)
Delta Effect of -1% Change in Rate of Employee Turnover	0.20	0.12

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the Defined Benefit Obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

unit credit method at the end of the reporting period, which is the same method as applied in calculating the Defined Benefit Obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Notes

Gratuity is payable as per company's scheme as detailed in the report.

Actuarial gains/losses are recognized in the period of occurrence under Other Comprehensive Income (OCI). All above reported figures of OCI are gross of taxation.

Salary escalation & attrition rate are considered as advised by the entity; they appear to be in line with the industry practice considering promotion and demand & supply of the employees.

Maturity Analysis of Benefit Payments is undiscounted cashflows considering future salary, attrition & death in respective year for members as mentioned above.

Average Expected Future Service represents Estimated Term of Post - Employment Benefit Obligation.

33.2 Leave Encashment

Particulars	FY 23-24	FY 22-23
Projected Benefit obligation	8.44	5.89
Expense recognised in the Statement of P&L	7.89	6.10
Discount rate	7.16%	7.29%
Salary Escalation rate	8.00%	8.00%
	For service 4 years and below: 35%p.a	For service 4 years and below: 35%p.a
	For service 5 years and above: 10% p.a	For service 5 years and above: 10% p.a
Attrition rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Mortality rate During the Employment		

33.3 Defined Contribution Plans:

The Company has recognised the following amounts as an expense and included in the Employee Benefit Expenses.

Particulars	FY 23-24	FY 22-23
Contribution to Provident fund	31.59	22.60
Contribution to ESIC	8.27	8.06
Contribution to Labour Welfare Fund	0.10	0.11
	39.97	28.41



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Note 35. Income taxes

Amounts recognised in profit or loss

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Current tax expense		
Current year	148.40	13.77
Changes in estimates related to prior years	(0.06)	(1.63)
Deferred tax expense		
Origination and reversal of temporary differences	5.76	18.19

Amounts recognised in OCI

Particulars	Year Ended March 31, 2024			Year Ended March 31, 2023		
	Before tax	Tax expense	Net of tax	Before tax	Tax expense	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of defined benefit liability (asset)	(2.51)	0.63	(1.88)	(0.42)	0.11	(0.32)

Reconciliation of Effective Tax Rate:

Particulars	Year Ended March 31, 2024 (Rate)	Year Ended March 31, 2024 (Amount)	Year Ended March 31, 2024	Year Ended March 31, 2023 (Rate)	Year Ended March 31, 2023 (Amount)	Year Ended March 31, 2023
Profit before tax			657.14			158.51
Tax using the Bank's domestic tax rate	25.17%		165.39	25.17%		39.89
Tax effect of:						
Non-deductible		3.04	0.76		2.40	0.61
Tax-exempt income		-	-		-	-
Changes in the Estimates Taxes to previous year		-	(0.06)		-	(1.63)
Interest for deferment of advance tax		-	-		-	-
Deductible Income		(47.86)	(12.04)		(35.71)	(8.98)
Changes in the Deferred Tax Assets/ Liabilities		0.20	0.05		1.80	0.45
Total income tax expense			154.10			30.34



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Note 36. Capital, Other Commitments and Contingent Liabilities at Balance Sheet date:

Particulars	Year Ended March 31,2024	Year Ended March 31,2023
Contingent Liabilities and Commitments(to the extent not provided for)		
Claims against the company not acknowledged as debt*	0.85	-
Guarantee excluding finance guarantee	-	-
Other money for which a company is contingently liable	-	-
Total	0.85	-
Commitments:		
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
Other Commitments	-	-
Total	-	-

*Income Tax Demand

- 36.1 The Company has not been declared as wilful defaulter by any bank or financial institution or other lender. As per the information available with us, the Company is not having any relationship with struck off Companies during the year.
- 36.2 During the year, the Company has not entered into any merger/amalgamations. Accordingly, Compliance with approved mergers is not applicable for the Company.
- 36.3 The Company does not have any undisclosed income that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961
- 36.4
- 36.5 During the year, the Company has not invested / traded in crypto currency or in virtual currency.



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Note 37. Earnings Per Share:

Basic and Diluted Earnings Per Share ["EPS"] computed in accordance with Indian Accounting Standard - 33 "Earnings per share".

Particulars		Year Ended March 31, 2024	Year Ended March 31, 2023
Face value of equity shares in ₹ fully paid up		668.44	593.64
BASIC			
Profit after tax as per Statement of Profit and Loss (Total operations)	A	503.04	128.18
Profit after tax (after minority) as per Statement of Profit and Loss from Continuing Operations	B	503.04	128.18
Weighted Average Number of Equity Shares Outstanding	C	62,18,44,172	51,18,17,250
Basic EPS (In ₹) (i) Total operations	A/C	8.09	2.50
(ii) Continuing operations	B/C	8.09	2.50
DILUTED			
Weighted Average Number of Equity Shares for computation of basic EPS		62,18,44,172	51,18,17,250
Add: Potential Equity Shares on Account conversion of Employees Stock Options.		1,37,52,747	-
Weighted Average Number of Equity shares for computation of diluted EPS	D	63,55,96,919	51,18,17,250
Diluted EPS (In ₹) (i) Total operations	A/D	7.95	2.50
(ii) Continuing operations	B/D	7.95	2.50



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Note 38. Related Party Disclosures as per Indian Accounting Standard – 24 “Related Party Disclosure” for the year ended March 31, 2024

(a) Name of the related parties with whom transactions have been entered during the year and description of relationship:

Nature of Relationship	Name of the Related Party
Holding Company	IIFL Finance Limited
Subsidiary Company	-
Group company	IIFL Home Finance Limited
Others	360 One Wam Limited (Erstwhile IIFL Wealth Management Limited)
	IIFL Wealth Prime Limited (Erstwhile IIFL Wealth Finance Limited)
	IIFL Securities Limited
Key Management Personnel	IIFL Management Services Limited
	Mr. N. Venkatesh, Managing Director
	Mr. D. Shivaprakash, Whole-time Director
	Mr. Anantha Kumar T, Chief Financial Officer
Non Executive Director	Mr. Manoranjan Biswal, Company Secretary and Chief Compliance Officer
	Mr. Venkataraman Rajamani, Non Executive Director (Additional Director)
Independent Directors	*Mr. A. Vikraman, Independent Director
	*Mr. A. Ramanathan, Independent Director
	*Mr. Badrinarayan Seshadri, Independent Director
	Ms. Malini B Eden, Women Director
	Mr. Govinda Rajulu Chintala, Independent Director (Additional Director)
	Mr. Kalengada Mandanna Naveesh, Independent Director (Additional Director)
	*Please note: Mr. Badrinarayanan Seshadri, Mr. Vikraman Anpalakatt and Mr. Ramanathan Annamalai retired from the Board of Directors of IIFL Samasta Finance Limited due to the completion of tenures as an Independent Directors with effect from 31.03.2024.

(b) Disclosure of Transactions and Outstanding Balances with Related Parties

Nature of Transaction	FY 23-24	FY 22-23
Service Fee on Business Correspondence- Income		
IIFL Finance Limited	196.71	56.72
Interest Expense		
IIFL Finance Limited	6.24	1.03
IIFL Home Finance Limited	5.51	9.94
360 One Wam Limited (Erstwhile IIFL Wealth Management Limited)	1.50	8.84
IIFL Wealth Prime Limited (Erstwhile IIFL Wealth Finance Limited)	-	4.37
Interest Income		
IIFL Finance Limited	7.26	-
IIFL Securities Limited	0.00	-
Dividend Paid		
IIFL Finance Limited	16.64	3.71
IIFL Home Finance Limited	-	1.25
Narayanaswamy Venkatesh	0.06	0.01
Shivaprakash Deviah	0.01	0.00
Venkatkrishnanna Appannaide Narayanaswamy	0.00	0.01
Anitha Shivaprakash	0.00	0.00
Prema Narayanaswamy	0.00	-
Vidhya Anand	0.00	-
Arranger Fee Expenses		
IIFL Management Services Limited	-	0.50
Brokerage Expense/Other Expense		
IIFL Securities Limited	4.27	-
360 One Wam Limited (Erstwhile IIFL Wealth Management Limited)	-	0.09
Reimbursement of Expenses		
IIFL Finance Limited	-	0.03
Cash Credit Facility Received		
Inter Corporate Deposit Received from IIFL Finance Limited	300.00	100.00
Inter Corporate Deposit Repaid to IIFL Finance Limited	300.00	100.00
Inter Corporate Deposit Received from IIFL Home Finance Limited	400.00	775.00
Inter Corporate Deposit Repaid to IIFL Home Finance Limited	400.00	775.00
Cash Credit Facility Given		
Inter Corporate Deposit Given to IIFL Finance Limited	1,100.00	-
Inter Corporate Deposit Repaid by IIFL Finance Limited	1,100.00	-



Share Capital and Securities Premium		
Equity Share Capital Received		
IIFL Finance Limited	74.79	95.42
Securities Premium		
IIFL Finance Limited	125.21	104.58
Remuneration to Key Managerial Personnel		
Sitting Fees paid	0.26	0.16
Short term Employee benefit	4.99	4.07
Others	0.33	-
Outstanding Balance		
Sundry Receivable - IIFL Finance Limited (after TDS deduction)	23.25	7.18
Sundry Receivable - IIFL Securities Limited (after TDS deduction)	0.00	-
Market Linked Debentures	-	-
IIFL Wealth Prime Limited (Firstwhile IIFL Wealth Finance Limited)	-	11.97
360 One Wam Limited (Firstwhile IIFL Wealth Management Limited)	3.54	24.20

* Rs. 0.00 Cts represents amount less than Rs. 50,000.

Disclosures of Transactions Pursuant to Regulation 34(3) of SEBI (LODR) Regulations, 2015:

Name of the Entity	As at March 31, 2024	
	Outstanding Amount	Maximum Amount outstanding during the year
IIFL Finance Limited	-	600.00
IIFL Home Finance Limited	-	250.00
360 One Wam Limited (Firstwhile IIFL Wealth Management Limited)	3.54	3.54
Name of the Entity	As at March 31, 2023	
	Outstanding Amount	Maximum Amount outstanding during the year
IIFL Finance Limited	-	100.00
IIFL Home Finance Limited	-	350.00
IIFL Wealth Prime Limited (Firstwhile IIFL Wealth Finance Limited)	11.97	11.97
360 One Wam Limited (Firstwhile IIFL Wealth Management Limited)	24.20	24.20



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Note 39. Maturity Analysis of assets and liabilities as at March 31, 2024

Particulars	March 31, 2024	Current	Non Current
ASSETS			
1 Financial Assets			
(a) Cash and cash equivalents	822.45	822.45	-
(b) Bank Balances other than (a) above	450.97	264.88	186.09
(c) Derivative financial instruments	-	-	-
(d) Receivables			-
Trade Receivables	40.95	40.95	-
(e) Loans	9,411.37	5,893.99	3,817.38
(f) Investments	370.54	199.94	170.60
(g) Other Financial assets	186.91	154.08	32.83
			-
2 Non-financial Assets			-
(a) Other non-financial assets	11.46	9.54	1.92
(b) Current tax assets (Net)	22.57	22.57	-
(c) Deferred tax Assets (Net)	39.91	-	39.91
(d) Investment Property	0.05	-	0.05
(e) Property, Plant and Equipment	28.47	-	28.47
(f) Right to Use	14.61	-	14.61
(g) Capital work-in-progress	-	-	-
(h) Other Intangible assets	-	-	-
Total Assets	11,400.26	7,108.40	4,291.86
LIABILITIES AND EQUITY			
LIABILITIES			
1 Financial Liabilities			
(a) Derivative financial instruments	-	-	-
(b) Payables			-
(i) Trade Payables			-
(i) total outstanding dues of micro enterprises	-	-	-
(ii) total outstanding dues of creditors other than	25.91	25.91	-
(c) Debt Securities	1,076.84	422.89	653.95
(d) Borrowings (Other than Debt Securities)	7,123.34	4,620.99	2,502.35
(e) Unsecured/ Subordinated Liabilities	804.91	256.97	547.55
(f) Lease Liability	16.11	4.00	12.11
(g) Other financial liabilities	271.47	271.47	-
			-
2 Non-Financial Liabilities			-
(a) Current tax liabilities (Net)	-	-	-
(b) Provisions	21.12	12.67	8.45
(c) Other non-financial liabilities	51.24	51.24	-
			-
3 Equity			-
(a) Equity Share Capital	668.44	-	668.44
(b) Other Equity	1,341.28	-	1,341.28
Total Liabilities and Equity	11,400.26	5,666.14	5,734.12



Maturity Analysis of assets and liabilities as at March 31,2023

Particulars	March 31, 2023	Current	Non Current
ASSETS			
1 Financial Assets			
(a) Cash and cash equivalents	227.11	226.82	0.29
(b) Bank Balance other than (a) above	382.39	201.74	180.65
(c) Derivative financial instruments	9.22	9.22	-
(d) Receivables			-
Trade Receivables	17.98	17.98	-
(e) Loans	7,736.08	4,439.50	3,296.58
(f) Investments	160.42	-	160.42
(g) Other Financial assets	289.48	272.10	17.38
2 Non-financial Assets			
(a) Other non-financial assets	5.70	5.66	0.04
(b) Current tax assets (Net)	2.12	2.12	-
(c) Deferred tax Assets (Net)	45.04	-	45.04
(d) Investment Property	0.05	-	0.05
(e) Property, Plant and Equipment	20.36	-	20.36
(f) Right to Use	8.15	-	8.15
(g) Capital work-in-progress	-	-	-
(h) Other Intangible assets	-	-	-
Total Assets	8,904.10	5,175.14	3,728.96
LIABILITIES AND EQUITY			
LIABILITIES			
1 Financial Liabilities			
(a) Derivative financial instruments	9.22	9.22	-
(b) Payables			
(I) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	20.38	20.38	-
(c) Debt Securities	477.00	318.01	158.99
(d) Borrowings (Other than Debt Securities)	6,328.70	3,769.17	2,559.53
(e) Unsecured/ Subordinated Liabilities	464.60	91.00	373.60
(f) Lease Liability	9.21	1.90	7.31
(g) Other financial liabilities	232.80	232.80	-
2 Non-Financial Liabilities			
(a) Current tax liabilities (Net)	0.18	0.18	-
(b) Provisions	13.29	10.20	3.09
(c) Other non-financial liabilities	26.57	26.57	-
3 Equity			
(a) Equity Share capital	593.64	-	593.64
(b) Other Equity	728.51	-	728.50
Total Liabilities and Equity	8,904.10	4,479.44	4,424.66



Note 48. Financial Risk Management

a) Credit Risk

Credit Risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. The company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The exposure is continuously monitored.

Trade Receivables and Other financial assets

Credit risk with respect to trade receivables and other financial assets are extremely low. Trade receivables are primarily from other services provided, historically company has not suffered any defaults. Based on the credit assessment the historical trend of low default is expected to continue. No provision for expected credit loss has been Trade Receivables and Other financial assets.

Loans

The following table sets out information about credit quality of loan assets measured at amortised cost based on Number of Days past due information. The amount represents gross carrying amount.

Particulars	As at March 31, 2024	As at March 31, 2023
Gross Carrying value of loan Assets		
Stage-1 (Less than 30 Days)	9,444.81	7,593.73
Stage-2 (30-90 Days)	78.68	215.45
Stage-3 (More than 90 Days)	185.21	169.35
Total Gross Carrying value on Reporting Date	9,708.70	7,978.53

Credit Quality

Financial services business has a comprehensive framework for monitoring credit quality of its retail and other loans based on days past due monitoring. Repayment by individual customers and portfolio is tracked regularly and required steps for recovery is taken through follow ups and legal recourse.

Inputs considered in the ECL model

In assessing the impairment of loan assets under Expected Credit Loss (ECL) Model, the loan assets have been segmented into three stages.

The three stages reflect the general pattern of credit deterioration of a financial instrument. The differences in accounting between stages relate to the recognition of expected credit losses and the calculation and presentation of interest revenue.

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

- i) Stage 1: up to 30 Days Past Due
- ii) Stage 2: 31-90 Days Past Due
- iii) Stage 3: More than 90 Days Past Due

Definition of Default

The default definition used is consistent with the one used for regulatory purposes and is defined as 90 days past due (DPD) for any facility or tagging the facility as "impaired" for internal credit management purposes.

Estimation Technique

Exposure at default (EAD) is the maximum exposure as on the date of provision, which includes both principal outstanding and interest. Interest is the total of interest outstanding and interest accrued but not due. Interest is not considered for stage 3 portfolio.

Loss given default (LGD) estimates the normalized loss which company incurs post customer default. It is computed through recovery observed in delinquent accounts over a period of time. It is always expressed as % of outstanding amount and not in count. LGD is common for all three Effective Interest rate (EIR) is the rate that discounts estimated future cash flows through the expected life of financial instrument.

Probability of default (PD) is the likelihood that customer will default on loan in time horizon. 12-month flow-rate model has been used to calculate historical Probability of Default rates. Macroeconomic factors have been used to derive forward looking default rates.

Assessment of significant increase in credit risk

When determining whether the risk of default has increased significantly since initial recognition, the financial services business considers both quantitative and qualitative information and analysis based on the business historical experience, including forward-looking information. The financial services business considers reasonable and supportable information that is relevant and available without undue cost and effort.

The financial services business uses the number of days past due to classify a financial instrument in low credit risk category and to determine significant increase in credit risk in retail. As a backup, the financial services business considers that a significant increase in credit risk occurs no later than when an asset is more than 30 days past due.

At initial recognition, allowance is required for expected credit losses ("ECL") resulting from default events that are possible within the next 12 months ("12 month ECL"). In the event of a significant increase in credit risk, allowance (or provision) is required for ECL resulting from all possible default events over the expected life of the financial instrument ("lifetime ECL").



Impairment loss

The expected credit loss allowance provision is determined as follows:

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross balance as at 31-03-2024	9,444.81	78.68	185.21	9,708.70
Expected Credit Loss	116.49	17.11	152.84	286.44
Expected Credit Loss Rate	1.23%	21.75%	82.52%	2.95%
Net of Impairment Provision	9,328.32	61.57	32.37	9,422.26

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross Balance as at 31-03-2023	7,793.73	235.45	169.35	7,998.53
Expected Credit Loss	141.57	10.61	105.04	257.22
Expected Credit Loss Rate	1.80%	4.51%	62.03%	3.22%
Net of Impairment Provision	7,652.16	224.84	64.31	7,741.31

The following tables show reconciliations from the opening to the closing balance of the loss allowance by class of financial instrument.

Reconciliation of loss allowance	Financial Assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Others
Opening ECL 01-04-2023	139.58	1.90	9.78	0.83	185.84	-	254.40	2.82
Incremental loans disbursed in FY 23-24	92.27	0.69	7.45	0.35	43.25	-	142.97	1.04
Loans closed/written off during the year	(34.80)	(0.49)	(8.93)	(0.80)	(99.13)	-	(142.86)	(1.29)
Stage same in both years- change in provisioning	(75.62)	(1.25)	0.12	0.00	0.89	-	(74.59)	(1.25)
Movement of stages due to asset reclassification	(5.80)	(0.08)	7.94	0.37	102.77	-	104.91	0.29
Closing ECL 31-03-2024	115.63	0.86	16.36	0.75	152.84	-	284.83	1.61

Reconciliation of loss allowance	Financial Assets where loss allowance measured at 12 month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Others
Opening ECL 01-04-2022	108.19	0.67	15.28	0.55	130.13	-	253.60	1.32
Incremental loans disbursed in FY 23-23	124.99	1.74	6.46	0.57	47.93	-	179.98	2.31
Loans closed/written off during the year	(43.66)	(0.27)	(13.79)	(0.49)	(113.26)	-	(170.71)	(0.76)
Stage same in both years- change in provisioning	(44.39)	(0.13)	(0.29)	(0.01)	(1.93)	-	(46.61)	(0.14)
Movement of stages due to asset reclassification	(5.15)	(0.02)	2.12	0.21	42.17	-	39.14	0.19
Closing ECL 31-03-2023	139.58	1.99	9.78	0.83	105.04	-	254.60	2.82

The following tables show reconciliations from the opening to the closing balance of the exposure at default (EAD) (Principal & Interest) by class of financial instrument.

Reconciliation of Exposure at default	Financial Assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Others
Opening EAD 01-04-2023	7,593.73	52.88	235.45	11.10	169.35	-	7,998.53	63.98
Incremental loans disbursed in FY 23-24	7,537.58	56.55	36.07	1.66	52.41	-	7,626.06	58.21
Loans closed/written off during the year	(1,893.35)	(13.00)	(214.50)	(10.22)	(159.76)	-	(2,267.67)	(23.22)
Stage same in both years- change in provisioning	(3,478.50)	(24.36)	(1.54)	(0.06)	(1.03)	-	(3,481.07)	(34.42)
Movement of stages due to asset reclassification	(314.65)	(2.15)	23.26	1.12	124.24	-	(167.15)	(1.03)
Closing EAD 31-03-2024	9,444.81	69.92	78.68	3.60	185.21	-	9,708.70	73.52



Reconciliation of Exposure at default	Financial Assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Others
Opening EAD 01-04-2022	5,230.66	35.63	364.63	13.14	177.44	-	5,772.73	68.77
Incremental loans disbursed in FY 20-23	6,777.92	46.18	155.45	7.62	77.30	-	7,010.67	53.80
Loans closed/written off during the year	(2,131.38)	(14.26)	(329.11)	(12.09)	(154.45)	-	(2,595.34)	(26.35)
Stage-wise in both years - change in provisioning	(2,054.96)	(13.72)	(6.78)	(0.30)	(0.73)	-	(2,062.46)	(14.02)
Movement of stages due to asset reclassification	(548.11)	(0.95)	51.26	2.73	69.78	-	(127.07)	1.78
Closing EAD 31-03-2023	7,593.73	52.88	235.45	11.10	169.35	-	7,998.53	63.98

b) Liquidity risk

(i) Financing arrangements

The company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Flotting rate		
Expiring within one year	1,206.50	334.00
Expiring beyond one year	-	-
Total	1,206.50	334.00

(ii) Maturities of financial liabilities

The tables below analyse the company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- all non-derivative financial liabilities, and
- net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities - 31-03-2024	Less than 3 months	3 to 6 months	6 months to 1 year	Between 1 and 5 years	More than 5 years
Non-derivatives					
Borrowings	1,851.61	1,344.59	2,124.64	3,335.87	367.98
- Term Loans - Banks	947.31	928.96	1,538.81	1,643.91	-
- Term Loans - Others	307.25	344.69	559.57	858.45	-
- Commercial Paper	181.99	50.00	-	-	-
- NCD-Secured	184.87	-	6.03	653.95	-
- NCD-Unsecured	210.19	26.54	20.23	179.56	367.98
- Cash Credit/Overdraft	-	-	-	-	-
- Securitization	-	-	-	-	-
Trade payables	25.91	-	-	-	-
Other financial liabilities	271.67	-	-	-	-
Lease Liability	0.97	1.00	2.03	11.68	0.43
Total non-derivative liabilities	2,129.96	1,345.58	2,126.67	3,347.55	368.41
Derivative liabilities	-	-	-	-	-
Embedded Derivative	-	-	-	-	-
Total derivative liabilities	-	-	-	-	-



Contractual maturities of financial liabilities - 31-03-2023	Less than 3 months	3 to 6 months	6 months to 1 year	Between 1 and 5 years	More than 5 years
Non-derivatives					
Borrowings	1,104.24	1,154.02	1,905.64	2,857.45	175.00
- Term Loans - Banks	665.32	713.68	1,257.14	1,675.92	-
- Term Loans - Others	239.12	292.84	588.50	890.23	-
- Commercial Paper	-	-	-	-	-
- NCD Secured	175.00	139.00	-	133.80	-
- NCD Unsecured	5.00	17.50	60.00	157.50	175.00
- Cash Credit/Overdraft	-	-	-	-	-
- Securitization	-	-	-	-	-
Trade payables	20.38	-	-	-	-
Other financial liabilities	214.53	18.27	-	-	-
Lease Liability	0.46	0.47	0.96	7.31	-
Total non-derivative liabilities	1,339.61	1,172.76	1,906.60	2,864.76	175.00
Derivative liabilities					
Embedded Derivative	-	-	9.22	-	-
Total derivative liabilities	-	-	9.22	-	-



HF1, Samasta Finance Limited
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Note 40. Financial Risk Management

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity, and other market changes. The Company is exposed to two types of market risk as follows:

c) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	31-03-2024	31-03-2023
Variable rate borrowings	5,472.44	4,852.98
Fixed Rate of Borrowings	3,430.46	2,343.37
Total	8,902.90	7,196.35

As at the end of the reporting period, the Company had the following variable rate borrowings outstanding:

Particulars	31-03-2024			31-03-2023		
	Weighted Average Interest Rate	Balance	% of total loans	Weighted Average Interest Rate	Balance	% of total loans
Bank Loans	10.38%	5,472.44	61.47%	10.38%	4,852.98	67.44%

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. Other components of equity change as a result of an increase/decrease in the fair value of the cash flow hedges related to borrowings.

Particulars	Impact on profit after tax		Impact on other components of equity	
	31-03-2024	31-03-2023	31-03-2024	31-03-2023
Interest rates – increase by 30 basis points	12.57	11.77	Nil	Nil
Interest rates – decrease by 30 basis points	(12.57)	(11.77)	Nil	Nil

d) Price Risk Exposure

The Company's exposure to assets having price risk is as under

Particulars	Equity Shares (Other than Subsidiary)	Mutual Funds
Market Value as on 31.03.2024	0.05	-
Market Value as on 31.03.2023	0.05	-

To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

Sensitivity

The table below summarises the impact of increases/decreases of the index on the Company's equity and profit for the period. The analysis is based on the assumption that the equity index had increased by 5% or decreased by 5% with all other variables held constant, and that all the Company's equity instruments moved in line with the index.

Particulars	Impact on profit after tax		Impact on other components of equity	
	31-03-2024	31-03-2023	31-03-2024	31-03-2023
Increase by 5%	0.00	0.00	Nil	Nil
Decrease by 5%	(0.00)	(0.00)	Nil	Nil

e) Foreign Currency Risk Exposure

The Company is not exposed to foreign currency fluctuation risk for its External Commercial Borrowings (ECB).



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Note 41. Corporate Social Responsibility

During the year, the Company incurred an aggregate amount of ₹ 2.67 Cr (P.Y. ₹ 2.29 Cr) towards corporate social responsibility in compliance of Section 135 of Companies Act 2013 read with relevant schedule and rules made thereunder. The details of CSR Spend are given below:

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
(a) Gross amount required to be spent by the company during the Year	1.38	1.88
(b) Excess/(Shortfall) amount spent in previous financial year carried forward	(0.85)	(1.27)
(c) Net amount required to be spent during the year (a-b)	2.23	3.14
(d) Amount spent during the year**		
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than (i) above	2.67	2.29
(e) Excess/(Shortfall) at the end of the year (d-c)	0.44	(0.85)
(f) Total of previous year shortfall		
(g) Reason for shortfall	NA	
(h) Nature of CSR activities,	All the CSR activities of IIFL Samasta Finance are aligned towards improving the quality of life of the community. However, Our CSR activities focuses on Livestock Development, Women empowerment, education, health and skill development .	
(i) Details of related party transactions	-	-
(j) Provision made during the year	-	-

Details of Ongoing Project

Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
Within Company	In Separate CSR Unspent a/c		From Company's Bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent a/c
-	0.85	1.38	1.82	0.85	(0.44)	0.00



Details of Unspent amount

(Rs in Crores)

Opening Balance	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
0.85	0.85	1.38	2.67	-

Note 42. Additional Information

a) Asset Classification & Provisioning:

As per MCA press release no 11/10/2009 CL - V dated 18th Jan 2016, the company adopted Ind AS notified under Sec 133 of CA 2013, from 01st April 2018. Pursuant to which the company has made provision for loss as per ECL under Ind As 109, Financial Instruments. Consequently the provision for loss is not on the basis of the Prudential Norms of the Reserve Bank of India.

b) Disclosure Pursuant to Reserve Bank of India Notification DNBS.200/CGM (PK)-2008 dated 1st August 2008

i) Capital to risk Assets ratio (CRAR) (computed as per the method prescribed by RBI)

Particulars	As on 31.03.2024	As on 31.03.2023
	₹	₹
Tier I Capital	1,715.94	1,097.86
Tier II Capital	613.39	296.73
Total Capital Funds	2,329.33	1,394.59
Total Risk Weighted Assets	9,710.95	8,138.62
CRAR - Tier I Capital (%)	17.67%	13.49%
CRAR - Tier II Capital (%)	6.32%	3.65%
CRAR (%)	23.99%	17.14%

ii) Exposure to Real Estate Sector (Direct & Indirect Exposure) – Nil (PY: Nil)

iii) Amount of Subordinated Debt raised as Tier II Capital – Rs.347 Cr (PY: Rs.175 Cr)

iv) Exposure to Capital Markets – Nil



v) Details of Single Borrower Limit (SGL)/Group Borrower Limit (GBL) exceeded by the NBFC
 During the year ended March 31, 2024 and previous year ended March 31, 2023, the Company's credit exposures to single borrowers and group borrowers were within the limits prescribed under extant RBI guidelines.

vi) Ratings assigned during the year		As on 31.03.2024	As on 31.03.2023
a) MFI Grading		CRISIL M1C1	CRISIL M1C1
b) Bank loan rating		CRISIL AA-/Watch Developing (Placed on 'Rating Watch with Developing Implications')	CRISIL AA-/Stable
c) NCD rating-		IND AA-/Rating Watch with Negative Implications CRISIL AA-/Watch Developing (Placed on Rating Watch with Developing Implications) ACUTE AA Reaffirmed Rating Watch with Negative Implications	CRISIL AA-/Stable
d) MLD rating		ACUTE AA Reaffirmed Rating Watch with Negative Implications CRISIL PP-MLD AA-/Watch Developing (Placed on Rating Watch with Developing Implications)	CRISIL PP-MLD AA-/Stable
e) CP rating-		CRISIL A1+ ACUTE A1+ Rating Watch with Negative Implications	CRISIL A1+

vii) Maturity Pattern of Assets and Liabilities

Maturity pattern of certain items of assets and liabilities as on March 31 2024

Particulars	Liabilities				Assets			
	Borrowings from Banks	Borrowings from NBFC/FI	NCD-Secured / Commercial Paper	NCD-Unsecured	Cash Credit/Overdraft	Advances (Loan portfolio outstanding)	FD with Banks (Free of Lien)	Investments
Up to one month	226.11	63.65	268.80	104.17	-	536.44	11.57	199.94
Over one month to 2 months	324.75	90.46	-	9.17	-	463.53	400.00	-
Over 2 months up to 3 months	391.21	153.14	50.00	4.17	-	446.91	-	-
Over 3 months up to 6 months	931.85	344.09	50.00	17.50	-	1,400.39	-	-
Over 6 months to 1 year	1,548.44	559.57	-	22.50	-	2,721.61	-	-
Over 1 year to 3 years	1,638.86	858.45	423.91	50.00	-	4,097.45	-	-
Over 3 years to 5 years	12.00	-	238.10	150.00	-	26.05	-	-
Over 5 years	-	-	-	372.00	-	16.32	-	-
	5,073.22	2,069.37	1,030.81	729.51	-	9,708.70	411.57	199.94



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Note 43. Disclosure Pursuant to Reserve Bank of India Notification DNBS.193DG (VL) 2007 dated 22nd February 2007:

Sl No.	Particulars	As at March 31, 2024		As at March 31, 2023	
		Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
		(₹)	(₹)	(₹)	(₹)
LIABILITIES					
1	Loan and Advances availed by the NBFC inclusive of interest accrued thereon but not paid:				
A	Debentures				
	- Secured	858.01	-	477.93	-
	- Unsecured	834.53	-	481.20	-
	(Other than falling the meaning of Public Deposits)	-	-	-	-
B	Deferred Credits	-	-	-	-
C	Term Loan	7,158.43	-	6,360.43	-
D	Inter-corporate Loans & Borrowings	-	-	-	-
E	Commercial Paper	235.00	-	-	-
F	Public Deposits	-	-	-	-
G	Other Loans - Vehicle Loan	-	-	-	-
	Other Loans - Non Convertible Debenture	-	-	-	-

Sl No.	Particulars	Amount Outstanding	Amount Outstanding
		As at March 31, 2024	As at March 31, 2023
2	Break-up of (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 Deposit Assets	-	-
3	Break-up of Loans & Advances including Bills Receivables (Other than those included in (4) below)		
	(a) Secured	72.24	37.24
	(b) Unsecured	9,625.57	7,956.06
4	Breakup of Leased and Stock on Hire and other Assets counting towards AFC activities		
(i)	Lease assets including Lease rentals under sundry debtors:		
	(a) Finance Lease	-	-
	(b) Operating Lease	-	-
(ii)	Stock on Hire including Hire Charges under sundry debtors:		
	(a) Assets on Hire	-	-
	(b) Repossessed Assets	-	-
(iii)	Other Loans counting towards AFC Activities		
	(a) Loans where assets have been repossessed	-	-
	(b) Loans other than (a) above	-	-



Sl No.	Particulars	Amount Outstanding	Amount Outstanding
		As at March 31, 2024	As at March 31, 2023
5	Break-up of Investments Current Investments		
I	Quoted:		
(i)	Shares: (a) Equity	-	-
	(b) Preference	-	-
(ii)	Debentures and Bonds	-	-
(iii)	Units of Mutual Funds	-	-
(iv)	Government Securities	199.94	-
(v)	Others	-	-
II	Unquoted:		
(i)	Shares: (a) Equity	-	-
	(b) Preference	-	-
(ii)	Debentures and Bonds	-	-
(iii)	Units of Mutual Funds	-	-
(iv)	Government Securities	-	-
(v)	Others	-	-
	Long term Investments		
I	Quoted:		
(i)	Shares: (a) Equity	-	-
	(b) Preference	-	-
(ii)	Debentures and Bonds	-	-
(iii)	Units of Mutual Funds	-	-
(iv)	Government Securities	-	-
(v)	Others	-	9.22
II	Unquoted:		
(i)	Shares: (a) Equity	0.05	0.05
	(b) Preference	-	-
(ii)	Debentures and Bonds	-	-
(iii)	Units of Mutual Funds	-	-
(iv)	Government Securities	-	-
(v)	Others	170.55	160.37

6. Borrower Group wise classification of Assets Financed as in (3) and (4) above

Sl No.	Particulars	As at 31st March 2024		
		Amount in (₹) (Gross of Provisions)		
		Secured	Unsecured	Total
1	Related Parties			
	(a) Subsidiaries	-	-	-
	(b) Companies in the same group	-	-	-
	(c) Other Related Parties	-	-	-
2	Other than related parties	72.24	9,625.57	9,697.81
	Total	72.24	9,625.57	9,697.81

Sl No.	Particulars	As at 31st March 2023		
		Amount in (₹) (Gross of Provisions)		
		Secured	Unsecured	Total
1	Related Parties			
	(a) Subsidiaries	-	-	-
	(b) Companies in the same group	-	-	-
	(c) Other Related Parties	-	-	-
2	Other than related parties	37.24	7,956.06	7,993.30
	Total	37.24	7,956.06	7,993.30

7. Investor Group-wise classification of all investments (Current and Long Term) in Share and Securities (both Quoted and Unquoted):

Sl No.	Category	Market Value / Breakup value or Fair Value or Net Assets Value	Book Value (₹)
1	Related Parties		
	(a) Subsidiaries	-	-
	(b) Companies in the same group	-	-
	(c) Other Related Parties	-	-
2	Other than related parties	370.54	370.54
	Total	370.54	370.54



8. Other Information

(Rs in Crores)

Particulars	As on	As on
	March 31, 2024	March 31, 2023
	Amount	Amount
(i) Gross Non - Performing Assets		
(a) Related Parties	-	-
(b) Other than Related Parties	185.21	169.35
(ii) Net Non - Performing Assets		
(a) Related Parties	-	-
(b) Other than Related Parties	32.37	64.31
(iii) Assets acquired in Satisfaction of Debt	-	-

Note 44. The Company has not disbursed any loan against security of gold.

Note 45. Securitization / Assignment of Loans

During the year the Company has sold loans through direct Securitization / assignments. The information on direct assignment activity of the Company as an Originator / Assignor is as shown below:

Particulars	(Rs in Crores)	
	Year ended	Year ended
	March 31 2024	March 31 2023
	(₹.)	(₹.)
Total number of loans securitized / assigned		
a. Through Direct assignment	0.09	0.08
b. Through Pass through Certificates	-	-
Total	0.09	0.08
Total book value of loans securitized / assigned		
a. Through Direct assignment	3,137.31	2,580.76
b. Through Pass through Certificates	-	-
Total	3,137.31	2,580.76
Sale consideration received for loans securitized / assigned		
a. Through Direct assignment	2,823.57	2,307.48
b. Through Pass through Certificates	-	-
Total	2,823.57	2,307.48
MFI Loans Subordinated as Credit Enhancement on Assets Derecognised		
a. Through Direct assignment	-	-
b. Through Pass through Certificates	-	-
Total		
Income recognized in the statement of profit and loss		
a. Through Direct assignment	336.25	145.18
b. Through Pass through Certificates	-	-
Total	336.25	145.18
Income deferred on securitised transactions		
a. Through Direct assignment	31.02	93.20
b. Through Pass through Certificates	-	-
Total	31.02	93.20
Balance of loans assigned / securitized as at the balance sheet date		
a. Through Direct assignment	1,914.73	1,620.51
b. Through Pass through Certificates	-	-
Total	1,914.73	1,620.51
Cash collateral provided and outstanding as at the balance sheet date		
a. Through Direct assignment	-	-
b. Through Pass through Certificates	-	-
Total		



Disclosure to be made under Securitization guidelines issued by Reserve Bank of India vide policy no. DNBS, PD, No. 301/3.10.01/2012-13 dated August 21

(Rs in Crores)			
Sl No.	Particulars	As on 31.03.2024	As on 31.03.2023
		(₹)	(₹)
1	No. of SPVs sponsored by the NBFC for Securitization transactions		
	a. Through Direct assignment	16.00	10.00
	b. Through Pass through Certificates	-	-
	Total	16.00	10.00
2	Total amount of securitized assets as per the books of the SPVs sponsored by the Company		
	a. Through Direct assignment	3,137.31	2,980.76
	b. Through Pass through Certificates	-	-
	Total	3,137.31	2,980.76
3	Total amount of exposures retained by the Company to comply with MRR as on the date of balance sheet		
	i) Off-Balance Sheet exposures		
	a) First Loss	-	-
	b) Others	-	-
	ii) On-Balance Sheet exposures		
	a) First Loss (in the form of Fixed Deposit)	-	-
	b) Others	-	-
4	Amount of exposures to securitization transactions other than MRR		
Sl No.	Particulars	As on 31.03.2024	As on 31.03.2023
		(₹)	(₹)
	i) Off-Balance Sheet exposures		
	a) Exposure to own securitization		
	First Loss	-	-
	Others	-	-
	b) Exposure to third party securitization transaction		
	First Loss	-	-
	Others	-	-
	ii) On-Balance Sheet exposures		
	a) Exposure to own securitization		
	First Loss	-	-
	Others	-	-
	b) Exposure to third party securitization transaction		
	First Loss	-	-
	Others	-	-



IIFL Samasta Finance Limited
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Note 46. Disclosure Pursuant to Reserve Bank of India Notification DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13th March 2020:

Asset Classification as per RBI Norms for the year ended 31st March 2024						
MFI loan book						
Asset Classification as per RBI Norms	Asset Classification as per IND AS 109	Gross Carrying Amount as per IND AS 109	Loss Allowances (Provisions) as required under IND AS 109	Net Carrying Amount	Provisions required as per IRACP Norms	Difference between IND AS 109 provisions & IRACP Norms
1	2	3	4	5	6	7-4-6
Performing Assets						
Standard	Stage 1	8,551.00	104.69	8,446.31	34.20	70.49
	Stage 2	64.78	13.47	51.31	0.26	13.22
Subtotal		8,615.78	118.17	8,497.62	34.46	83.71
Non Performing Assets (NPA)						
Substandard	Stage 3	136.02	112.24	23.78	71.30	40.94
Doubtful- upto 1 Year	Stage 3	3.54	2.92	0.62	1.86	1.07
1 to 3 Years	Stage 3	1.34	1.11	0.23	0.70	0.40
More than 3 Years	Stage 3	0.03	0.02	0.00	0.01	0.01
Subtotal for Doubtful		140.93	116.30	24.64	73.87	42.42
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA						
Other Items such as guarantees,Lo	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	Stage 1	8,551.00	104.69	8,446.31	34.20	70.49
	Stage 2	64.78	13.47	51.31	0.26	13.22
	Stage 3	140.93	116.30	24.64	73.87	42.42
Total		8,756.71	234.46	8,522.26	108.34	126.18



Non - MFI loan book						
Asset Classification as per RBI Norms	Asset Classification as per IND AS 109	Gross Carrying Amount as per IND AS 109	Loss Allowances (Provisions) as required under IND AS 109	Net Carrying Amount	Provisions required as per IRACP Norms	Difference between IND AS 109 provisions & IRACP Norms
1	2	3	4	5	6	7- 4-6
Performing Assets						
Standard	Stage 1	893.81	10.94	882.86	3.58	7.37
	Stage 2	13.90	2.89	11.01	0.06	2.84
Subtotal		907.71	13.83	893.87	3.64	10.21
Non Performing Assets (NPA)						
Substandard	Stage 3	43.13	35.59	7.54	22.61	12.98
Doubtful- upto 1 Year	Stage 3	1.11	0.92	0.19	0.58	0.33
1 to 3 Years	Stage 3	0.04	0.03	0.01	0.02	0.01
More than 3 Years	Stage 3	-	-	-	-	-
Subtotal for Doubtful		44.28	36.54	7.74	23.21	13.33
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA						
Other Items such as guarantees, L	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	Stage 1	893.81	10.94	882.86	3.58	7.37
	Stage 2	13.90	2.89	11.01	0.06	2.84
	Stage 3	44.28	36.54	7.74	23.21	13.33
	Total	951.99	50.38	901.61	26.85	23.53



Asset Classification as per RBI Norms for the year ended 31st March 2023						
MFI loan Book						
Asset Classification as per RBI Norms	Asset Classification as per IND AS 109	Gross Carrying Amount as per IND AS 109	Loss Allowances (Provisions) as required under IND AS 109	Net Carrying Amount	Provisions required as per IRACP Norms	Difference between IND AS 109 provisions & IRACP Norms
1	2	3	4	5	6	7= 4-6
Performing Assets						
Standard	Stage 1	7,064.16	131.61	6,932.55	104.18	27.43
	Stage 2	221.03	10.05	210.97	3.26	6.79
Subtotal		7,285.19	141.66	7,143.52	107.44	34.22
Non Performing Assets (NPA)						
Substandard	Stage 3	167.06	103.94	63.12	2.46	101.48
Doubtful- upto 1 Year	Stage 3	-	-	-	-	-
1 to 3 Years	Stage 3	-	-	-	-	-
More than 3 Years	Stage 3	-	-	-	-	-
Subtotal for Doubtful		167.06	103.94	63.12	2.46	101.48
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA						
Other Items such as guarantees, L	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	Stage 1	7,064.16	131.61	6,932.55	104.18	27.43
	Stage 2	221.03	10.05	210.97	3.26	6.79
	Stage 3	167.06	103.94	63.12	2.46	101.48
	Total	7,452.25	245.60	7,206.64	109.90	135.70



NON MFI loan Book						
Asset Classification as per RBI Norms	Asset Classification as per IND AS 109	Gross Carrying Amount as per IND AS 109	Loss Allowances (Provisions) as required under IND AS 109	Net Carrying Amount	Provisions required as per IRACP Norms	Difference between IND AS 109 provisions & IRACP Norms
1	2	3	4	5	6	7= 4-6
Performing Assets						
Standard	Stage 1	529.56	9.96	519.61	7.81	2.15
	Stage 2	14.43	0.56	13.87	0.21	0.35
Subtotal		543.99	10.52	533.48	8.02	2.50
Non Performing Assets (NPA)						
Substandard	Stage 3	2.29	1.10	1.19	0.03	1.07
Doubtful- upto 1 Year	Stage 3	-	-	-	-	-
1 to 3 Years	Stage 3	-	-	-	-	-
More than 3 Years	Stage 3	-	-	-	-	-
Subtotal for Doubtful		2.29	1.10	1.19	0.03	1.07
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA						
Other Items such as guarantees, Lc	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	Stage 1	529.56	9.96	519.61	7.81	2.15
	Stage 2	14.43	0.56	13.87	0.21	0.35
	Stage 3	2.29	1.10	1.19	0.03	1.07
	Total	546.28	11.62	534.67	8.05	3.57



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Note 47. Disclosures in terms of RBI/2019-20/88 DOR.NBFC (PD) CC. No.182/03.10.001/2019-20 dated 04 November 2019:

(i) Funding concentration based on significant counterparty (both deposits and borrowings):

As at March 31, 2024			
Number of Significant Counterparties	Amount	% of Total Deposits	**% of Total Liabilities*
29	6,928	Not Applicable	73.77%

As at March 31, 2023			
Number of Significant Counterparties	Amount	% of Total Deposits	**% of Total Liabilities*
28	5,873	Not Applicable	77.49%

(ii) Top 20 large deposits (amount in lakhs and % of total deposits) - Not applicable.

(iii) Top 10 borrowings

Particulars	As at March 31, 2024		As at March 31, 2023	
	Amount	% of total Borrowings	Amount	% of total Borrowings
Top 10 Borrowings	4,113	46.19%	3,540	49.19%

(iv) Funding concentration based on significant instrument / product

Name of the instrument/product	As at March 31, 2024		As at March 31, 2023	
	Amount	% of total Liabilities	Amount	% of total Liabilities
Borrowings (other than debt securities)	7,143	76.04%	6,343	83.65%
Debt securities	1,138	12.12%	579	5.79%
Subordinated liabilities	622	6.52%	275	5.47%

Note: A "significant instrument/product" is defined as a single instrument/product or group of similar instruments/products which in aggregate amount to more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.

Total Liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus and computed basis exact regulatory ALM guidelines

(v) Stock Ratio

Particulars	As at March 31, 2024	As at March 31, 2023
Commercial papers as a % of total liabilities	2.50%	0.00%
Commercial papers as a % of total assets	7.06%	0.06%
Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	0.00%	0.00%
Non-convertible debentures (original maturity of less than one year) as a % of total assets	0.00%	0.00%
Other short-term liabilities as a % of total liabilities	57.84%	59.04%
Other short-term liabilities as a % of total assets	47.64%	50.31%



(vi) Institutional set-up for Liquidity Risk Management

The Board of Directors of the Company has an overall responsibility and oversight for the management of all the risks, including liquidity risk, to which the Company is exposed to in the course of conducting its business. The Board approves the governance structure, policies, strategy and the risk limits for the management of liquidity risk. The Board of Directors approves the constitution of the Risk Management Committee (RMC) for the effective supervision, evaluation, monitoring and review of various aspects and types of risks, including liquidity risk, faced by the Company. The meetings of RMC are held at quarterly interval. Further, the Board of Directors also approves constitution of Asset Liability Committee (ALCO), which functions as the strategic decision making body for the asset-liability management of the Company from risk-return perspective and within the risk appetite and guard-rails approved by the Board. The main objective of ALCO is to assist the Board and RMC in effective discharge of the responsibilities of asset liability management, market risk management, liquidity and interest rate risk management and also to ensure adherence to risk tolerance/limits set up by the Board. ALCO provides guidance and directions in terms of interest rate, liquidity, funding sources, and investment of surplus funds. ALCO meetings are held once in a month or more frequently as warranted from time to time. The minutes of ALCO meetings are placed before the RMC and the Board of Directors in its next meeting for its perusal/approval/ratification.

Note 48. High Quality Liquid Assets disclosure pursuant to RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/93.10.001/2019-20 dated 04 November 2019

Particulars	Q1 FY 23-24		Q2 FY 23-24		Q3 FY 23-24		Q4 FY 23-24	
	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets								
Cash and bank balances	258.40	258.40	452.22	452.22	296.50	296.50	251.51	251.51
Unencumbered fixed deposits	-	-	-	-	422.44	422.44	359.95	359.95
Total	258.40	258.40	452.22	452.22	718.94	718.94	611.46	611.46
Cash Outflows								
Unsecured wholesale funding	1.67	1.92	38.78	33.09	31.41	36.12	127.67	146.82
Secured wholesale funding	591.94	680.73	603.92	694.51	583.61	671.15	827.17	951.23
Additional requirements, of which	-	-	-	-	-	-	-	-
Outflows related to derivative exposures and other	-	-	-	-	-	-	-	-
Outflows related to loss of funding of debt products	-	-	-	-	-	-	-	-
Credit and liquidity facilities	-	-	-	-	-	-	-	-
Other contractual funding obligations	71.55	82.28	91.75	105.51	51.81	59.59	64.53	74.21
Other contingent funding obligations	-	-	-	-	-	-	-	-
Total	665.16	764.93	724.45	833.11	666.83	766.85	1,019.37	1,172.28
Cash Inflows								
Secured lending	-	-	-	-	-	-	-	-
Inflows from fully performing exposures	403.24	302.43	459.79	344.84	608.01	456.09	1,361.92	1,022.94
Other cash inflows	359.31	269.48	287.13	215.35	498.52	373.89	140.04	105.03
Total	762.55	571.91	746.92	560.19	1,106.53	829.89	1,503.96	1,127.97

Liquidity coverage ratio

Particulars	Q1 FY 23-24	Q2 FY 23-24	Q3 FY 23-24	Q4 FY 23-24
Total high quality liquid assets (a)	258.40	452.22	718.94	611.46
Total net cash outflows (b) (Refer, note below)	193.82	272.92	191.71	293.07
Liquidity coverage ratio (a)/(b)	133.87%	165.69%	375.81%	208.64%

Note: Total net cash outflows over the next 30 days = Stressed Outflows - Minimum of (Stressed Inflows; 75% of Stressed Outflows).

Qualitative disclosures

The Reserve Bank of India has prescribed monitoring of sufficiency of NBFC's liquid assets pursuant to RBI/2019-20/88 DOR.NBFC (PD) CC. No. 102/03.10.001/2019-20 dated 04 November 2019. The Liquidity Coverage Ratio (LCR) is aimed at measuring and promoting short-term resilience of NBFCs to potential liquidity disruptions by ensuring maintenance of sufficient high quality liquid assets (HQLAs) to survive an acute stress scenario lasting for 30 days.

The ratio comprises of high quality liquid assets (HQLAs) as numerator and net cash outflows in 30 days as denominator. Cash outflows are calculated by multiplying the outstanding balances of various categories or types of liabilities by 1.15 times and cash inflows are calculated by multiplying the outstanding balances of various categories of contractual receivables by 0.75 times.

The weighted cash outflows are primarily driven by secured and unsecured from banks, financial institutions, non-convertible debentures and securitization/direct assignment transactions. The weighted cash inflows are primarily driven by unsecured micro loans and secured loans to MSME and individuals.

The Company has implemented the LCR framework and has consistently maintained LCR well above the regulatory threshold.

For the quarter ending 31 March 2024, the average Liquidity Coverage Ratio (LCR) was 208.64%, surpassing the regulatory minimum of 85.00%.



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Note 49. Disclosures in terms of RR/2023-EM26 DOR.ACC.REC.No.20/11.04.010/2023-23 dated 19 April 2023:
 Related Party Disclosures

Related Party	Parent (as per ownership or control)		Subsidiaries		Associated/Joint Ventures		Key Management Personnel		Relatives of Key Management		Others		Total	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Accounting														
Balance at Year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum Amt Outstanding during the year	300.00	100.00	-	-	-	-	-	-	-	-	250.00	350.00	150.00	450.00
Market Linked Debtors (including interest)	-	-	-	-	-	-	-	-	-	-	3.54	36.17	3.54	36.17
Accrued	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provision of Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances	1,100.00	-	-	-	-	-	-	-	-	-	-	-	1,100.00	-
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Issue of Share Capital (including Securities Premium)	200.00	200.00	-	-	-	-	-	-	-	-	-	-	300.00	300.00
Purchase of Fixed/Other Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Fixed/Other Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Paid	6.24	1.01	-	-	-	-	-	-	-	-	3.51	9.94	11.75	10.97
Interest Received	7.26	-	-	-	-	-	-	-	-	-	0.00	-	7.26	-
Service Fee on Business Correspondent Income	196.71	56.71	-	-	-	-	-	-	-	-	-	-	196.71	56.71
Dividend Paid	16.64	3.71	-	-	-	-	0.07	0.02	0.00	0.01	-	1.25	16.71	4.99
Arranges For Expenses	-	-	-	-	-	-	-	-	-	-	-	0.30	-	0.30
Remuneration to KMP	-	-	-	-	-	-	5.33	4.07	-	-	-	-	5.33	4.07
Sitting fees paid	-	-	-	-	-	-	0.20	0.16	-	-	-	-	0.26	0.16
Other	-	0.05	-	-	-	-	-	-	-	-	4.23	0.09	4.23	0.13

* Max. 500 Crs represents amount held with P.L. 50,000.

Note 50. Disclosures in terms of RR/2023-23/26 DOR.ACC.REC.No.20/11.04.010/2023-23 dated 19 April 2023:
 Sectoral Exposure

Sectors	FY 2023-24			FY 2022-23		
	Total Exposure (includes on balance sheet and off balance sheet exposure)	Gross NPA	Percentage of Gross NPA to Total Exposure in that sector	Total Exposure (includes on balance sheet and off balance sheet exposure)	Gross NPA	Percentage of Gross NPA to Total Exposure in that sector
Agriculture & Allied Activities	6,520.97	116.17	1.78%	4,877.33	46.50	0.95%
MSME	1,187.73	69.04	2.17%	3,121.21	122.86	3.94%
Total	9,708.70	185.21	1.91%	7,998.53	169.35	2.12%



IIFL Samasta Finance Limited
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(All amounts are stated in crores unless otherwise stated)

Note 51. Leases

The Company has adopted Ind AS 116 'Leases' with the date of initial application being April 1, 2019. Ind AS 116 replaces Ind AS 17 – Leases and related interpretation and guidance. The Company did not have contract qualifying as Lease as on April 1, 2019 except short term leases which are exempted from the application of Ind AS 116.

Impact of adoption of Ind AS 116 on the statement of profit and loss

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Interest on lease liabilities	1.56	1.05
Income recognised- Security deposit	0.15	0.08
Depreciation on Right to Use	3.91	2.23
Total cash outflow for leases	4.91	2.64
Lease expense on Low Value Assets / Short term assets	30.52	21.69

Impact of adoption of Ind AS 116 on the Balance Sheet

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Right to Use Asset	14.61	8.15
Lease Liability	16.11	9.21

Maturity analysis of Lease Liabilities (valued on undiscounted basis)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Year 1	5.50	2.77
Year 2	5.32	2.60
Year 3	4.08	2.36
Year 4	3.23	2.16
Year 5	1.17	1.55
More than 5 years	0.49	0.15



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Note 52. Employee Stock Option Plan

1. The Company's Employee Stock Option Plan - 2023 ("ESOP Plan") provide for the grant of stock options to eligible employees. The ESOPs are administered through Direct route by the company. The company transfers share to the eligible employees upon exercise of the options by such employees.

2. The Company had an ESOP scheme called ESOP Plan 2023. The ESOP plan 2023 came into force on March 24, 2023.

3. During the financial year 2022-23, the Company has introduced a new stock option scheme namely "ESOS 2023" effective from March 24, 2023. The grant price shall be as decided by the Nomination and Remuneration Committee ("N&RC") of the Company. The number of options and term could vary at the discretion of the N&RC.

4. The total number of Employee Stock Options to be granted, which shall not exceed 5% of the Paid up share Capital of the Company, as expanded from time to time, comprising 3,34,21,867 (Three Crores Thirty Four Lakhs Twenty One Thousand Eight Hundred and Sixty Seven) Options which shall be convertible into equal number of Shares

The Company has established share option plans that entitle the employees of the Company to purchase the shares of the Company. Under these plans, holders of the vested options are entitled to purchase shares at the exercise price of the shares determined at the respective date of grant of options. The details are ESOP scheme are as follows.

Particulars	Grant	Number of Options	Vesting period	Vesting Conditions
ESOP Scheme 2023	Grant I	84,41,758	3 Years	20%,40% and 40% vests every year subject to continuance of services.
ESOP Scheme 2023	Grant II	8,17,662		
ESOP Scheme 2023	Grant III	60,37,500		

Exercise period for all the above schemes is 3 years from the date of grant of the options.

Measurement of fair values

The fair value of the employee share options has been measured using Black-Scholes Option pricing model.

The fair value of the options and the inputs used in the measurement of the grant-date fair values of the equity-settled share based payment options granted during the year are as

Particulars	Financial Year 2023-24
Grant Date	21-Jul-23 15-Jan-24
Option Price Model	Black Scholes Method
Exercise Price	23.38 - 26.74
Share Price on Grant Date	23.38 - 26.74
Expected Volatility	50%
Expected time to exercise shares	2 to 4 years
Risk free rate of return	7.13% - 7.21%
Dividend Yield	0.50%
Fair Value of ESOP at Grant Date	7.54 - 12.21
Weighted Average Fair Value of ESOP at Grant Date	10.69
Method used to determine expected volatility	The expected volatility is based on similar listed companies in finance

Table Showing options movement during year:

Particulars	31-Mar-2024
Outstanding at the beginning of the year	84,41,758
Granted during the year	68,55,162
Forfeited during the year	15,44,175
Expired during the year	0
Exercised during the year	0
Outstanding at the end of the year	1,37,52,747
Exercisable at the end of the year	13,87,717

Table showing Weighted-average exercise prices of options (amount in INR)

Particulars	31-Mar-2024
Outstanding at the beginning of the year	20.96
Granted during the year	26.34
Forfeited during the year	21.11
Expired during the year	N.A.
Exercised during the year	N.A.
Outstanding at the end of the year	23.62
Exercisable at the end of the year	20.96

Table Showing Stock Options outstanding at the end of period

Particulars	31-Mar-2024
Exercise Price (INR)	
Grant Date: 31-03-2023	20.96
Grant Date: 21-07-2023	23.38
Grant Date: 15-01-2024	26.74
Weighted average remaining contractual life (Years)	
Grant Date: 31-03-2023	4.20
Grant Date: 21-07-2023	4.51
Grant Date: 15-01-2024	5.00

No ESOP exercised during the year.

Table Showing movement of ESOP Outstanding Reserve:

Particulars	Financial Year 2023-24
Opening ESOP Outstanding Reserve Balance	
Provision Recognised/ (Reversed) during the year	
Closing ESOP Outstanding Reserve Balance	3.11



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Note 53. Fair value measurements

Financial instruments by category

Particulars	Carrying Value		Fair Value	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
Financial assets				
Derivative Financial Instruments	-	9.22	-	9.22
Investments	370.54	160.42	370.54	160.42
Loans	9,411.37	7,736.08	9,411.37	7,736.08
Accrued interest on Investments	1.23	4.38	1.23	4.38
Staff Loans	0.09	0.09	0.09	0.09
Security Deposits	13.93	9.67	13.93	9.67
Interest Strip Asset on Assignment	160.89	129.88	160.89	129.88
Other Receivable	10.78	145.46	10.78	145.46
TDS Receivable	-	-	-	-
Trade Receivables	40.95	17.98	40.95	17.98
Cash and cash equivalents	822.45	227.11	822.45	227.11
Bank Balance	450.97	382.39	450.97	382.39
Total Financial Assets	11,283.20	8,822.68	11,283.20	8,822.68
Financial liabilities				
Derivative Financial Instruments	-	9.22	-	9.22
Debt Securities	1,076.84	477.00	1,076.84	477.00
Borrowings	7,123.34	6,328.70	7,123.34	6,328.70
Subordinated Liabilities	804.51	464.60	804.51	464.60
Lease Liability	16.11	9.21	16.11	9.21
Trade payables	25.91	20.38	25.91	20.38
Other financial liabilities	271.47	232.80	271.47	232.80
Total Financial Liabilities	9,318.18	7,541.91	9,318.18	7,541.91



Fair value hierarchy

Ind AS 113, 'Fair Value Measurement' requires classification of the valuation method of financial instruments measured at fair value in the Statement of Balance sheet, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurements). The hierarchy gives the highest priority to un-adjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to un-observable inputs (Level 3 measurements). Fair value of derivative financial assets and liabilities are estimated by discounting expected future contractual cash flows using prevailing market interest rate curves. The three levels of the fair-value-hierarchy under Ind AS 113 are described below.

Financial assets and liabilities measured at fair value - recurring fair value measurements -As at March 31, 2024	Level 1	Level 2	Level 3	Total	Carrying cost
Financial assets					
Derivative Financial Instruments	-	-	-	-	-
Investments	-	-	-	-	-
(i) Mutual Funds	-	-	-	-	-
(ii) Government Securities	-	-	-	-	-
(iii) Debt Securities	-	-	-	-	-
(iv) Equity	-	-	-	-	-
Total financial assets	-	-	-	-	-
Financial liabilities					
Derivative Financial Instruments	-	-	-	-	-
Total financial liabilities	-	-	-	-	-

Financial assets and liabilities measured at fair value - recurring fair value measurements - As at March 31, 2023	Level 1	Level 2	Level 3	Total	Carrying cost
Financial assets					
Derivative Financial Instruments	-	9.22	-	9.22	9.22
Investments	-	-	-	-	-
(i) Mutual Funds	-	-	-	-	-
(ii) Government Securities	-	-	-	-	-
(iii) Debt Securities	-	-	-	-	-
(iv) Equity	-	-	-	-	-
Total financial assets	-	9.22	-	9.22	9.22
Financial liabilities					
Derivative Financial Instruments	-	9.22	-	9.22	9.22
Total financial liabilities	-	9.22	-	9.22	9.22



Assets and liabilities which are measured at amortised cost for which fair values are disclosed - As at March 31, 2024	Level 1	Level 2	Level 3	Total	Carrying cost
Financial assets					
Cash and cash equivalents	-	-	-	-	822.45
Bank Balance other than included above	-	-	-	-	450.97
Receivables	-	-	-	-	-
(i) Trade Receivables	-	-	40.95	40.95	40.95
Loans	-	-	9,411.37	9,411.37	9,411.37
Investment in Equity	-	-	0.05	0.05	0.05
Other Financial assets	-	-	186.91	186.91	186.91
Total financial assets	-	-	9,639.28	9,639.28	10,912.71
Financial Liabilities					
Trade Payables	-	-	25.91	25.91	25.91
Debt Securities	-	-	-	-	1,076.84
Borrowings (Other than Debt Securities)	-	-	7,123.34	7,123.34	7,123.34
Subordinated Liabilities	-	-	-	-	804.51
Lease Liability	-	-	16.11	16.11	16.11
Other financial liabilities	-	-	271.47	271.47	271.47
Total financial liabilities	-	-	7,436.83	7,436.83	9,318.18

Assets and liabilities which are measured at amortised cost for which fair values are disclosed - As at March 31, 2023	Level 1	Level 2	Level 3	Total	Carrying cost
Financial assets					
Cash and cash equivalents	-	-	-	-	227.11
Bank Balance other than included above	-	-	-	-	382.39
Receivables	-	-	-	-	-
(i) Trade Receivables	-	-	17.98	17.98	17.98
Loans	-	-	7,736.08	7,736.08	7,736.08
Investment in Equity	-	-	0.05	0.05	0.05
Other Financial assets	-	-	289.48	289.48	289.48
Total financial assets	-	-	8,043.59	8,043.59	8,653.09
Financial Liabilities					
Trade Payables	-	-	20.38	20.38	20.38
Debt Securities	-	-	-	-	477.00
Borrowings (Other than Debt Securities)	-	-	6,328.70	6,328.70	6,328.70
Subordinated Liabilities	-	-	-	-	464.60
Lease Liability	-	-	9.21	9.21	9.21
Other financial liabilities	-	-	232.80	232.80	232.80
Total financial liabilities	-	-	6,591.09	6,591.09	7,532.68



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Note 54. Movement of Non Performing Assets (NPA)

SLNo	Particulars	March 31, 2024	March 31, 2023
(i)	Net NPAs to Net Advances (%)		
(ii)	Movement of NPAs (Gross)		
	a) Opening balance	169.35	177.44
	b) Addition during the year	177.90	157.09
	c) Reduction during the year	162.04	165.18
	d) Closing balance	185.21	169.35
(iii)	Movement of Net NPAs		
	a) Opening balance	64.32	47.32
	b) Addition during the year	29.59	59.65
	c) Reduction during the year	61.54	42.65
	d) Closing balance	32.37	64.32
(iv)	Movement of provision for NPAs (excluding provision on standard assets)		
	a) Opening balance	105.04	130.13
	b) Provision made during the year	148.30	97.44
	c) Write off / write-back of excess provisions	100.50	122.53
	d) Closing balance	152.84	105.04



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Note SS. Details of terms of repayment - Term loans from banks and others
As at 31st March 2024

Type of instrument / institution	Frequency of Repayment	Original maturity of loan	Interest Range	Due within 1 year		Due within 1-2 year		Due within 2-3 year		Due within 3-4 year		Due within 4-5 year		Over 5 years	
				No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount
Debentures	Monthly	1-3 years	10.00%-11.00%	-	-	-	-	-	-	-	-	-	-	-	-
		1-3 years	11.00%-12.00%	9	38	-	-	-	-	-	-	-	-	-	-
	Quarterly	1-3 years	10.00%-11.00%	4	20	-	-	-	-	-	-	-	-	-	-
		1-3 years	9.00%-10.00%	1	75	2	166	2	107	-	-	-	-	-	-
	Bullet	1-3 years	10.00%-11.00%	-	-	-	-	1	50	-	-	-	-	-	-
		Above 3 Years	9.00%-10.00%	2	70	1	150	-	-	-	-	-	-	-	-
			10.00%-11.00%	2	89	-	-	-	-	-	-	2	238.10	3	347.00
			11.00%-12.00%	-	-	-	-	-	-	-	-	2	150.00	1	25.00
Term Loans- Banks	Monthly	1-3 years	8.00%-9.00%	10	19	-	-	-	-	-	-	-	-	-	-
			9.00%-10.00%	196	480	72	174	1	2	-	-	-	-	-	
			10.00%-11.00%	718	1,856	281	875	53	104	-	-	-	-	-	
			11.00%-12.00%	83	322	33	204	-	-	-	-	-	-	-	
		Above 3 Years	10.00%-12.00%	-	-	2	1	2	2	8	12.00	-	-	-	
			8.00%-10.00%	3	4	2	2	-	-	-	-	-	-	-	
	Quarterly	1-3 years	8.00%-10.00%	42	263	10	63	-	-	-	-	-	-	-	
			10.00%-11.00%	54	405	25	142	3	30	-	-	-	-		
		Above 3 Years	8.00%-10.00%	5	41	4	13	-	-	-	-	-	-		
			10.00%-11.00%	2	18	1	9	2	5	-	-	-	-		
Half-yearly	1-3 years	10.00%-11.00%	2	13	2	13	-	-	-	-	-	-			
Term Loans- Financial Institutions	Monthly	1-3 years	9.00%-10.00%	71	411	39	252	16	68	-	-	-	-		
			10.00%-11.00%	152	429	35	81	-	-	-	-	-	-		
	Quarterly	1-3 years	9.00%-10.00%	7	44	-	-	-	-	-	-	-	-		
			10.00%-11.00%	18	93	11	42	-	-	-	-	-			
			11.00%-12.00%	8	198	7	180	1	32	-	-	-			
		Above 3 Years	8.00%-9.00%	4	12	4	12	-	-	-	-	-			
			9.00%-10.00%	1	6	4	24	3	18	-	-	-			
	Half-yearly	Above 3 Years	11.00%-12.00%	2	15	-	-	-	-	-	-	-			
	Bullet	1-3 years	9.00%-10.00%	-	-	-	-	1	150	-	-	-	-		
	CP	Bullet	Less than 1 Year	8.00%-9.00%	1	50	-	-	-	-	-	-	-	-	
9.00%-10.00%				3	185	-	-	-	-	-	-	-	-		
				1,400	5,160	555	2,403	85	569	8	12	4	388	4	372



As at 31st March 2023

Type of instrument / institution	Frequency of Repayment	Original maturity of loan	Interest Range	Due within 1 year		Due within 1-2 year		Due within 2-3 year		Due within 3-4 year		Due within 4-5 year		Over 5 years		
				No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	
Debentures	Monthly	1-3 years	10.00%-11.00%	4	50	-	-	-	-	-	-	-	-	-	-	
			11.00%-12.00%	-	-	3	14	9	38	-	-	-	-	-	-	
	Quarterly	1-3 years	10.00%-11.00%	4	20	4	20	-	-	-	-	-	-	-	-	
			8.00%-9.00%	1	105	-	-	-	-	-	-	-	-	-	-	
	Bullet	Above 3 Years	1-3 years	8.00%-9.00%	1	105	-	-	-	-	-	-	-	-	-	-
			11.00%-12.00%	6	200	-	-	-	-	-	-	-	-	-	-	
9.00%-10.00%			-	-	2	145	-	-	-	-	-	-	-	-		
			10.00%-11.00%	-	-	1	89	-	-	-	-	-	-	-		
			11.00%-12.00%	-	-	-	-	-	-	-	-	-	3	175		
Term Loans- Banks	Monthly	1-3 years	8.00%-9.00%	79	232	11	21	-	-	-	-	-	-	-	-	
			9.00%-10.00%	343	822	127	289	17	22	-	-	-	-	-		
			10.00%-11.00%	307	691	241	618	2	4	-	-	-	-	-		
			11.00%-12.00%	12	13	12	13	12	6	-	-	-	-	-		
	Quarterly	Above 3 Years	8.00%-9.00%	10	70	4	9	-	-	-	-	-	-	-	-	
			9.00%-10.00%	53	489	27	232	6	41	-	-	-	-	-		
			10.00%-11.00%	22	240	23	305	7	62	-	-	-	-	-		
			9.00%-10.00%	12	42	12	41	4	12	-	-	-	-	-		
	Half-yearly	1-3 years	10.00%-11.00%	3	12	-	-	-	-	-	-	-	-	-	-	
			9.00%-10.00%	2	25	-	-	-	-	-	-	-	-	-	-	
	Monthly	1-3 years	9.00%-10.00%	100	363	54	283	13	112	-	-	-	-	-		
			10.00%-11.00%	161	481	83	179	2	2	-	-	-	-	-		
	Quarterly	1-3 years	9.00%-10.00%	4	8	4	8	-	-	-	-	-	-	-		
			10.00%-11.00%	15	72	8	56	-	-	-	-	-	-	-		
			11.00%-12.00%	4	74	4	72	3	54	-	-	-	-	-		
			8.00%-9.00%	4	42	4	12	4	12	-	-	-	-	-		
	Half-yearly	Above 3 Years	9.00%-10.00%	4	52	4	42	4	24	3	18	-	-	-		
			11.00%-12.00%	2	30	2	15	-	-	-	-	-	-	-		
	Yearly	1-3 years	9.00%-10.00%	1	18	-	-	-	-	-	-	-	-	-		
					1,153	4,151	632	2,463	85	389	3	18	-	-	3	175



BFL Samastha Finance Limited
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Note 56. Asset Liability Management

Maturity Pattern of certain items of Assets and Liabilities as at 31 March 2024:

Particulars	1 to 7 days	8 days to 14 days	15 days to 31 days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
Liabilities											
Borrowings from Banks, Financial institution and NBFCs	52.48	151.43	150.02	424.38	548.52	1,343.44	2,130.51	2,697.31	162.00	125.00	7,785.09
Market Borrowings	-	-	308.80	-	50.00	-	-	773.91	218.10	247.00	1,117.81
Securitisation	-	-	-	-	-	-	-	-	-	-	-
Total	52.48	151.43	458.82	424.38	598.52	1,343.44	2,130.51	2,971.22	400.10	372.00	8,902.90
Assets											
Advances	192.59	119.57	274.29	463.53	446.91	1,400.39	2,721.61	4,097.45	26.05	16.32	9,708.70
Investments	199.94	-	-	-	-	-	-	170.55	-	0.05	370.54
Total	392.53	119.57	274.29	463.53	446.91	1,400.39	2,721.61	4,268.00	26.05	16.37	10,079.24

Maturity Pattern of certain items of Assets and Liabilities as at 31 March 2023:

Particulars	1 to 7 days	8 days to 14 days	15 days to 31 days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
Liabilities											
Borrowings from Banks, Financial institution and NBFCs	35.28	60.48	111.59	277.84	439.04	1,006.52	1,845.64	2,548.15	18.00	-	6,342.54
Market Borrowings	-	-	115.00	5.00	60.00	147.50	60.00	291.30	-	175.00	853.80
Securitisation	-	-	-	-	-	-	-	-	-	-	-
Total	35.28	60.48	226.59	282.84	499.04	1,154.02	1,905.64	2,839.45	18.00	175.00	7,196.34
Assets											
Advances	100.02	133.35	100.02	386.32	373.47	1,137.63	2,182.91	3,576.26	7.72	0.81	7,998.53
Investments	-	-	-	-	-	-	-	160.37	-	0.05	160.42
Total	100.02	133.35	100.02	386.32	373.47	1,137.63	2,182.91	3,736.63	7.72	0.89	8,158.95

Capital Management

The Company manages capital risk in order to maximize shareholders' profit by maintaining sound/optimal capital structure. For the purpose of the Company's capital management, capital includes equity share capital and other equity. Debt includes term loan from banks, NBFC and debentures net of cash and bank balances. The Company monitors capital on the basis of the following gearing ratio. There is no change in the overall capital risk management strategy of the Company compared to last year.

Particulars	As at Mar'24	As at Mar'23
Borrowings	8,902.90	7,196.35
Cash and bank balance	1,273.42	609.50
Net Debt (A)	7,629.48	6,586.85
Equity share capital	668.44	593.64
Other equity	1,251.55	679.21
Total Equity (B)	1,919.99	1,272.85
Net Debt to Equity Ratio	3.97	5.17



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Note 57. Analytical ratios

Ratio	Numerator	Denominator	As at 31 March 2024	As at 31 March 2023	% Change	Reason for variance
			Ratio	Ratio		
Capital to Risk Weighted Assets Ratio (CRAR)	Total Capital Funds	Total Risk Weighted Assets	23.99%	17.14%	39.98%	Increase in Total Capital Funds in FY24
Tier I CRAR	Tier I capital	Total Risk Weighted Assets	17.67%	13.49%	30.99%	Increase in Tier I Capital Funds in FY24
Tier II CRAR	Tier II capital	Total Risk Weighted Assets	6.32%	3.65%	73.24%	Increase in Tier II Capital Funds in FY24
Liquidity Coverage Ratio*	High Quality Liquid Assets	Total Net Cash Outflows	177.31%	109.83%	61.43%	Higher liquidity maintained in FY24

*LCR mentioned above is calculated as on 31st March of the respective year.

Note 58. Details of Financial Assets sold to Securitisation/Reconstruction Company for reconstruction

The details of stressed loan transferred during the year ended March 2024 to ARCs are given below:

Particulars	NPA	SMA	Write Off
No. of Accounts	7,282	38,928	-
Aggregate principal outstanding of loans transferred	16.92	138.34	-
Weighted average residual tenor of the loans	1.33	1.59	-
Net book value of loans transferred (at the time of)	6.43	132.48	-
Aggregate consideration (including interest) (Rs.in)	-	76.00	-
Additional consideration realized in respect of	-	-	-

The Company has reversed Rs. 16.36 Cr provision on account of the sale of stressed loans.

The details of stressed loan transferred during the year ended March 2023 to ARCs are given below:

Particulars	NPA	SMA	Write Off
No. of Accounts	1,32,425	1,688	1,69,825
Aggregate principal outstanding of loans transferred	412.19	4.10	341.90
Weighted average residual tenor of the loans	1.51	1.61	-
Net book value of loans transferred (at the time of)	175.63	3.87	-
Aggregate consideration (including interest) (Rs.in)	-	194.00	-
Additional consideration realized in respect of	-	-	-

The Company has reversed Rs. 16.46 Cr provision on account of the sale of stressed loans.



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Note 59. Disclosures of frauds reported during the year vide RBI/DNBS/2016-17/49 Master Direction DNBS. PPD.01/66.15.001/2016-17 dated on September 29, 2016

Particulars	Less than ₹ 1 Lakh		₹ 1 - 5 Lakhs		₹ 5 - 25 Lakhs		Total	
	No. of Accounts	Value ₹	No. of Accounts	Value ₹	No. of Accounts	Value ₹	No. of Accounts	Value ₹
A) Person involved								
Staff	1,148	1.54	85	1.62	6	0.48	1,239	3.64
Customer	-	-	-	-	-	-	-	-
Staff and Customer	-	-	-	-	-	-	-	-
Total	1,148	1.54	85	1.62	6	0.48	1,239	3.64
B) Type of fraud								
Misappropriation and criminal breach of trust	1,148	1.54	85	1.62	6	0.48	1,239	3.64
Fraudulent encashment / Manipulation of books of Accounts	-	-	-	-	-	-	-	-
Unauthorized credit facility extended	-	-	-	-	-	-	-	-
Cheque and forgery	-	-	-	-	-	-	-	-
Total	1,148	1.54	85	1.62	6	0.48	1,239	3.64

Note 60. Disclosure pursuant to RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-23 dated 19 April 2022

Customer complaints

Particulars	As at 31 March 2024	As at 31 March 2023
1. Number of complaints pending at beginning of the year	54	4
2. Number of complaints received during the year	7,358	1,498
3. Number of complaints disposed during the year	7,134	1,448
3.1 Of which, number of complaints rejected by the Company	3	-
4. Number of complaints pending at the end of the year	378	54
Maintainable complaints received by the Company from Office of Ombudsman		
5. Number of maintainable complaints received by the Company from Office of Ombudsman	19	20
5.1 Of 5, number of complaints resolved in favour of the Company by Office of Ombudsman	19	20
5.2 Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of	-	-
5.3 Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
6. Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-



Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
Current Year					
Disbursement	6	2,903	603%	64	12
Loan Repayment	8	280	61%	11	-
Insurance	25	2,003	248%	77	2
CB Dispute	6	1,630	699%	25	6
Staff Misbehaviour	4	279	675%	41	26
Others	3	643	299%	60	3
Total	54	7,358	391%	278	51
Previous Year					
Disbursement	-	335	0%	6	-
Loan Repayment	2	149	0%	8	3
Insurance	-	593	0%	25	7
CB Dispute	2	204	0%	6	1
Staff Misbehaviour	-	36	0%	4	-
Others	-	161	0%	5	1
Total	4	1,498	0	54	12

Details of registration with financial regulators

Regulator	Registration No.
Ministry of Company Affairs	U65191KA1995PLL057884
Reserve Bank of India	B-02-00250

Disclosure of penalties imposed by RBI and other regulators : There are no penalty imposed by Reserve Bank of India and other regulators during the financial year.

Note 61. Previous year Figures

Previous year's figures have been reclassified to conform with the current year's classification / presentation wherever applicable.

Accompanying notes are an integral part of these financial statements

As per our attached report of even date.

For Brahmaya & Co.,
Chartered Accountants
Firm No. 000515S

G. Srinivas
Partner
M. No. 086761



Place: Bengaluru
Date: 24-04-2024

For and on behalf of the Board of Directors
of HFL Samasta Finance Limited

N. Venkatesh
Managing Director
DIN : 01018821

D. Shivaprakash
Whole-Time Director
DIN : 02216892



Anantha Kumar
Chief Financial Officer
Place: Bengaluru
Date: 24-04-2024

Mandranjan Biswal
Company Secretary
Place: Bengaluru
Date: 24-04-2024

To the Members of IIFL Samasta Finance Limited (Formerly known as "Samasta Micro Finance Limited")

Report on the Audit of the financial statements

Opinion

1. We have audited the financial statements of M/s IIFL Samasta Finance Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").
2. 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("Act") in the manner so required and give a true and fair view in conformity with 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 March 31, 2023, its profit, other total comprehensive income, changes in equity and cash flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. 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 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 the matters described below to be the key audit matters to be communicated in our report.



Key Audit Matter	How our Audit addressed the Key Audit Matter
<p>(a) Expected Credit Loss</p> <p>Refer note 2 (c) of significant accounting policies and note 40 for credit disclosures.</p> <p>As at 31 March 2023, the Company has total gross loan assets of Rs. 7,998.53 crores (2022: Rs. 5,772.72 crores) against which an Expected Credit Loss ('ECL') of Rs. 257.22 crores (2022 Rs. 254.80 crores) has been accrued.</p> <p>The ECL approach as required under Ind AS 109, Financial instruments, involves high degree of complexity and requires significant judgement of the management.</p> <p>The Management is required to determine the ECL that may occur over either a 12-month period or the remaining life of an asset, depending on the categorization of the individual asset. The key areas of judgment include:</p> <ol style="list-style-type: none"> 1. Categorization of loans in Stage 1, 2 and 3 based on identification of: <ol style="list-style-type: none"> a) exposures with Significant Increase in Credit Risk (SICR) since their origination and b) Individually impaired / default exposures. 2. Techniques used to determine Loss Given Default ('LGD') and Probability of Default ('PD') to calculate an ECL are based on past experience. 3. The impact of different future macroeconomic conditions in the determination of ECL. <p>These parameters are derived from the Company's internally developed statistical models, historical data and a change in such models or assumptions could have a material impact on the accompanying financial statements.</p> <p>These factors required the models to be assessed based on the available</p>	<p>Our audit focused on assessing the appropriateness of management's judgment and estimates used in the impairment analysis through procedures that included, but were not limited to, the following:</p> <ul style="list-style-type: none"> • Evaluated the Company's accounting policies for estimation of expected credit loss on loan assets in accordance with the requirements of Ind AS 109, Financial Instruments. • Obtained an understanding of the modelling techniques adopted by the Company including the key inputs and assumptions. Since modelling assumptions and parameters are based on historical data, we assessed whether historical experience was representative of current circumstances and was relevant in view of the recent impairment losses incurred within the portfolios. • Assessed the design and implementation, and tested the operating effectiveness of controls over the modelling process including governance over monitoring of the model and approval of key assumptions. • Evaluated the appropriateness of the Company's process of determination of significant increase in credit risk in accordance with the applicable accounting standard and the basis for classification of exposures into various stages. • Obtained the approved policy of board of directors to understand the relief measures sanctioned to various class of borrowers in accordance with the directions given by the RBI and tested, on sample basis, the compliance with respect to asset classification and provisioning norms as per such directions. • Tested management's computation of ECL by performing following procedures:



<p>information including the additional risk profiling due to the impact of COVID-19 Pandemic, geographical, political and economic risk to measure the ECL.</p> <p>Management has made a number of interpretations and assumptions when designing and implementing models that are compliant with the standard. The accuracy of data flows and the implementation of related controls is critical for the integrity of the estimated impairment provisions.</p> <p>Considering the significance of the above matter to the financial statements and the significant auditor attention required to test such complex accounting estimates, we have identified this as a key audit matter for current year audit.</p>	<ul style="list-style-type: none"> a) Evaluated management's groupings of borrowers on the basis of different product lines and customer segments with different risk characteristics. b) Tested classification of loans into various categories based on their past due status and other loss indicators. On a sample basis, inspected the repayment schedule from the underlying borrower agreements and collection made on due dates; c) Performed test of details of the input information used in ECL computation on a sample basis. d) Tested the arithmetical accuracy of the computation. e) Performed analytical procedures by determining various ratios or percentage-based measures to review overall reasonableness of the estimate determined by the management.
<p>2. Identification and Measurement of NPA: As per RBI's circular dated November 12, 2021 read with earlier circular dated October 1, 2021 on "Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances, Automation of NPA and provisioning is required to be implemented by all lending Institutions.</p> <p>The NPA provisioning as per ECL methodology followed by the Company are not fully automated in Software Applications used by the Company for Loans Management and are performed manually through excel spreadsheets. Further, marking of linked accounts at borrower level as NPAs are done manually. These may have impact on the accuracy and completeness of the provision accrued for NPAs.</p> <p>Considering the significance, we have identified this as a key audit matter for current year audit.</p>	<p>Performed other substantive procedures, included but not limited to the following:</p> <ul style="list-style-type: none"> • Assessed the appropriateness of asset classification and adequacy of related provisioning by performing procedures such as computation of overdue ageing, assessment of borrower level NPA identification and verification of applicable provision rates as per ECL policy of the Company on test check basis; • Selected samples of performing loan accounts to assess, independently, whether such loan accounts should be classified as NPA; • Recompilation of the amount of ECL provisioning on the total advances base considering the stage wise categories of advances, LGD (Loss given default) and PD (Probability of default) arrived by the Company.



Information Other than the Financial Statements and Auditor's Report thereon

5. The Company's Board of Directors is 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 auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's 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 above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the financial statements:

6. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the financial statements

8. 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.



9. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism 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 override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures 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.
10. Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.
11. 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.
12. 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.



13. 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 auditors' 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

14. As required by Sec 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with schedule V to the Act.
15. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013, we give in "Appendix - A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
16. As required by Section 143(3) of the Act, we report that:
- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the financial statements.
 - 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.
 - The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account for the purpose of preparation of the financial statements.
 - In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
 - 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 "Appendix-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.
 - 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, in our opinion and to the best of our information and according to the explanations given to us:



- i. The Company does not have any pending litigations which would impact its financial position in its financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv.
 - a. The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entities, including foreign entities ('the 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries.
 - b. The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ('the 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; and
 - c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Company has paid dividend during the year which is in compliance with section 123 of the Companies Act, 2013.



- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For Brahmayya & Co.,
Chartered Accountants
ICAI Firm Registration No: 000515S



G. Srinivas
Partner
Membership No: 086761
UDIN No. 23086761BGW||I|3287

Place: Bengaluru
Date: April 21, 2023



Appendix - A to the Independent Auditors' Report

The Appendix referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2023, we report that:

- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment ('PPE') and relevant details of Right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The company has a regular program of physically verifying all fixed assets at its offices in a phased manner, which in our opinion is reasonable having regard to the size of the company and the nature of its assets.
- Based on the information and explanation given to us and on verification of the records of the Company, the Company has physically verified the fixed assets as per their program during the year. No material discrepancies as compared to book records 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's (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), the title deeds of immovable properties are held in the name of the Company.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) The Company is not carrying on any trading or manufacturing activities and hence does not have inventories. Therefore, paragraph 3(ii) of the Order is not applicable to the Company.
- (iii)
- (a) The Company's principal business is to give loans. Hence, the provisions stated in paragraph 3(iii)(a) of the Order are not applicable to the Company.
- (b) In our opinion, having regard to the nature of the Company's business, the investments made and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the Company's interest;

- (c) In respect of the aforesaid loans and advances in nature of loans, the schedule of repayment of principal and payment of interest have been stipulated by the Company. Considering that the Company is a Non-Banking Financial Company engaged in the business of granting loans in the micro finance industry, the details of



the amount, due date for payment and extent of delay (that has been suggested in the Guidance Note on CARO 2020 issued by the Institute of Chartered Accountants of India for reporting under this clause) have not been detailed hereunder because it is not practicable to furnish such details owing to the voluminous nature of data generated in the normal course of the Company's business. Further, except for the instances where there are delays or defaults in repayment of principal and/ or interest and in respect of which the Company has recognised necessary provisions in accordance with the principles of Indian Accounting Standards (Ind AS) and the guidelines issued by the Reserve Bank of India ("RBI") for Income Recognition and Asset Classification, the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest, as applicable.

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, Rs. 117.52 Crores amount overdue for more than ninety days.
- (e) The Company's principal business is to give loans. Hence, the provisions stated in paragraph 3(iii)(e) of the Order are not applicable to the Company.
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.
- (iv) The Company has not advanced loans or made investments in or provided guaranty or security to parties covered by section 185 and section 186 is not applicable to the Company. Hence reporting under paragraph 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits from the public, within the meaning of Section 73 to 76 or any other relevant provisions of the Act and Rules framed thereunder. We are informed that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or other tribunal.
- (vi) According to the information and explanations given to us, in respect of the class of industry the company falls under, the Central Government has not specified the maintenance of cost records under section 148 (1) of the Act. Therefore, the provisions of clause (vi) of the Order are not applicable to the Company.
- (vii) (a) According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues payable including Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, and Cess and other material statutory dues as applicable to the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance Income Tax, Goods and Services Tax, and Cess were in arrears as at March 31, 2023 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 are no dues in respect of income tax, sales tax, service tax, value added tax, goods and service tax, customs duty, excise duty, cess which have not been deposited on account of dispute.



(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(ix)

(a) On the basis of verification of records and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to Financial Institutions, Banks and monies raised by issue of debentures. The Company has not raised any loan from Government.

(b) The company has not been declared wilful defaulter by any bank or financial institution or other lender.

(c) According to the information and explanations provided to us, the Company has applied the loans for which the loans were obtained.

(d) On an overall examination of financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) According to the information and explanation provided to us and based on our examination of the records of the Company, the Company doesn't have any subsidiaries, joint ventures or associate companies. Accordingly, reporting under this clause is not applicable.

(x) (a) According to the information and explanations given by the management, the Company has not raised moneys by way of initial public offer or further public offer. However, money raised from debt instruments have been, prima facie, applied for the purposes for which they were raised.

(b) During the year, the company has utilized funds raised by way of preferential allotment of shares for the purposes for which they were raised.

(xi) (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given to us by the Management and the representations obtained from the management, we report that no material fraud by the Company and no material fraud on the company by its officers or employees, except for 365 cases of frauds in the nature of 'fraudulent encashment / manipulation of books of accounts' amounting to Rs. 1.56 Crores on the Company have been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year, while determining the nature, timing and extent of our audit procedures.



- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) In our opinion and according to the information and explanations given to us, based on verification of the records and approvals of the Audit Committee, the Company is in compliance with Section 177 and Section 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the books of account:
- (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him as referred to in section 192 of companies Act, 2013. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) (a) The Company is registered under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



(xx) (a) There are no unspent amount towards Corporate Social Responsibility (CSR) in respect of other than ongoing projects.

(b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount as at the end of the previous financial year, to a Special account within a period of 30 days from the end of the said financial year in compliance with the provision of section 135(6) of the Act.

(xxi) The reporting under clause 3(xxii) is not applicable in respect of audit of financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For Brahmayya & Co.,
Chartered Accountants
ICAI Firm Registration No: 000515S



G. Srinivas
Partner
Membership No: 086761
UDIN No. 23086761BGWJIF3287

Place: Bengaluru
Date: April 21, 2023



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 over financial reporting of IIFL Samasta Finance Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Managements Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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 over financial reporting 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting 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 over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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 Control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Institute of Chartered Accountants of India.

For Brahmayya & Co.,
Chartered Accountants
ICAI Firm Registration No: 000515S



G. Srinivas
Partner
Membership No: 086761
UDIN No. 23086761BGWJIF3287

Place: Bengaluru
Date: April 21, 2023



IFFL Samasta Finance Limited
(Formerly known as Samasta Microfinance Limited)
CIN: U65191KA1995PLC057884

Registered Office: 110/3, Lal Bagh Main Road, Krishnappa Layout, Bengaluru, Karnataka- 560027

BALANCE SHEET AS AT MARCH 31, 2023

(Amount in ₹ Cr)

Particulars	Slate No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
1 Financial Assets			
(a) Cash and bank equivalents	3	227.11	456.08
(b) Basic Balance other than (a) above	3	382.35	285.56
(c) Derivative financial instruments	4	0.22	9.87
(d) Receivables			
(i) Trade Receivables	5	17.98	8.48
(ii) Other Receivables			-
(e) Loans	6	7,734.68	5,818.63
(f) Investments	7	169.42	0.05
(g) Other financial assets	8	249.48	51.66
2 Non-Financial Assets			
(a) Other non-financial assets	9	5.79	14.11
(b) Current tax assets (Net)	10	2.12	1.64
(c) Deferred tax Assets (Net)	11	45.04	63.12
(d) Investment Property	12	0.05	0.05
(e) Property, Plant and Equipments	13	20.36	9.12
(f) Rights to Use	13	8.15	6.75
(g) Other Intangible assets	14	-	0.01
Total Assets		8,904.16	6,394.43
LIABILITIES AND EQUITY			
LIABILITIES			
1 Financial Liabilities			
(a) Derivative financial instruments	4	9.22	9.87
(b) Payables			
(i) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	15	20.36	8.04
(ii) Other Payables			
(i) total outstanding dues of micro enterprises and small enterprises			-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises			-
(c) Debt Securities	16	477.90	534.81
(d) Borrowings (Other than Debt Securities)	17	6,128.70	4,003.36
(e) Unsecured Subordinated Liabilities	18	464.60	140.72
(f) Lease Liability	19	9.21	7.42
(g) Other financial liabilities	20	292.00	91.36
2 Non-Financial Liabilities			
(a) Current tax liabilities (Net)	21	0.18	5.51
(b) Provisions	22	13.29	8.46
(c) Other non-financial liabilities	23	26.57	5.58
3 Equity			
(a) Equity Share capital	24	591.64	498.22
(b) Other Equity	25	724.91	501.66
Total Liabilities and Equity		8,904.16	6,394.43
Significant Accounting policies	2		

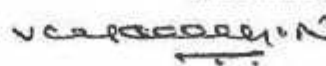
Accompanying notes are an integral part of these financial statements.

As per our attached report of even date.

For Brahmayya & Co.,
Chartered Accountants
Firm No. 0005155


G. Srinivas
Partner
M. No. 086761

For and on behalf of the Board of Directors
of IFFL Samasta Finance Limited


N. Venkatesh
Managing Director
DIN : 01018021


D. Shivaprakash
Whole-Time Director
DIN : 02216902


Ananta Kumar T
Chief Financial Officer


Manoj Biswal
Company Secretary



Place: Bengaluru
Date: 21-04-2023



HFL Samasta Finance Limited
(Formerly known as Samasta Microfinance Limited)
CTN: U65191KA1995PLC057884

Registered Office: 110/3, Lal Bagh Main Road, Krishnappa Layout, Bengaluru, Karnataka- 560027

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

(Amount in Rs ₹ Cr)

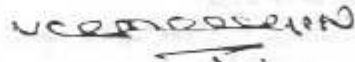
Particulars	Note No.	Year Ended March 31, 2023	Year Ended March 31, 2022
Revenue from operations			
(a) Interest Income	26	1,530.63	984.23
(b) Fees and commissions Income	27	100.67	26.09
(c) Net gain on derecognition of financial instruments under amortised cost category	28	105.93	2.67
(I) Total Revenue from operations		1,737.23	1,012.99
(II) Other Income	29	7.28	7.14
(III) Total Income (I+II)		1,744.51	1,020.13
Expenses			
(a) Finance Costs	30	586.98	395.10
(b) Net loss on derecognition of financial instruments under amortised cost category	31	-50.91	138.68
(c) Impairment on financial instruments	32	4.37	98.72
(d) Employee Benefits Expenses	33	393.87	236.65
(e) Depreciation, amortization and impairment	12, 13, 14	13.24	7.86
(f) Others expenses	34	145.63	84.07
(IV) Total Expenses		1,595.00	960.98
(V) Profit before tax (III-IV)		149.51	58.95
(VI) Tax Expense:			
(1) Current Tax	35	13.77	36.77
(2) Tax related to Earlier Years	35	(1.63)	(0.19)
(3) Deferred Tax	35	18.19	(28.23)
Total Tax Expense (1+2+3)		30.33	8.35
(VII) Profit for the year (V-VI)		119.18	50.60
(VIII) Other Comprehensive Income			
(A) (i) Items that will not be reclassified to profit or loss	35	(0.42)	(1.11)
(ii) Income tax relating to items that will not be reclassified to profit or loss	35	0.11	0.28
Subtotal (A)	35	(0.31)	(0.83)
(B) (i) Items that will be reclassified to profit or loss			
(ii) Income tax relating to items that will be reclassified to profit or loss			
Subtotal (B)		-	-
Other Comprehensive Income		(0.31)	(0.83)
(IX) Total Comprehensive Income for the period (Comprising Profit and other Comprehensive Income for the period) (VII+VIII)		118.87	49.77
(X) Earnings per equity share			
Basic (Rs.)		2.50	1.22
Diluted (Rs.)		2.50	1.22
Significant Accounting Policies	1		


Accompanying notes are an integral part of these financial statements.
As per our attached report of even date.
For Brahmayya & Co.,
Chartered Accountants
Firm No. 0005155


G. Srinivas
Partner
M. No. 006761

Place: Bengaluru
Date: 21-04-2023

For and on behalf of the Board of Directors
of HFL Samasta Finance Limited


N. Venkatesh
Managing Director
DIN : 01019621


D. Shivaprakash
Whole-Time Director
DIN : 02216802




Anantha Kumar T
Chief Financial Officer


Manojan Bhalwal
Company Secretary



HFL Samasta Finance Limited
(Formerly known as Samasta Microfinance Limited)
CIN: U65191KA1995PLC057884

Registered Office: 110/3, Lal Bagh Main Road, Krishnappa Layout, Bengaluru, Karnataka- 560027

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023

		(Amount in ₹ Cr)	
SR. No.	Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
1	Cash flows from operating activities		
	Net profit before taxation, and extraordinary items	158.51	58.95
	Adjustments for:		
	Depreciation	13.23	7.86
	Net (gain) / loss on derecognition of financial instruments under amortised cost category	(93.20)	6.74
	Interest income on FDs	(17.66)	(10.65)
	Share Toxin Capital Gain	(7.01)	(7.02)
	Gratuity and Leave Salary	4.51	2.20
	Profit on sale of assets	-	-
	Dividend Income	-	-
	Provision for Standard and Non Performing Assets	4.37	98.73
	Net loss on derecognition of financial instruments under amortised cost category	450.91	131.84
	Operating profit before working capital changes	513.67	288.64
	(Increase) / Decrease in Trade Receivables	(9.50)	(5.42)
	(Increase) / Decrease in loans	(2,672.74)	(1,786.10)
	(Increase) / Decrease in Other Assets	(153.59)	(31.37)
	Increase / (Decrease) in Other Liabilities	190.61	(124.62)
	Increase / (Decrease) in trade payables	12.32	(0.44)
	Changes in Working Capital	(2,672.91)	(1,950.12)
	Costs on sale of investments	(2,119.24)	(1,661.48)
	Income taxes paid	(3.10)	(29.00)
	Net cash from operating activities	(1,124.34)	(1,690.48)
2	Cash flows from investing activities		
	Purchase of PPE	(22.25)	(9.37)
	Proceeds from sale of equipment	0.01	0.01
	Purchase of Investments	(8,136.40)	(6,117.79)
	Increase in Deposits	(126.85)	(101.12)
	Sale of Investments	3,143.41	6,124.83
	Increase in Security Deposits	(160.37)	-
	Interest received	17.85	8.42
	Dividends received	-	-
	Net cash from investing activities	(284.50)	(95.04)
3	Cash flows from financing activities		
	Proceeds from issuance of share capital	300.00	300.00
	Proceeds from long-term borrowings	4,093.24	4,000.77
	Repayment of long-term borrowings	(4,104.73)	(2,209.79)
	Interest paid	(4.98)	-
	Dividends paid	-	-
	Net cash used in financing activities	2,183.53	1,090.98
4	Net increase/(decrease) in cash and cash equivalents	(124.98)	305.46
5	Cash and cash equivalents at beginning of period	452.09	146.63
6	Cash and cash equivalents at end of period	327.11	452.09

Accompanying notes are an integral part of these financial statements.

As per our attached report of even date.

For Brahmayya & Co.,
Chartered Accountants
Firm No. 000515S

G. Srinivas
Partner
M. No. 086761

For and on behalf of the Board of Directors
of HFL Samasta Finance Limited

N. Venkatesh
Managing Director
DIN : 01018821

D. Shivaprakash
Whole-Time Director
DIN : 02216902



Amit Kumar
Chief Financial Officer

Manoranjan Biswal
Company Secretary

Place: Bengaluru
Date: 21-04-2023



MFL Samasta Finance Limited
(Formerly known as Samasta Microfinance Limited)
CIN: U65191KA1995PLC057884

Registered Office: 110/3, Lal Bagh Main Road, Krishna appa Layout, Bengaluru, Karnataka-
560027

Note 1. Corporate Information:

MFL Samasta Finance Limited (Formerly known as Samasta Microfinance Limited) has its registered office at Bengaluru, India and was incorporated under the Provisions of Companies Act, 1956. The company has obtained certificate of registration from RBI dated 05-09-2013. The Company is categorised as systematically important Non Banking Finance (non - deposit accepting or holding) Company - Micro Finance Institution (NBFC MFI) under the provisions of RBI Act 1954. The Company is engaged in providing micro finance services to women who are enrolled as members and organized as Joint Liability Group (JLG), Small business loans and loans against property. The Company is a subsidiary of MFL Finance Limited.

Note 2. Significant Accounting Policies And Key Accounting Estimates And Judgements

a) Basis of Preparation of financial statements:

The financial statements, together with the comparative period data as at and for the year ended March 31, 2023, comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015], as amended and other relevant provisions of the Act.

The Company has followed statutory requirements, circulars and guidelines issued by the Reserve Bank of India (RBI) for Non-Banking Financial Companies (NBFC), time to time.

b) Historical cost convention:

The financial statements have been prepared on a historical cost basis, except for the following:

- 1) certain financial assets and liabilities (including derivative instruments) are measured at fair value as stated in notes.
- 2) defined benefit plans – plan assets measured at fair value.

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 in accounting estimates is recognized prospectively in the current and future period.

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 b)
- ii) Estimation of defined benefit obligation - (Refer Note s (II))

The areas involving critical judgements are:

- 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 Payment of Principal and Interest (SPPI) on the principal amount outstanding.
- ii) Derecognition of financial assets and securitization
- iii) Categorisation of loan portfolio



IIFL Samasta Finance Limited
(Formerly known as Samasta Microfinance Limited)
CIN: U65191KA1995PLC057884

**Registered Office: 110/3, Lal Bagh Main Road, Krtisnappa Layout, Bengaluru, Karnataka-
560027**

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. 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 recognised 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 and Loss during the reporting period in which they are incurred.

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.



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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, an entity shall measure all of its investment properties in accordance with Ind AS 40's requirements for cost model.

Depreciation/ Amortisation

Depreciation on each item of PPE and Investment Property is provided using the Straight-Line Method 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 assessed based on the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc. 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.

No depreciation is charged from the month in which assets are sold. Depreciation/ Amortisation on PPE, Investment Property and Intangible Assets added or disposed off during the year is calculated on pro-rata basis with reference to the date of addition or deletion.

Estimated useful life of the assets is as under:

Class of assets	Useful life in years
Buildings *	20
Furniture and fixtures *	5
Office equipment *	5
Electrical equipment *	5
Vehicles *	5
Computers *	3
Software *	3

* For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuers the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

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.



IFTI Samasta Finance Limited
(Formerly known as Samasta Micro Finance Limited)
CIN: 1165191KA1995PLC057884

Registered Office: 110/3, Lal Bagh Main Road, Krishnappa Layout, Bengaluru, Karnataka-
560017

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.

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.

b) Financial Assets

Business Model Assessment

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.



HFL Samasta Finance Limited
(Formerly known as Samasta Microfinance Limited)
CIN: U65191KA1995PLC057824

Registered Office: 110/3, Lal Bagh Main Road, Krishnappa Layout, Bengaluru, Karnataka-
560027

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 FVTOCI, the cumulative gain or loss previously accumulated in other equity is reclassified to Statement of Profit and Loss.

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 subsidiaries and 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.



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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 financial instruments that are not measured at FVTPL :

- i) Loans
- ii) Trade Receivables

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.

Lifetime 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.



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

Stage	Past Due	ECL	Regulatory Standards
Stage 1	30 days past due	12 Month ECL	Equivalent to standard assets as per RBI
Stage 2	31-90 Days Past Due	Life time ECL	
Stage 3	More than 90 Days Past Due	Life time ECL	Equivalent to NPA assets as per RBI

Measurement of ECL

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

Financial assets that are not credit-impaired at the reporting date: As the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive);

Financial assets that are credit-impaired at the reporting date: As the difference between the gross carrying amount and the present value of estimated future cash flows.

Trade Receivables

For trade receivables, the Company applies the simplified approach which requires life-time ECL to be recognised from initial recognition of the receivables.

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 recovery activities in order to comply with the Company's procedures for recovery of amounts due.

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) (iii) where there is an embedded derivative as part of the financial liability, such embedded derivative is separated and recorded at fair value and the remaining component is categorized as an amortized costs.



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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.

(iii) For derivatives embedded in the liability, the embedded derivative is subsequently measured at fair value through profit and loss and the liability is subsequently measured at amortised cost using the effective interest method.

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

l) Derivative Financial Instruments

Derivatives Financial Contracts are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

j) 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.

k) 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:

- i. In the principal market for the asset or liability, or
- ii. 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

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.



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i) Functional Currency

i) Functional and presentation currency:

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. Foreign currency transactions are translated into functional currency using exchange rates at the date of transaction.

b. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Statement of Profit and Loss.

m) Securitization transaction

In accordance with Ind AS 109, in case of securitisation where the risks and rewards are not transferred completely, the assets are not derecognised and the liability to Special Purpose Vehicle (SPV) is shown under borrowings. The gain arising on securitisation is amortised over the life of the securities issued by SPV. Loss, if any, is recognised upfront in the Statement of Profit and Loss for all types of Securitisation Transactions.

n) 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.

o) 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 operations:

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 performed. There is no significant financing component in 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.



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p) 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 or 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.

Deferred 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 these temporary differences and losses.

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 and 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.

Presentation of current and deferred tax:

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



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q) 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, where 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.

r) 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.

s) 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.

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.



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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 up to 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 the Statement of Profit and 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.

t) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM) of the company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the company. Revenue, expenses, assets and liabilities which relate to the company as a whole and are not allocable to segments on reasonable basis have been included under 'unallocated revenue / expenses / assets / liabilities'. The Company operates in a single business segment i.e. lending to members, having similar risk and returns for the purpose of IND AS 108 on 'Operating Segments'. The Company operates in a single geographical segment i.e. domestic.

u) Leases

The Company's lease asset classes primarily consist of leases for buildings. The Company, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered into on or after April 1, 2019.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the Statement of Profit and Loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less. The Company recognises the lease payments associated with these leases as an expense over the lease term.



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Notes forming part of Financial Statements for the year ended March 31, 2023

(All amounts are stated in crores unless otherwise stated)

Note 3. Cash and Cash Equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Cash and Cash Equivalents		
Cash on hand	0.72	0.62
Balance with Banks	214.20	264.54
In Fixed Deposit Accounts	12.19	189.92
Cash and Cash Equivalents	227.11	455.08

Out of the Fixed Deposits shown above:

Particulars	As at March 31, 2023	As at March 31, 2022
Lien Marked *	-	74.78
Other deposits	12.19	115.14
Total	12.19	189.92

*Deposits have been placed with certain banks as cash collateral against term loans and working capital.

Particulars	As at March 31, 2023	As at March 31, 2022
Other Bank Balances		
In Fixed Deposit Account (Maturity upto 12 months)	201.45	123.65
In Fixed Deposit account (Maturity more than 12 months)	180.94	131.91
Total	382.39	255.56

Out of the Fixed Deposits shown above:

Particulars	As at March 31, 2023	As at March 31, 2022
Lien Marked *	382.39	280.33
Other deposits	0.00	(24.77)
Total	382.39	255.56

*Deposits have been placed with certain banks as cash collateral against term loans and working capital.

Particulars	As at March 31, 2023	As at March 31, 2022
Cash and Cash Equivalents (As per Ind AS 7 Statement of Cash Flows)		
Cash on hand	0.72	0.62
Balance with Banks	214.20	264.54
-In current accounts		
In Fixed Deposit Accounts	12.19	189.92
	227.11	455.08
Less: Cash Credit / Overdraft facilities (Refer Note no 17)	-	2.99
Cash and cash equivalents (As per Ind AS 7 Statement of Cash Flows) (A)	227.11	452.09



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Note 4. Derivative Financial Instruments

Particulars	As at March 31, 2023			As at March 31, 2022		
	Nominal Amount	Fair Value - Assets	Fair Value - Liabilities	Nominal Amount	Fair Value - Assets	Fair Value - Liabilities
Interest Rate Derivatives						
Options Purchased *	4.32	9.22	9.22	4.32	9.87	9.87
Total	4.32	9.22	9.22	4.32	9.87	9.87

* Unsecured Non Convertible Debentures of ₹ 9.22 Cr (P.Y. ₹ 9.87 Cr) made as per the terms of issue and on maturity will be transferred to the investors of the NCD.



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Note 5. Receivables

Receivables	As at March 31, 2023	As at March 31, 2022
Trade Receivables		
Receivables considered good - Unsecured	17.98	8.48
Total - Gross	17.98	8.48
Less: Impairment loss allowance	-	-
Total - Net	17.98	8.48

The Company follows simplified method of estimation of expected credit loss and hence information required under Part (C) (i) is not furnished.

5.1 Trade Receivables ageing schedule as on March 31, 2023

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	1.56	16.41	0.00	0.01	-	-	17.98
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
Total	1.56	16.41	0.00	0.01	-	-	17.98

5.2 Trade Receivables ageing schedule as on March 31, 2022

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	2.06	6.43	-	-	-	-	8.48
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
Total	2.06	6.43	-	-	-	-	8.48



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Note 6. Loans

Particulars	As at March 31, 2023		As at March 31, 2022	
	Amortised cost	Total	Amortised cost	Total
(A)				
Term Loans				
Inter Corporate Deposit to Holding Company	7,998.53	7,998.53	5,772.72	5,772.72
Unamortized Processing Fee	-	-	-	-
Advance from Customers	(69.20)	(69.20)	(48.05)	(48.05)
Accrued Interest but not due	63.97	63.97	48.75	48.75
Total (A) -Gross	7,993.30	7,993.30	5,773.42	5,773.42
Less: Impairment loss allowance (including ECL on Stage 3 of Rs. 105.04 Cr P.Y. Rs.130.13 Cr)	(257.22)	(257.22)	(254.80)	(254.80)
Total (A) - Net	7,736.08	7,736.08	5,518.62	5,518.62
(B)				
(i) Secured by tangible assets				
Less: Impairment loss allowance (including ECL on Stage 3 of Rs 0.36 Cr P.Y. Rs. 1.43 Cr)	(0.94)	(0.94)	(2.59)	(2.59)
Total (i)	36.30	36.30	63.08	63.08
(ii) Unsecured				
Less: Impairment loss allowance (including ECL on Stage 3 of Rs. 104.87 Cr P.Y. Rs.128.70 Cr)	(256.28)	(256.28)	(252.21)	(252.21)
Total (ii)	7,699.78	7,699.78	5,455.55	5,455.55
Total (B)-Net	7,736.08	7,736.08	5,518.63	5,518.63
(C)				
(I) Loans in India				
(i) Public Sector	-	-	-	-
(ii) Others				
Inter Liability Group	7,439.98	7,439.98	5,376.30	5,376.30
Small Business Loans	516.08	516.08	333.46	333.46
Loan Against Property	37.24	37.24	65.67	65.67
Inter Corporate Deposit to Holding Company	-	-	-	-
Less: Impairment loss allowance (including ECL on Stage 3 of Rs. 105.04 Cr P.Y. Rs.130.13 Cr)	(257.22)	(257.22)	(254.80)	(254.80)
Total(C) (I)-Net	7,736.08	7,736.08	5,518.63	5,518.63
(II) Loans outside India	-	-	-	-
Less: Impairment loss allowance	-	-	-	-
Total (C) (II)- Net	-	-	-	-
Total (C) (I) and (II)	7,736.08	7,736.08	5,518.63	5,518.63

6.1	Particulars	As at 31 March 2023	As at 31 March 2022
	The loan receivables reflected above excludes microfinance loans assigned to a third party on direct assignment in accordance with RBI Guidelines which qualify for derecognition as per Ind AS 109. The amounts given are net of non-realization retained in the books.	1,620.51	447.58

6.2	Particulars	As at 31 March 2023	As at 31 March 2022
	Provisions as per RBI Prudential Norms	(112.96)	(125.72)
	Provisions as per ECL model under Ind AS 109	(257.22)	(254.80)
	Amount recorded in the books	(257.22)	(254.80)

6.3 Reconciliation of Impairment allowance on Loans*

Particulars	Amount
Impairment allowance as at 1 April 2021	155.44
Add: Impairment allowance provided in statement of Profit & Loss	231.19
Less: Impairment allowance Utilised for writing off Loss assets	(131.84)
Impairment allowance as at 31 March 2022	254.79
Add: Impairment allowance provided in statement of Profit & Loss	453.34
Less: Impairment allowance Utilised for writing off Loss assets	(450.91)
Impairment allowance as at 31 March 2023	257.22

* Reconciliation table does not include ECL provision on other receivables (Refer point no 9).

The Company has not given any loans or advances to directors, promoters, key managerial person and related parties either repayable on demand or on any terms of repayment.



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Note 7. Investments

Particulars	As at March 31, 2023			As at March 31, 2022		
	At Fair Value through profit or loss	Others *	Total	At Fair Value through profit or loss	Others *	Total
(A) Equity instruments	-	-	-	-	-	-
Alpha Microfinance Consultants Private Limited (50,000 Equity Shares of Rs. 10 each)	-	0.05	0.05	-	0.05	0.05
(B) Investments in Security Receipts	-	160.37	160.37	-	-	-
Total – Gross (A+B)	-	160.42	160.42	-	0.05	0.05
i) Investments outside India	-	-	-	-	-	-
ii) Investments in India	-	160.42	160.42	-	0.05	0.05
Unquoted equity instruments in India	-	0.05	0.05	-	0.05	0.05
Quoted equity instruments in India	-	-	-	-	-	-
Other than Equity Instruments	-	160.37	160.37	-	-	-
Total (B)	-	160.42	160.42	-	0.05	0.05
Less: Allowance for Impairment Loss (C)	-	-	-	-	-	-
Total- Net (D) = A-C	-	160.42	160.42	-	0.05	0.05

* The Company has carried investment in equity shares at cost.



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(All amounts are stated in crores unless otherwise stated)

Note 8. Other financial assets

Particulars	As at March 31, 2023		As at March 31, 2022	
Accrued interest on Fixed Deposits		4.38		4.57
Staff Advances		0.09		0.17
Security Deposits		9.67		6.35
Interest Strip Asset on Assignment		129.88		36.67
Other Receivables	152.02		8.82	
Less: Impairment loss allowance towards other Receivable	(6.57)	145.46	(4.62)	4.20
Total		289.48		51.96



HFL Samasta Finance Limited
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 CIN: U65191KA1995PLC057884

Registered Office: 110/3, Lal Bagh Main Road, Krishnappa Layout, Bengaluru, Karnataka- 560027
 Notes forming part of Financial Statements for the year ended March 31, 2023
 (All amounts are stated in crores unless otherwise stated)

Note 9. Other Non Financial Assets

Particulars	As at March 31, 2023	As at March 31, 2022
Prepaid expenses	4.33	2.24
Vendor Advances	1.37	1.96
Other Assets	-	9.91
Total	5.70	14.11

Note 10. Current Tax Assets (net)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance Tax	8.31	34.71
TDS Receivables	11.33	4.30
Provision for Taxation	(17.52)	(37.37)
Total	2.12	1.64



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 Notes forming part of Financial Statements for the year ended March 31, 2023
 (All amounts are stated in crores unless otherwise stated)

Note 11. Deferred Tax Assets (net)

Significant components of deferred tax assets and liabilities for the year ended March 31, 2023 are as follows:

Particulars	Opening balance	(Charged) / Recognised in Profit or Loss	Effect of the Tax Rate	Deferred Tax Taken to Balance Sheet	(Charged) / Recognised in OCI	Closing balance
Deferred Tax Assets:						
Provision, allowances for doubtful receivables	63.00	2.29	-	-	-	65.29
Compensated absences and retirement benefits	2.13	1.02	-	-	-	3.15
Unamortized Processing Fees Income	12.09	5.32	-	-	-	17.42
Lease Liability	0.17	0.09	-	-	-	0.27
Total Deferred Tax Assets	77.39	8.72	-	-	-	86.13
Deferred Tax Liabilities:						
Property, plant and equipment	1.52	0.94	-	-	-	2.86
Prepaid expenses claimed	(6.57)	(4.45)	-	-	-	(11.02)
Unamortized Processing Fees Expense	(0.76)	0.18	-	-	-	(0.19)
Interest Strip Assets	(9.23)	(23.46)	-	-	-	(32.69)
Income on Security Deposit	(0.01)	(0.02)	-	-	-	(0.05)
Total Deferred Tax Liabilities	(14.27)	(26.81)	-	-	-	(41.09)
Deferred Tax Assets	63.12	(18.09)	-	-	-	45.04

Significant components of Deferred Tax Assets and Liabilities for the year ended March 31, 2022 are as follows:

Particulars	Opening balance	(Charged) / Recognised in Profit or Loss	Effect of the Tax Rate	Deferred Tax Taken to Balance Sheet	(Charged) / Recognised in OCI	Closing balance
Deferred Tax Assets:						
Provision, allowances for doubtful receivables*	37.85	25.15	-	-	-	63.00
Over Due Interest	-	-	-	-	-	-
Compensated absences and retirement benefits	1.37	0.48	-	-	0.28	3.13
Unamortized Processing Fees Income	8.38	3.71	-	-	-	13.09
Unrealised profit on investments	-	-	-	-	-	-
Lease Liability	0.14	0.03	-	-	-	0.17
Total Deferred Tax Assets	47.74	29.37	-	-	0.28	77.39
Deferred Tax Liabilities:						
Property, plant and equipment	1.52	0.40	-	-	-	1.92
Prepaid expenses claimed	(2.83)	(3.73)	-	-	-	(6.57)
Unamortized Processing Fees Expense	(0.87)	0.51	-	-	-	(0.36)
Interest Strip Assets	(10.93)	1.70	-	-	-	(9.23)
Income on Security Deposit	(0.01)	(0.01)	-	-	-	(0.03)
Total Deferred Tax Liabilities	(13.12)	(1.14)	-	-	-	(14.27)
Deferred Tax Assets	34.62	28.23	-	-	0.28	63.12



IFL Samasta Finance Limited
(Formerly known as Samasta Microfinance Limited)
CIN: U65191KA1995PLC057884

Registered Office: 110/3, Lal Bagh Main Road, Krishnappa Layout, Bengaluru, Karnataka- 560027
 Notes forming part of Financial Statements for the year ended March 31, 2023
 (All amounts are stated in crores unless otherwise stated)

Note 12. Investment Property

Particulars	Land	Building	Total
Cost or Valuation as at April 1, 2022	0.01	0.05	0.06
Additions	-	-	-
Deductions / Adjustments during the year	-	-	-
As at March 31, 2023	0.01	0.05	0.06
Depreciation			
As at April 1, 2022	-	0.01	0.01
Depreciation For the year	-	0.00	0.00
Deductions/Adjustments during the year	-	-	-
Up to March 31, 2023	-	0.01	0.01
Net Block as at March 31, 2023	0.01	0.04	0.05

Particulars	Land	Building	Total
Cost or Valuation as at April 1, 2021	0.01	0.05	0.06
Additions	-	-	-
Deductions / Adjustments during the year	-	-	-
As at March 31, 2022	0.01	0.05	0.06
Depreciation			
As at April 1, 2021	-	0.01	0.01
Depreciation For the year	-	0.00	0.00
Up to March 31, 2022	-	0.01	0.01
Net Block as at March 31, 2022	0.01	0.04	0.05

- i) There are no direct expenses incurred towards above investment property.
- ii) The investment property is given as security against non - convertible debentures.
- iii) There are no contractual obligation existed as on 31st March 2023 in connection to purchase, construct or develop investment property.
- iv) The title deed of the above property is held in the name of the Company.
- v) The Company does not have any Benami Property and no proceedings have been initiated during the year or are pending against the company as at March 31, 2023 for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1988 as amended in 2016 and Rules made thereunder.
- vi) The valuation is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.



BFL Samastha Finance Limited
(Formerly known as Samastha Microfinance Limited)
CIN: U65191KA1995PLC057884
Registered Office: 110/3, Lal Bagh Main Road, Krishnappa Layout, Bengaluru, Karnataka- 560027
Notes forming part of Financial Statements for the year ended March 31, 2023
(All amounts are stated in crores unless otherwise stated)

Note 13. Property Plant and Equipment

Particulars	Furniture & Fixture	Office Equipment	Electrical Equipment	Air Conditioner	Computers	Vehicles	Right to Use*	Total
Cost as at April 1, 2022	8.15	3.82	1.47	0.37	20.21	0.43	9.58	44.03
Additions	5.13	9.52	1.18	0.19	6.23	-	3.64	25.89
Deductions/Adjustments	(0.12)	(0.01)	(0.03)	-	(0.03)	-	-	(0.19)
As at March 31, 2023	13.16	13.33	2.62	0.56	26.41	0.43	13.22	69.73
Depreciation								
As at April 1, 2022	7.35	3.50	0.92	0.18	13.98	0.41	2.83	28.17
Depreciation for the year	4.42	1.57	0.39	0.09	4.51	0.01	2.23	13.22
Reclassification	(0.00)	(0.03)	(0.00)	0.00	0.03	-	-	(0.00)
Deductions/Adjustments	(0.12)	(0.01)	(0.02)	-	(0.02)	-	-	(0.17)
Up to March 31, 2023	11.65	4.03	1.29	0.27	18.50	0.41	5.06	41.22
Net Block as at March 31, 2023	1.51	9.29	1.33	0.29	7.91	0.01	8.15	28.51

Particulars	Furniture & Fixture	Office Equipment	Electrical Equipment	Air Conditioner	Computers	Vehicles	Right to Use*	Total
Cost as at April 1, 2021	5.94	2.97	1.09	0.29	14.43	0.56	7.20	32.49
Additions	2.23	0.85	0.41	0.08	5.78	0.02	2.38	11.75
Reclassification								
Deductions/Adjustments	(0.02)	(0.00)	(0.01)	-	(0.00)	(0.15)	-	(0.20)
As at March 31, 2022	8.15	3.82	1.47	0.37	20.21	0.43	9.58	44.04
Depreciation								
As at April 1, 2021	5.20	1.84	0.70	0.12	10.64	0.53	1.57	20.60
Depreciation for the year	2.17	0.66	0.24	0.06	3.34	0.01	1.26	7.76
Reclassification								
Deductions/Adjustments	(0.02)	(0.00)	(0.02)	-	(0.00)	(0.15)	-	(0.19)
Up to March 31, 2022	7.35	2.50	0.92	0.18	13.98	0.41	2.83	28.17
Net Block as at March 31, 2022	0.80	1.32	0.55	0.19	6.23	0.02	6.75	15.87

* Right to use represent Lease asset

(i) During the year, the company has not performed any revaluation of Plant and Equipment



IIFL Samasta Finance Limited
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CIN: U65191KA1995PLC057884

Registered Office: 110/3, Lal Bagh Main Road, Krishnappa Layout, Bengaluru, Karnataka-560027

Notes forming part of Financial Statements for the year ended March 31, 2023

(All amounts are stated in crores unless otherwise stated)

Note 14. Intangible Assets (Other than internally generated)

Particulars	Software
Cost as at April 1, 2022	0.76
Additions	-
Deductions /Adjustments during the year	-
As at March 31, 2023	0.76
Amortization	
As at April 1, 2022	0.75
Amortization For the year	0.01
Reclassification	-
Deductions/Adjustments during the year	-
Up to March 31, 2023	0.76
Net Block as at March 31, 2023	-
Particulars	Software
Cost as at April 1, 2021	0.76
Additions	-
Deductions /Adjustments during the year	-
As at March 31, 2022	0.76
Amortization	
As at April 1, 2021	0.66
Amortization For the year	0.09
Reclassification	-
Deductions/Adjustments during the year	-
Up to March 31, 2022	0.75
Net Block as at March 31, 2022	0.01

14.J There are no intangible assets under development.



HFI. Samasta Finance Limited
(Formerly known as Samasta Microfinance Limited)
CIN: U65191KA1995PLC057884

Registered Office: 110/3, Lal Bagh Main Road, Krishnappa Layout, Bengaluru, Karnataka- 560027

Notes forming part of Financial Statements for the year ended March 31, 2023

(All amounts are stated in crores unless otherwise stated)

Note 15. Trade Payables

Particulars	As at March 31, 2023	As at March 31, 2022
(1) Trade Payables		
- (i) Total outstanding dues of micro enterprises and small enterprises (Refer note 15.1) *	-	-
- (ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	20.38	8.06
Total	20.38	8.06

* Dues to micro, small and medium enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. There are no interest due or outstanding on the same.

15.1 Disclosure under The Micro, Small and Medium Enterprises Development Act, 2006

The following disclosure is made as per the requirement under the Micro, Small and Medium Enterprises Development Act, 2016 (MSMED) on the basis of confirmations sought from suppliers on registration with the specified authority under MSMED:

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Principal amount remaining unpaid to any supplier at the year end	-	-
(b) Interest due thereon remaining unpaid to any supplier at the year end	-	-
(c) Amount of interest paid and payments made to the supplier beyond the appointed day during the year	-	-
(d) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-
(e) Amount of interest accrued and remaining unpaid at the year end	-	-
(f) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Act	-	-

15.2 Trade Payables Ageing Schedule

As at March 31, 2023

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	20.38	-	-	-	20.38
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	20.38	-	-	-	20.38

As at March 31, 2022

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	8.06	-	-	-	8.06
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	8.06	-	-	-	8.06



HFL Samasta Finance Limited
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Notes forming part of Financial Statements for the year ended March 31, 2023
(All amounts are stated in crores unless otherwise stated)

Note 16. Debt Securities

Particulars	As at March 31, 2023		As at March 31, 2022	
	At Amortised Cost	Total	At Amortised Cost	Total
Secured				
Secured Non Convertible Debentures	434.80	434.80	468.80	468.80
Less: Derivative Financial Liability	-	-	-	-
Less: Unamortised Debenture Issue Expenses	(0.93)	(0.93)	(2.59)	(2.59)
Interest Accrued on Debt Securities	39.13	39.13	23.38	23.38
Others (Brand/Dividend etc.)	-	-	-	-
	477.60	477.00	489.59	489.59
Commercial Paper	-	-	25.90	25.90
Less: Unamortised Discount on CP	-	-	(0.68)	(0.68)
	-	-	25.22	25.22
Total	477.60	477.00	514.81	514.81
Debt Securities in India	477.00	477.00	514.81	514.81
Debt Securities outside India	-	-	-	-
Total	477.00	477.00	514.81	514.81

(a) These Non convertible debentures are secured by way of first pari-passu charge on investment property, book debts, loans and advances including receivables other than those specifically charged

(b) Non Convertible Debentures – Secured includes redeemable Non convertible debenture amounting to Rs NIL - P.Y. (Rs NIL) which carries call option effective from 13-07-2018.

(c) There is breach of financial covenants for the secured non convertible debentures (ININ: INE413U01111, INE413U01103, INE413U01129) for the year ended as on March 31, 2023, although there is no penalty implications for the same as per the agreement.

16.1 Details of commercial paper - Unsecured

Particulars	Tenor	Interest Rate (%)	As at March 31, 2023	As at March 31, 2022
India Energy Exchange Limited	182 Days	7.50%	-	23.90
Total			-	23.90

(i) Details of commercial paper issued during the current year ended 31 March 2023

Particulars	Tenor	Discount Rate p.a	Date of Transaction	Redemption Date
India Energy Exchange Limited	182 Days	8.00%	11-Feb-22	12-Aug-23
India Energy Exchange Limited	182 Days	8.00%	30-Aug-22	29-Feb-23
Northern Arc Money Market Abha Trust	90 Days	8.45%	29-Nov-22	27-Feb-23

(ii) Details of commercial paper issued during the current year ended 31 March 2022

Particulars	Tenor	Discount Rate p.a	Date of Transaction	Redemption Date
India Energy Exchange Limited	182 Days	7.50%	12-Aug-21	10-Feb-22
India Energy Exchange Limited	182 Days	7.40%	11-Feb-22	-

16.2 The funds received through bank borrowings have been utilised for the purpose, it is generated.

16.3 All the charges against the receivable has been registered with the ROC and there are no charges which are to be registered as on March 31, 2023.

16.4 During the year, the Company has submitted quarterly statement of bank debts with all the lenders and the value of bank debts statement submitted is as per the books of accounts.



HPL Samasta Finance Limited
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CIN: U65191KA1995PLC057884

Registered Office: 110/3, Lal Bagh Main Road, Krishnappa Layout, Bengaluru, Karnataka- 560027
Notes forming part of Financial Statements for the year ended March 31, 2023
(All amounts are stated in crores unless otherwise stated)

16.5 Debt securities-Secured

Particulars	March 31, 2023	March 31, 2022	Date of borrowing	Repayment start date	Maturity date	Terms of repayment	Security Offered
INE413U07020 - NCD	-	5.00	30-06-2016	29-05-2022	29-06-2022	Rate of Interest - 15.25% , principal repayable on maturity.	Hypothecation of book debts
INE413U07103 - Bank of India - NCD	25.00	25.00	10-06-2020	05-06-2023	05-06-2023	Rate of Interest - 11.50% p.a. principal repayable on maturity.	Hypothecation of book debts.
INE413U07103 - Bank of Maharashtra - NCD	15.00	15.00	05-06-2020	05-06-2023	05-06-2023	Rate of Interest - 11.50% p.a. principal repayable on maturity.	Hypothecation of book debts.
INE413U07103 - Canara Bank - NCD	20.00	20.00	05-06-2020	05-06-2023	05-06-2023	Rate of Interest - 11.50% p.a. principal repayable on maturity.	Hypothecation of book debts.
INE413U07178 - MLD	59.00	59.00	30-03-2021	30-04-2024	30-04-2024	Rate of Interest - 9% p.a. principal repayable on maturity.	Hypothecation of book debts.
INE413U07178 - MLD	74.00	74.00	30-03-2021	30-04-2024	30-04-2024	Rate of Interest - 9% p.a. principal repayable on maturity.	Hypothecation of book debts.
INE413U07129 - Indian Bank - NCD	25.00	25.00	10-07-2020	10-07-2023	10-07-2023	Rate of Interest - 11.50% p.a. principal repayable on maturity.	Hypothecation of book debts.
INE413U07160 - Northern Arc - NCD	-	50.00	18-03-2021	18-03-2023	18-03-2023	Rate of Interest - 10.50% p.a. principal repayable on maturity.	Hypothecation of book debts.
INE413U07111 - State Bank of India - NCD	100.00	100.00	26-06-2020	21-04-2023	21-04-2023	Rate of Interest - 11.50% p.a. principal repayable on maturity.	Hypothecation of book debts.
INE413U07145 - UNIFI-AIF - MLD	-	15.00	02-03-2021	02-06-2022	02-06-2022	Rate of Interest - 10.20% p.a. principal repayable on maturity.	Hypothecation of book debts.
INE413U07152 - UNIFI-AIF - MLD	-	15.00	02-03-2021	02-01-2023	02-01-2023	Rate of Interest - 10.20% p.a. principal repayable on maturity.	Hypothecation of book debts.
INE413U07111 - Union Bank of India - NCD	15.00	15.00	26-06-2020	21-04-2023	21-04-2023	Rate of Interest - 11.50% p.a. principal repayable on maturity.	Hypothecation of book debts.
INE413U07194 - MLD	-	50.00	26-10-2021	26-12-2023	26-12-2023	Rate of Interest - 7.75% p.a. principal repayable on maturity.	Hypothecation of book debts.
INE413U07202 - MLD	105.00	-	01-06-2022	01-06-2022	01-09-2023	Rate of Interest - 8.70% p.a. principal repayable on maturity.	Hypothecation of book debts.
Total	438.00	468.00					



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Notes forming part of Financial Statements for the year ended March 31, 2023

(All amounts are stated in crores unless otherwise stated)

Note 17. Borrowings

Particulars	As at March 31, 2023		As at March 31, 2022	
	At Amortised Cost	Total	At Amortised Cost	Total
(a) Term Loans				
- (i) From Banks	4,311.87	4,311.87	3,476.23	3,476.23
- (ii) From Other Parties	2,030.68	2,030.68	1,132.44	1,132.44
Unamortised Processing Fees	(31.75)	(31.75)	(24.69)	(24.69)
Interest Accrued on Borrowings	17.90	17.90	16.39	16.39
- (i) from banks				
- (ii) from other parties				
	6,328.70	6,328.70	4,603.36	4,603.36
(b) Other Loans (specify nature)				
Cash Credit / Overdraft Facilities	-	-	2.99	2.99
Total	6,328.70	6,328.70	4,603.36	4,603.36
Borrowings in India	6,328.70	6,328.70	4,603.36	4,603.36
Borrowings outside India	-	-	-	-
Total	6,328.70	6,328.70	4,603.36	4,603.36

17.1 Security given for Term Loans from Banks and Others

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Deposits with Banks & Others	218.01	170.67
(b) Deposits with NBFCs	71.65	68.81
Total	289.66	239.48

17.2 The funds received through above borrowings have been utilised for the purpose, it is generated.

17.3 All the charges against the receivable has been registered with the ROC and there are no charges which are to be registered as on March 31, 2023.

17.4 During the year, the Company has submitted quarterly statement of book debts with all the lenders and the value of book debts statement submitted is as per the books of accounts.



HFL Samasta Finance Limited
 (Formerly known as Samasta Microfinance Limited)
 CIN: U45191KA1925PLC052884
 Registered Office: 110/3, 1st Bldg, Main Road, Krikalappa Layout, Bengaluru, Karnataka - 560077
 Notes forming part of Financial Statements for the year ended March 31, 2023
 (All amounts are stated in crores unless otherwise stated)

17.5 Loan Asset Basis

Particulars	March 31, 2021	March 31, 2022	Loan Inflow	Repayment of loan data	Maturity date	Terms of Instruments	Security Offered
Ash Bank Limited	-	6.82	11-01-2021	09-06-2021	09-01-2021	Rate of Interest: 2% MCLR + 2.95% special loan repayable in 22 monthly installments of Rs 66,51,818/-	Hypothecation of bank debts and cash collateral
Ash Bank Limited	-	78.45	11-01-2021	09-06-2021	09-01-2021	Rate of Interest: 3% MCLR + 2.95% special loan repayable in 22 monthly installments of Rs 1,10,46,450/-	Hypothecation of bank debts and cash collateral
Ash Bank Limited	60.86	143.38	07-11-2021	09-02-2022	09-12-2021	Rate of Interest: 1% MCLR + 2.5% Special loan repayable in 22 monthly installments of Rs 6,81,81,818/-	Hypothecation of bank debts and cash collateral
Ash Bank Limited	47.67	-	11-01-2021	11-01-2021	11-19-2021	Rate of Interest: 2% MCLR + 2.00% Spread, loan repayable in 22 monthly installments of Rs 2,21,21,217/-	Hypothecation of bank debts
Ash Bank Limited	136.00	-	10-01-2021	10-01-2021	10-02-2021	Rate of Interest: 2% MCLR + 2.00% Spread, loan repayable in 22 monthly installments of Rs 6,81,81,818/-	Hypothecation of bank debts
Banque Bank Ltd of	-	21.62	26-01-2021	01-02-2021	25-03-2021	Rate of Interest: 17% loan repayable in 7 quarterly installments of Rs 14,28,57,142/-	Hypothecation of bank debts
Banque Bank Ltd of	57.14	108.00	21-02-2021	01-01-2021	22-12-2021	Rate of Interest: 8.00% loan repayable in 7 quarterly installments of Rs 14,28,57,142/-	Hypothecation of bank debts
Banque Bank Ltd of	37.14	108.00	18-02-2021	01-01-2021	18-03-2021	Rate of Interest: 8.00% loan repayable in 7 quarterly installments of Rs 14,28,57,142/-	Hypothecation of bank debts
Banque Bank Ltd of	44.29	-	29-07-2021	01-01-2021	28-07-2021	Rate of Interest: 8.00% loan repayable in 7 quarterly installments of Rs 10,71,42,857/-	Hypothecation of bank debts
Banque Bank Limited	208.05	-	24-02-2021	01-09-2021	23-02-2021	Rate of Interest: 8.00% loan repayable in 7 quarterly installments of Rs 27,57,16,286/-	Hypothecation of bank debts
Bank of Baroda	75.00	41.67	24-09-2021	11-10-2021	10-09-2021	Rate of Interest: 7.50% (1% MCLR) + 1.00% Spread, loan repayable in 7 quarterly installments of Rs 1,34,98,000/-	Hypothecation of bank debts
Bank of Baroda	104.00	-	18-01-2021	11-04-2021	20-01-2021	Rate of Interest: 1% MCLR + 1.00% Spread, loan repayable in 10 quarterly installments of Rs 10,00,00,000/-	Hypothecation of bank debts
Bank of Maharashtra	-	6.14	28-03-2021	28-04-2021	21-03-2021	Rate of Interest: 1% MCLR + 0.25% (0.50% special loan repayable in 41 monthly installments of Rs 20,64,000/- & loan instalment of Rs 20,71,650/-	Hypothecation of bank debts and cash collateral
Bank of Maharashtra	81.26	136.36	28-09-2021	01-01-2021	01-09-2021	Rate of Interest: 1% MCLR + 2.00% Spread, loan repayable in 10 quarterly installments of Rs 1,36,36,36,36/- & loan instalment of Rs 1,36,36,36,36/-	Hypothecation of bank debts
Bank of Maharashtra Capital Small Finance Bank Limited	100.00	-	11-12-2021	24-06-2021	28-12-2021	Rate of Interest: 1% MCLR + 2.00% Spread, loan repayable in 11 quarterly installments of Rs 8,00,00,000/-	Hypothecation of bank debts
Cooper Bank	467.04	221.27	22-09-2021	22-01-2021	22-09-2021	Rate of Interest: 1% MCLR + 2.00% Spread, loan repayable in 10 quarterly installments of Rs 27,27,27,272/- & loan instalment of Rs 27,27,27,272/-	Hypothecation of bank debts and cash collateral
Credit System Bank Limited	-	26.35	28-01-2021	28-07-2021	21-01-2021	Rate of Interest: 1% MCLR, loan repayable in 11 quarterly installments of Rs 6,54,54,500/-	Hypothecation of bank debts
DBS Bank Limited	17.05	57.25	11-08-2021	25-11-2021	25-06-2021	Rate of Interest: 8.50% loan repayable in 21 monthly installments of Rs 2,07,08,909.09/-	Hypothecation of bank debts and cash collateral
DBS Bank Limited	41.07	-	04-09-2021	04-11-2021	04-11-2021	Rate of Interest: 2% MCLR + 1.00% spread, loan repayable in 24 monthly installments of Rs 2,06,11,333.33/-	Hypothecation of bank debts and cash collateral
DBS Bank Limited	50.00	-	22-12-2021	22-04-2021	21-01-2021	Rate of Interest: 1% MCLR + 1.00% spread, loan repayable in 21 monthly installments of Rs 2,08,33,333.33/-	Hypothecation of bank debts and cash collateral
DCB Bank Limited	2.81	12.19	28-09-2021	04-01-2021	04-12-2021	Rate of Interest: 2% MCLR + 0.50% spread, loan repayable in 24 monthly installments of Rs 1,11,27,107.10/-	Hypothecation of bank debts and cash collateral



MIFL Samasta Finance Limited
(Formerly known as Samasta Microfinance Limited)
CIN: U64191KA1995PL0057434
Registered Office: H-63, Lal Bagh Main Road, Kothanagara Layout, Bengaluru, Karnataka 560077
Notes forming part of Financial Statements for the year ended March 31, 2023

(All amounts are stated in crores unless otherwise stated)

DCB Bank Limited	50.01	-	27-01-2023	30-06-2023	31-03-2023	Rate of Interest 2M MCLR + 0.00% spread, loan repayable in 24 monthly installments of Rs. 2,00,33,773.75A	Hypothecation of bank debts
Windsorbank Bank Limited	-	10.11	21-01-2018	21-06-2020	21-03-2023	Rate of Interest 1Y MCLR + 1.00% spread, loan repayable in 32 monthly installments of Rs. 61,75,000A	Hypothecation of bank debts and cash collateral
Dhanu Bank Limited	9.09	18.18	12-01-2021	12-01-2021	21-03-2023	Rate of Interest 1Y MCLR + 1.30% spread, loan repayable in 32 monthly installments of Rs. 71,75,738.75 and last installment of Rs. 75,75,249.75	Hypothecation of bank debts and cash collateral
Gramina Bank Limited	14.26	31.82	29-09-2021	29-01-2022	29-03-2023	Rate of Interest 1Y MCLR + 1.20% spread, loan repayable in 32 monthly installments of Rs. 1,06,00,050A, and last installment of Rs. 1,00,06,010A	Hypothecation of bank debts and cash collateral
Finext Bank	7.58	17.50	30-12-2018	29-01-2023	29-03-2023	Rate of Interest 1Y MCLR + 0.00% spread, loan repayable in 24 monthly installments of Rs. 1,23,33,333.33A	Hypothecation of bank debts
Federal Bank	18.95	-	12-09-2022	12-09-2022	12-09-2023	Rate of Interest 1Y MCLR + 0.00% spread, loan repayable in 24 monthly installments of Rs. 1,00,16,666.67A	Hypothecation of bank debts
Federal Bank	25.00	-	01-04-2018	01-04-2023	01-04-2023	Rate of Interest 6M MCLR + 1.00% spread, loan repayable in 24 monthly installments of Rs. 1,00,16,666.67A	Hypothecation of bank debts
IOFC Bank Limited	74.17	19.88	25-01-2021	25-01-2023	25-03-2023	Rate of Interest 24 monthly installments of Rs. 2,17,50,000A	Hypothecation of bank debts
IOFC Bank Limited	41.57	-	25-11-2019	25-11-2023	25-11-2023	Rate of Interest 4.00%, loan repayable in 24 monthly installments of Rs. 2,00,13,333.33A	Hypothecation of bank debts
The Hongkong and Shanghai Banking Corporation Limited	-	34.25	19-01-2021	19-07-2021	19-03-2023	Rate of Interest 1Y MCLR + 2.00% spread, loan repayable in 21 monthly installments of Rs. 2,82,71,428A	Hypothecation of bank debts
The Hongkong and Shanghai Banking Corporation Limited	28.00	40.00	23-07-2022	23-07-2022	23-09-2023	Rate of Interest 1Y MCLR + 2.25% spread, loan repayable in 24 monthly installments of Rs. 2,50,00,000A	Hypothecation of bank debts
The Hongkong and Shanghai Banking Corporation Limited	29.00	40.00	15-07-2022	16-04-2022	15-03-2023	Rate of Interest 1Y MCLR + 2.25% spread, loan repayable in 24 monthly installments of Rs. 1,06,06,666.67A	Hypothecation of bank debts
The Hongkong and Shanghai Banking Corporation Limited	134.13	-	17-07-2023	17-01-2023	17-03-2023	Rate of Interest 3 M MCLR + 4.10% spread, loan repayable in 24 monthly installments of Rs. 65,72,0000A	Hypothecation of bank debts
KICL Bank Limited	-	3.41	31-08-2020	10-11-2020	10-03-2023	Rate of Interest 1Y MCLR + 0.55% spread, loan repayable in 22 monthly installments of Rs. 60,18,181A	Hypothecation of bank debts and cash collateral
KICL Bank Limited	-	3.18	26-10-2020	10-01-2021	10-03-2023	Rate of Interest 1Y MCLR + 2.25% spread, loan repayable in 22 monthly installments of Rs. 45,65,454A	Hypothecation of bank debts and cash collateral
KICL Bank Limited	-	10.27	31-01-2021	19-01-2021	10-03-2023	Rate of Interest 1Y MCLR + 2.45% spread, loan repayable in 17 monthly installments of Rs. 1,70,58,823A	Hypothecation of bank debts and cash collateral
KICL Bank Limited	-	6.12	28-05-2021	10-07-2021	10-11-2023	Rate of Interest 1Y MCLR + 2.45% spread, loan repayable in 17 monthly installments of Rs. 75,67,854.57A	Hypothecation of bank debts and cash collateral
KICL Bank Limited	1.94	25.29	26-10-2021	10-12-2021	10-04-2023	Rate of Interest 1Y MCLR + 2.45% spread, loan repayable in 17 monthly installments of Rs. 1,00,10,100.75A	Hypothecation of bank debts and cash collateral
KICL Bank Limited	-	57.65	31-07-2021	10-09-2021	10-03-2023	Rate of Interest 1Y MCLR + 2.45% spread, loan repayable in 17 monthly installments of Rs. 5,76,42,858.83A	Hypothecation of bank debts and cash collateral
KICL Bank Limited	-	5.18	31-08-2021	10-10-2021	10-03-2023	Rate of Interest 1Y MCLR + 2.45% spread, loan repayable in 17 monthly installments of Rs. 42,05,002.50A	Hypothecation of bank debts and cash collateral
KICL Bank Limited	2.35	16.47	30-11-2021	19-01-2022	10-03-2023	Rate of Interest 1Y MCLR + 2.45% spread, loan repayable in 17 monthly installments of Rs. 1,17,04,700.89A	Hypothecation of bank debts and cash collateral
KICL Bank Limited	3.80	19.81	29-12-2021	19-01-2022	10-03-2023	Rate of Interest 1Y MCLR + 2.45% spread, loan repayable in 17 monthly installments of Rs. 1,59,41,130.48A	Hypothecation of bank debts and cash collateral
KICL Bank Limited	17.99	44.00	21-12-2021	10-04-2022	10-03-2023	Rate of Interest 1Y MCLR + 2.45% spread, loan repayable in 17 monthly installments of Rs. 2,50,92,352.53A	Hypothecation of bank debts and cash collateral
KICL Bank Limited	37.66	69.06	31-03-2022	19-03-2022	10-03-2023	Rate of Interest 1Y MCLR + 2.45% spread, loan repayable in 22 monthly installments of Rs. 2,15,63,630.72A	Hypothecation of bank debts and cash collateral



MSL Samasta Finance Limited
(Formerly known as Samasta Microfinance Limited)
CIN: D45191K40995PLC057881
Registered Office: 1183, Lalbagh Main Road, Kishanappa Layout, Bengaluru, Karnataka - 560027
Notes forming part of Financial Statements for the year ended March 31, 2022
(All amounts are stated in Crores unless otherwise stated)

ICCI Bank Limited	25.45	-	11-05-2022	18-09-2022	18-05-2024	Rate of Interest 1Y MCLR+ 2.45% spread, loan repayable in 22 monthly installments of Rs. 1,81,83,112.1811	Hypothecation of book debts and cash collateral
ICCI Bank Limited	13.81	-	18-06-2022	10-09-2022	09-09-2024	Rate of Interest 1Y MCLR+ 2.45% spread, loan repayable in 22 monthly installments of Rs. 1,12,61,526.264	Hypothecation of book debts and cash collateral
ICCI Bank Limited	13.43	-	11-07-2022	10-10-2022	10-07-2024	Rate of Interest 1Y MCLR+ 2.45% spread, loan repayable in 22 monthly installments of Rs. 1,09,09,350.351	Hypothecation of book debts and cash collateral
ICCI Bank Limited	19.22	-	25-08-2022	18-11-2022	18-09-2024	Rate of Interest 1Y MCLR+ 2.45% spread, loan repayable in 22 monthly installments of Rs. 1,26,63,626.241	Hypothecation of book debts and cash collateral
ICCI Bank Limited	22.09	-	06-09-2022	10-12-2022	10-09-2024	Rate of Interest 1Y MCLR+ 2.45% spread, loan repayable in 22 monthly installments of Rs. 1,22,72,227.171	Hypothecation of book debts and cash collateral
ICCI Bank Limited	22.45	-	29-10-2022	10-01-2023	10-09-2024	Rate of Interest 1Y MCLR+ 2.45% spread, loan repayable in 22 monthly installments of Rs. 1,48,19,181.821	Hypothecation of book debts and cash collateral
ICCI Bank Limited	13.71	-	29-11-2022	10-02-2023	10-11-2024	Rate of Interest 1Y MCLR+ 2.45% spread, loan repayable in 22 monthly installments of Rs. 63,63,626.264	Hypothecation of book debts and cash collateral
ICCI Bank Limited	89.93	-	10-12-2022	10-03-2023	10-12-2024	Rate of Interest 1Y MCLR+ 2.45% spread, loan repayable in 22 monthly installments of Rs. 4,01,58,545.451	Hypothecation of book debts and cash collateral
ICCI Bank Limited	28.80	-	11-01-2023	10-04-2023	10-01-2025	Rate of Interest 3M MCLR+ 2.20% spread, loan repayable in 22 monthly installments of Rs. 1,21,22,278.721	Hypothecation of book debts and cash collateral
ICCI Bank Limited	21.80	-	10-02-2023	10-05-2023	10-02-2025	Rate of Interest 3M MCLR+ 2.20% spread, loan repayable in 22 monthly installments of Rs. 86,52,263.621	Hypothecation of book debts and cash collateral
ICCI Bank Limited	22.00	-	10-03-2023	10-06-2023	11-01-2025	Rate of Interest 1Y MCLR+ 1.15% spread, loan repayable in 24 monthly installments of Rs. 1,00,00,000	Hypothecation of book debts and cash collateral
ICCI Bank Limited	41.87	91.62	10-03-2023	01-02-2023	01-01-2024	Rate of Interest 1Y MCLR+ 2.25% spread, loan repayable in 24 monthly installments of Rs. 4,16,66,667	Hypothecation of book debts and cash collateral
ICCI Bank Limited	46.88	35.82	24-03-2023	01-03-2023	01-06-2024	Rate of Interest 1Y MCLR+ 2.25% spread, loan repayable in 24 monthly installments of Rs. 1,25,00,000	Hypothecation of book debts and cash collateral
ICCI Bank Limited	60.80	-	24-02-2022	01-04-2023	01-03-2025	Rate of Interest 1Y MCLR+ 2.25% spread, loan repayable in 24 monthly installments of Rs. 2,50,00,000	Hypothecation of book debts and cash collateral
ICCI Bank Limited	-	36.22	28-08-2018	31-07-2023	28-09-2027	Rate of Interest 11% loan repayable in 24 monthly installments of Rs. 624,16,267	Hypothecation of book debts
ICCI Bank Limited	-	50.00	18-03-2021	30-01-2023	16-03-2027	Rate of Interest 10.25% loan repayable in 24 monthly installments of Rs. 1,66,66,667	Hypothecation of book debts
ICCI Bank Limited	37.35	37.35	31-12-2021	31-01-2023	21-12-2023	Rate of Interest 5.30% loan repayable in 24 monthly installments of Rs. 4,16,66,667	Hypothecation of book debts
ICCI Bank Limited	114.29	-	18-06-2021	1-10-2023	28-06-2024	Rate of Interest 1Y MCLR+ 1.87% spread, loan repayable in 24 monthly installments of Rs. 7,63,50,176	Hypothecation of book debts
ICCI Bank Limited	43.24	-	27-10-2022	28-02-2023	27-10-2023	Rate of Interest 1Y MCLR+ 1.80% spread, loan repayable in 24 monthly installments of Rs. 2,38,09,329	Hypothecation of book debts
ICCI Bank Limited	100.60	-	10-03-2023	31-07-2023	10-03-2023	Rate of Interest 1Y MCLR+ 1.5% spread, loan repayable in 24 monthly installments of Rs. 76,19,047.611	Hypothecation of book debts
ICCI Bank	-	16.61	08-12-2019	18-06-2020	18-12-2023	Rate of Interest 1Y MCLR+ 2.25% spread, loan repayable in 24 monthly installments of Rs. 4,16,66,667	Hypothecation of book debts and cash collateral
ICCI Bank	4.13	28.10	05-03-2020	18-06-2020	18-06-2023	Rate of Interest 1Y MCLR+ 2.05% spread, loan repayable in 12 monthly installments of Rs. 4,16,66,667	Hypothecation of book debts and cash collateral
ICCI Bank	3.31	24.38	04-06-2020	03-01-2021	04-06-2023	Rate of Interest 1Y MCLR+ 2.25% spread, loan repayable in 12 quarterly installments of Rs. 4,16,66,667	Hypothecation of book debts and cash collateral
ICCI Bank	22.72	100.00	17-05-2022	13-08-2022	17-05-2025	Rate of Interest 1Y MCLR+ 3.00% spread, loan repayable in 11 quarterly installments of Rs. 6,43,69,850.911	Hypothecation of book debts and cash collateral



SFL Samasta Finance Limited
(Promoter known as Samasta Microfinance Limited)
CIN: U65191KA1995PLC057884
Registered Office: 1187, Lal Bagh Main Road, Krishnaappa Layout, Bengaluru, Karnataka - 560117
Notes forming part of Financial Statements for the year ended March 31, 2023
(All amounts are stated in crores unless otherwise stated)

ICICI Bank	73.71	100.00	30-03-2023	30-09-2023	30-03-2023	Rate of Interest FY MCLR + 1.00% spread, loan repayable in 11 quarterly installments of Rs. 9,06,08,000.00.	Hypothecation of book debts and cash collateral
ICICI Bank	200.18	-	30-03-2023	30-04-2023	30-01-2023	Rate of Interest FY MCLR + 2.05% spread, loan repayable in 24 monthly installments of Rs. 8,33,33,333.33.	Hypothecation of book debts and cash collateral
ICICI Overseas Bank	41.87	50.00	30-03-2023	31-12-2023	30-09-2023	Rate of Interest FY MCLR + 1.05% spread, loan repayable in 12 quarterly installments of Rs. 4,35,96,666.67.	Hypothecation of book debts and cash collateral
Indus Overseas Bank	20.83	-	30-04-2023	31-12-2023	30-09-2023	Rate of Interest FY MCLR + 1.33% spread, loan repayable in 12 quarterly installments of Rs. 2,84,33,333.33.	Hypothecation of book debts and cash collateral
Jayashankar Finance Bank Limited	-	6.04	11-03-2021	03-05-2023	03-06-2023	Rate of Interest 11%, loan repayable in 24 equal monthly installments of Rs. 2,37,07,637.	Hypothecation of book debts
Jayashankar Finance Bank Limited	25.43	40.14	31-07-2021	01-06-2023	01-07-2023	Rate of Interest - 18.00%, loan repayable in 24 monthly installments.	Hypothecation of book debts
Jaya Sankar Finance Bank Limited	31.47	-	24-09-2022	01-11-2022	01-10-2024	Rate of Interest EBLR + 5.50% spread, loan repayable in 24 monthly installments of Rs. 1,65,94,666.66.	Hypothecation of book debts
Karnataka Bank Limited	28.99	50.00	20-09-2021	14-06-2023	24-11-2023	Rate of Interest FY MCLR + 0.95% spread, loan repayable in 4 half yearly installments of Rs. 12,50,00,000.	Hypothecation of book debts
Karnataka Bank	21.91	-	30-06-2022	31-12-2022	31-08-2023	Rate of Interest Repo Rate + 4.50% spread, loan repayable in 12 monthly installments of Rs. 73,75,757.57.	Hypothecation of book debts
Karnataka Bank	53.00	-	06-03-2023	31-07-2023	31-01-2023	Rate of Interest Repo Rate + 3.50% spread, loan repayable in 12 monthly installments of Rs. 1,51,51,515.15.	Hypothecation of book debts
Karnataka Bank	73.00	-	13-05-2023	17-05-2023	17-05-2023	Rate of Interest Repo Rate + 3.75% spread, loan repayable in 4 quarterly installments of Rs. 4,75,00,000.	Hypothecation of book debts
Kerala Microfinance Bank	11.75	43.75	26-12-2021	29-01-2022	29-12-2023	Rate of Interest 9.85%, loan repayable in 24 monthly installments of Rs. 2,08,33,333.33.	Hypothecation of book debts
Kerala Microfinance Bank	24.33	-	20-01-2023	19-09-2023	19-09-2024	Rate of Interest 8.85%, loan repayable in 24 monthly installments of Rs. 1,06,66,666.66.	Hypothecation of book debts
Kerala Microfinance Bank (Central Bank of Co-operative (Rajah Muzhal Bank))	41.00	-	09-03-2023	04-04-2023	04-02-2023	Rate of Interest 8.85% MCLR + 1.80% spread, loan repayable in 24 monthly installments of Rs. 1,43,18,000.	Hypothecation of book debts
Kerala Microfinance Bank	-	6.43	31-12-2019	31-03-2020	31-12-2022	Rate of Interest 17.00% MCLR + 2.00% spread, loan repayable in 12 monthly installments of Rs. 1,06,06,066.66.	Hypothecation of book debts and cash collateral
Kerala Microfinance Bank	11.26	23.00	09-03-2023	10-08-2023	31-03-2023	Rate of Interest FY MCLR + 1.80% spread, loan repayable in 10 quarterly installments of Rs. 2,28,08,000.00 and last installment of Rs. 2,20,00,000.00.	Hypothecation of book debts
Kerala Microfinance Bank	12.00	-	1-03-2023	30-09-2023	26-01-2023	Rate of Interest FY MCLR + 1.80% spread, loan repayable in 7 quarterly installments of Rs. 1,83,42,857.14.	Hypothecation of book debts
KFL Bank Limited	-	40.00	30-03-2021	30-07-2021	30-03-2023	Rate of Interest - FY MCLR + 1.15%, loan repayable in 21 monthly installments of Rs. 3,57,33,233.	Hypothecation of book debts and cash collateral
KFL Bank Limited	2.00	25.00	24-09-2021	24-10-2023	24-06-2023	Rate of Interest FY MCLR + 1.35% spread, loan repayable in 21 monthly installments of Rs. 1,85,16,806.57.	Hypothecation of book debts and cash collateral
KFL Bank Limited	58.13	-	16-11-2022	16-02-2023	16-11-2024	Rate of Interest 8.85% MCLR + 0.50% spread, loan repayable in 22 monthly installments of Rs. 2,45,98,909.	Hypothecation of book debts
KFL Bank Limited	64.18	-	16-11-2022	16-02-2023	16-11-2024	Rate of Interest 8.85% MCLR + 0.50% spread, loan repayable in 22 monthly installments of Rs. 2,45,98,909.	Hypothecation of book debts



UFL Samasta Finance Limited
(Formerly known as Samasta Microfinance Limited)
CIN: UMS191KA1995PLC057884

Registered Office: 11B3, Lal Bahadur Shastri Road, Rajuappa Layout, Bengaluru, Karnataka-560017
Notes forming part of Financial Statements for the year ended March 31, 2023

(All amounts are stated in crores unless otherwise stated)

NBL Bank Limited	4.72	-	30-12-2023	30-05-2023	30-12-2023	Rate of Interest 6M MCLR + 0.50% spread, loan repayable in 22 monthly installments of Rs. 22,72,727.	Hypothecation of bank debt
NBL Bank Limited	4.72	-	30-12-2023	30-05-2023	30-12-2023	Rate of Interest 6M MCLR + 0.50% spread, loan repayable in 22 monthly installments of Rs. 22,72,727.	Hypothecation of bank debt
PMB Bank Limited	11.80	-	21-01-2023	21-06-2023	21-01-2023	Rate of Interest 6M MCLR + 0.50% spread, loan repayable in 22 monthly installments of Rs. 22,72,727.	Hypothecation of bank debt
PMB Bank Limited	11.80	-	21-01-2023	21-06-2023	21-01-2023	Rate of Interest 6M MCLR + 0.50% spread, loan repayable in 22 monthly installments of Rs. 22,72,727.	Hypothecation of bank debt
South Indian Bank Limited	-	2.00	21-01-2023	21-04-2023	21-01-2023	Rate of Interest - 12M MCLR i.e. 2.50% + 2.50% spread, loan repayable in 24 monthly installments of Rs. 16,57,000/- and last installment of Rs. 16,53,000/-	Hypothecation of bank debt and cash collateral
South Indian Bank Limited	-	1.77	21-01-2023	21-04-2023	21-01-2023	Rate of Interest - 12M MCLR i.e. 2.50% + 2.50% spread, loan repayable in 24 monthly installments of Rs. 11,11,111/- and last installment of Rs. 11,17,000/-	Hypothecation of bank debt and cash collateral
South Indian Bank Limited	49.90	100.00	21-01-2023	21-04-2023	21-01-2023	Rate of Interest - 1Y MCLR + 1.50% spread, loan repayable in 24 monthly installments of Rs. 4,17,00,000/- and last installment of Rs. 4,09,00,000/-	Hypothecation of bank debt
Standard Chartered Bank Limited	-	12.50	05-01-2023	05-05-2023	05-01-2023	Rate of Interest - 1Y MCLR, principal repayable on maturity.	Hypothecation of bank debt
Standard Chartered Bank Limited	-	5.00	20-12-2022	20-12-2022	20-12-2022	Rate of Interest - 1Y MCLR, principal repayable on maturity.	Hypothecation of bank debt
Standard Chartered Bank Limited	-	40.00	20-05-2023	20-05-2023	20-05-2023	Rate of Interest - 1Y MCLR, principal repayable on maturity.	Hypothecation of bank debt
Standard Chartered Bank Limited	21.00	-	21-05-2023	21-08-2023	21-05-2023	Rate of Interest - 6M MCLR + 1.00% spread, loan repayable in 4 quarterly installments of Rs. 11,35,333/-	Hypothecation of bank debt and cash collateral
Standard Chartered Bank Limited	36.25	-	11-01-2023	11-08-2023	11-01-2023	Rate of Interest - 6M MCLR + 1.00% spread, loan repayable in 4 quarterly installments of Rs. 12,04,111.33/-	Hypothecation of bank debt and cash collateral
State of Chartered Bank Limited	100.21	-	10-11-2022	10-02-2023	09-11-2022	Rate of Interest - 3M MCLR + 1.50% spread, loan repayable in 4 quarterly installments of Rs. 1,12,11,50,000/-	Hypothecation of bank debt and cash collateral
Standard Chartered Bank Limited	16.61	-	27-11-2022	28-01-2023	28-05-2023	Rate of Interest - 6M MCLR + 1.00% spread, loan repayable in 4 quarterly installments of Rs. 3,33,11,33,33/-	Hypothecation of bank debt and cash collateral
State Bank (West) Limited	-	2.31	03-11-2023	03-07-2023	03-11-2023	Rate of Interest 1Y MCLR, loan repayable in 4 quarterly installments of Rs. 2,13,75,000/-	Hypothecation of bank debt
State Bank (West) Limited	2.50	22.50	14-04-2023	14-10-2023	14-07-2023	Rate of Interest 1Y MCLR, loan repayable in 4 quarterly installments of Rs. 1,75,00,000/-	Hypothecation of bank debt
State Bank (West) Limited	5.00	10.00	10-12-2022	10-06-2023	10-07-2023	Rate of Interest 1Y MCLR, loan repayable in 4 quarterly installments of Rs. 1,50,00,000/-	Hypothecation of bank debt
State Bank (West) Limited	15.11	30.19	21-01-2023	21-07-2023	21-06-2023	Rate of Interest 1Y MCLR, loan repayable in 4 quarterly installments of Rs. 1,75,00,000/-	Hypothecation of bank debt
State Bank (West) Limited	9.30	-	30-05-2022	19-10-2022	19-08-2022	Rate of Interest 1Y MCLR, loan repayable in 4 quarterly installments of Rs. 1,50,25,000/-	Hypothecation of bank debt
State Bank (West) Limited	19.21	-	29-08-2022	29-07-2023	30-01-2023	Rate of Interest 1Y MCLR, loan repayable in 4 quarterly installments of Rs. 2,25,00,000/-	Hypothecation of bank debt
State Bank of India	-	28.00	13-03-2023	28-05-2023	09-03-2023	Rate of Interest 1Y MCLR + 2.00% spread, loan repayable in 32 monthly installments of Rs. 1,50,00,000/- and last installment of Rs. 2,00,00,000/-	Hypothecation of bank debt and cash collateral
State Bank of India	70.00	190.00	21-10-2022	23-04-2023	27-10-2022	Rate of Interest 6M MCLR + 2.00% spread, loan repayable in 30 monthly installments of Rs. 1,00,00,000/-	Hypothecation of bank debt and cash collateral
State Bank of India	200.13	300.00	11-02-2023	10-06-2023	11-03-2023	Rate of Interest 1Y MCLR + 2.00% spread, loan repayable in 32 monthly installments of Rs. 2,11,50,000/-	Hypothecation of bank debt and cash collateral
State Bank of India	3.20	13.00	18-10-2021	05-12-2021	05-11-2021	Rate of Interest - 3M + 6.01% spread, loan repayable in 24 equal monthly installments.	Hypothecation of bank debt
State Bank of India	31.94	-	30-01-2023	05-07-2023	05-03-2023	Rate of Interest - 11.25%, loan repayable in 12 monthly installments.	Hypothecation of bank debt
UCO Bank	33.16	50.00	07-02-2023	30-06-2023	31-03-2023	Rate of Interest 1Y MCLR + 2.50% spread, loan repayable in 12 quarterly installments of Rs. 4,11,04,646.60/-	Hypothecation of bank debt and cash collateral
Union Bank of India	-	4.24	30-09-2023	31-01-2024	31-01-2023	Rate of Interest - 1Y MCLR + 1.50% + 0.25% (T.F) spread, loan repayable in 36 monthly installments of Rs. 69,44,444/-	Hypothecation of bank debt and cash collateral
Union Bank of India	6.67	12.21	26-07-2021	26-05-2021	26-02-2021	Rate of Interest 1Y MCLR + 1.00% spread, loan repayable in 33 monthly installments of Rs. 69,66,666/-	Hypothecation of bank debt and cash collateral
Union Bank of India	22.23	45.00	24-03-2022	24-03-2023	31-03-2022	Rate of Interest 1Y MCLR + 1.00% spread, loan repayable in 36 quarterly installments of Rs. 4,09,27,777/- and last installment of Rs. 4,17,00,000/-	Hypothecation of bank debt



IFFL Samastha Finance Limited
 (Formerly known as Samastha Microfinance Limited)
 CIN: A6519KAT9999PLC009884

Registered Office: 118/2, Lal Bagh Main Road, Kotha-nagar Layout, Bengaluru, Karnataka - 560027
 Notes forming part of Financial Statements for the year ended March 31, 2023

*All amounts are stated in Lakhs unless otherwise stated

Uttam Bank of India	15.00	-	23-01-2023	30-09-2023	31-12-2023	Rate of Interest 1Y MCLR + 1.50% spread, loan repayable in 11 quarterly installments of Rs. 3,41,43,615.36/-	Hypothecation of bank debit and cash collateral.
Uttam Bank Finance Bank	8.73	23.73	25-10-2023	29-11-2023	25-12-2023	Rate of Interest (364 Times Yrly) @ 6.37% spread, loan repayable in 23 monthly installments of Rs. 1,23,02,009/-	Hypothecation of bank debit and cash collateral.
Uttam Bank Finance Bank	17.25	-	30-09-2023	23-10-2023	23-09-2023	Rate of Interest (364 Times Yrly) @ 3.70% spread, loan repayable in 23 monthly installments of Rs. 97,93,334/-	Hypothecation of bank debit and cash collateral.
Woor Bank	-	11.43	29-09-2023	29-09-2023	29-09-2023	Rate of Interest 1Y MCLR + 1.50% spread, loan repayable in 4 quarterly installments of Rs. 3,91,41,833/-	Hypothecation of bank debit and cash collateral.
Woor Bank	13.82	33.09	26-12-2023	31-01-2024	30-11-2023	Rate of Interest 1Y MCLR + 1.50% spread, loan repayable in 23 Monthly installments of Rs. 1,01,11,795.20/-	Hypothecation of bank debit and cash collateral.
Woor Bank	21.30	-	28-06-2023	31-07-2023	29-06-2023	Rate of Interest 1Y MCLR + 1.50% spread, loan repayable in 23 Monthly installments of Rs. 1,01,12,990/-	Hypothecation of bank debit and cash collateral.
Woor Bank	19.29	-	02-01-2023	31-01-2023	29-02-2023	Rate of Interest 1Y MCLR + 1.50% spread, loan repayable in 23 Monthly installments of Rs. 1,70,93,357.50/-	Hypothecation of bank debit.
YES Bank Limited	-	27.80	01-01-2023	01-01-2023	01-01-2023	Rate of Interest 1Y MCLR + 1.00% spread, loan repayable in 34 monthly installments of Rs. 2,90,10,808/-	Hypothecation of bank debit and cash collateral.
YES Bank Limited	38.00	-	31-03-2023	30-04-2023	31-03-2023	Rate of Interest 1Y MCLR + 0.75% spread, loan repayable in 24 monthly installments of Rs. 2,55,09,000/-	Hypothecation of bank debit and cash collateral.
Total	4,916.97	3,476.35					



IIFL Samasta Finance Limited
(Formerly known as Samasta Microfinance Limited)
CIN: U65191KA1995PLC057884

Registered Office: 116/3, Lal Bagh Main Road, Krishnaappa Layout, Bengaluru, Karnataka- 560017
Notes forming part of Financial Statements for the year ended March 31, 2023
(All amounts are stated in crores unless otherwise stated)

17.6 Loan from others

Particulars	March 31, 2023	March 31, 2022	Start date	Repayment date	Maturity date	Term of repayment	Security Offered
Aditya Birla Finance Limited	-	3.33	31-03-2021	01-05-2021	01-10-2022	Rate of Interest - LTRR(-6.85%), loan repayable in 8 Monthly instalments of Rs 55,55,555.56	Hypothecation of book debts
Aditya Birla Finance Limited	13.00	26.00	30-03-2022	01-05-2022	01-04-2024	Rate of Interest - LTRR(-7.85%), loan repayable in 24 Monthly instalments of Rs 1,08,33,333.33	Hypothecation of book debts
Aditya Birla Finance Limited	14.15	-	30-09-2022	01-11-2022	01-10-2024	Rate of Interest - LTRR(-9.15%), loan repayable in 24 Monthly instalments of Rs 78,58,333	Hypothecation of book debts
Aditya Birla Finance Limited	21.09	-	27-03-2023	05-05-2023	05-04-2025	Rate of Interest - LTRR(-9.50%), loan repayable in 24 Equated Monthly instalments	Hypothecation of book debts
Bajaj Finance Limited	8.75	23.00	28-10-2021	02-12-2021	28-10-2023	IDFC, 1Y MCLR+ 2.05% , loan repayable in 24 Monthly instalments of Rs 1,25,00,000/-	Hypothecation of book debts
Hero Fin Corp Limited	-	0.23	13-02-2020	03-07-2020	03-05-2022	Rate of Interest - Hero Fin Corp PLR(-1.40%) spread loan repayable in 21 equated monthly instalment of Rs.1,05,68,961	Hypothecation of book debts
Hero Fin Corp Limited	46.21	-	21-12-2022	03-02-2023	03-01-2025	Rate of Interest - Hero Fin Corp PLR(-1.40%) spread loan repayable in 24 equated monthly instalment of Rs.1,05,68,961	Hypothecation of book debts
Hero Fin Corp Limited	25.00	-	30-03-2023	03-05-2023	03-04-2025	Rate of Interest - Hero Fin Corp PLR(-1.40%) spread loan repayable in 24 equated monthly instalment of Rs.1,05,68,961	Hypothecation of book debts
JM Financial Products Limited	170.92	-	26-09-2022	01-11-2022	25-03-2024	Rate of Interest - 70.85%, loan repayable in 17 monthly instalments of Rs 9,06,73,790 and last instalment of Rs 8,66,68,896	Hypothecation of book debts
JM Financial Products Limited	141.91	-	10-03-2023	01-04-2023	01-09-2024	Rate of Interest - 70.85%, loan repayable in 17 monthly instalments of Rs 9,06,73,790 and last instalment of Rs 8,66,68,896	Hypothecation of book debts
Kardax Saisan Finance (India) Private Limited	50.00	-	15-03-2023	15-06-2023	15-03-2025	Rate of Interest - HDFC 1Y MCLR+2.5% spread, loan repayable in 8 quarterly instalments of Rs 6,25,00,000/-	Hypothecation of book debts
Mahindra & Mahindra Financial Services Limited	34.44	-	27-07-2022	27-08-2022	27-07-2024	Rate of Interest - SBI 1Y MCLR+2.25% spread, loan repayable in 24 equated monthly instalments of Rs 2,30,20,353	Hypothecation of book debts
Mahindra & Mahindra Financial Services Limited	36.54	-	17-08-2022	27-09-2022	27-08-2024	Rate of Interest - SBI 1Y MCLR+2.25% spread, loan repayable in 24 equated monthly instalments of Rs 2,31,25,396	Hypothecation of book debts
Manaveeya Development & Finance Private Limited	16.66	33.33	26-03-2021	26-06-2021	26-03-2024	Rate of Interest - 11%, loan repayable in 12 Quarterly instalments of Rs 4,66,66,666.67	Hypothecation of book debts
MAS Financial Services Ltd.	2.50	12.50	01-07-2021	23-07-2021	23-06-2023	Rate of Interest - PLR (-4.75%) , loan repayable in 24 Monthly instalments of Rs 13,33,332/-	Hypothecation of book debts
MAS Financial Services Ltd.	5.63	13.13	31-12-2021	23-01-2022	25-12-2023	Rate of Interest - PLR (-4.75%) , loan repayable in 24 Monthly instalments of Rs 62,50,000	Hypothecation of book debts
Micro Unit Development & Refinance Agency Ltd (MUDRA)	150.00	-	31-01-2023	10-03-2023	10-01-2026	Rate of Interest - 12.00%, loan repayable in 11 Quarterly instalments of Rs 2,00,00,000	Hypothecation of book debts
Nabkisan Finance Limited	-	5.97	19-09-2019	01-02-2020	01-08-2022	Rate of Interest - 12.00%, loan repayable in 11 Quarterly instalments of Rs 2,00,00,000	Hypothecation of book debts
Nabkisan Finance Limited	6.63	13.33	08-03-2021	01-06-2021	01-03-2024	Rate of Interest - 10.40%, loan repayable in 12 Quarterly instalments of Rs 1,66,66,666.67	Hypothecation of book debts



HF1 Samasta Finance Limited
(Formerly known as Samasta Microfinance Limited)
CIN: U65191KA1995PLC057884

Registered Office: 110/3, 1st Bagh Main Road, Krishnappa Layout, Bengaluru, Karnataka- 560027

Notes forming part of Financial Statements for the year ended March 31, 2023

(All amounts are stated in crores unless otherwise stated)

Nobkissa Finance Limited	16.66	25.00	25-02-2022	01-05-2022	01-02-2025	Rate of Interest - 9.80%, loan repayable in 12 Quarterly instalments of Rs 2,08,33,333.33	Hypothecation of book debts
Nobkissa Finance Limited	55.00	-	13-01-2023	01-07-2023	01-01-2025	Rate of Interest - 10.75%, loan repayable in 6 Quarterly instalments of Rs 7,85,71,428.57 and last quarterly instalment of Rs 7,65,67,706.58	Hypothecation of book debts
Nabamandali Finance Limited	5.10	10.13	09-02-2021	31-03-2021	29-02-2024	Rate of Interest - 10.65%, loan repayable in 36 Monthly instalments of Rs 55,55,555.56	Hypothecation of book debts
Nabamandali Finance Limited	29.00	-	09-03-2023	31-07-2023	31-03-2025	Rate of Interest - 10.60%, loan repayable in 24 equal monthly instalments of Rs 1,51,90,663	Hypothecation of book debts
Northern Arc	26.37	50.00	21-03-2024	25-04-2022	25-03-2024	Rate of Interest - (3M FBLR) - 7.33% spread, loan repayable in 24 equal monthly instalments.	Hypothecation of book debts
Northern Arc	26.55	50.00	25-03-2024	25-04-2022	25-03-2024	Rate of Interest - (3M FBLR) - 7.35% spread, loan repayable in 24 equal monthly instalments.	Hypothecation of book debts
Northern Arc	50.00	-	15-03-2023	15-04-2023	15-03-2025	Rate of Interest - (3M FBLR) - 4.40% spread, loan repayable in 24 monthly instalments of Rs 2,03,33,333.33.	Nil
NABARD	45.00	75.00	31-10-2019	31-01-2020	31-01-2025	Rate of Interest - 11.50%, loan repayable in 10 Half yearly instalments of Rs 15,00,00,000	Hypothecation of book debts
NABARD	-	32.50	08-06-2020	30-06-2021	30-06-2022	Rate of Interest - 7% upto 30-04-2021 % 10.85% post that, loan repayable in 4 Half yearly instalments of Rs 32,50,00,000	Hypothecation of book debts and cash collateral.
NABARD	-	30.00	16-02-2021	31-08-2022	31-08-2022	Rate of Interest - 7% upto 30-04-2021 % 8.10% post that, loan repayable in 1st instalments of Rs 70,00,00,000 and 2nd instalment of Rs 30,00,00,000.	Hypothecation of book debts and cash collateral.
NABARD	66.00	108.00	18-02-2021	30-06-2021	31-03-2026	Rate of Interest - 8.70%, loan repayable in 11 quarterly instalments of Rs 10,50,00,000 and 8 quarterly instalments of Rs 3,00,00,000	Hypothecation of book debts
NABARD	-	100.00	11-08-2021	31-05-2022	31-01-2023	Rate of Interest - 7.05% Till 31-05-2022 post that 9.25%, loan repayable in 2 instalments of Rs 70,00,00,000 and Rs 30,00,00,000 respectively	Hypothecation of book debts and cash collateral.
NABARD	18.00	60.00	17-12-2021	30-11-2022	30-06-2023	Rate of Interest - 7.10% Till 30-11-2022 post that 9.35%, loan repayable in 2 instalments of Rs 42,00,00,000 and Rs 18,00,00,000 respectively.	Hypothecation of book debts and cash collateral.
NABARD	136.00	200.00	29-03-2022	30-06-2022	31-12-2026	Rate of Interest - 9.80%, loan repayable in 5 quarterly instalments of Rs 16,00,00,000 and 6 quarterly instalments of Rs 12,00,00,000 and 8 quarterly instalments of Rs 6,00,00,000	Hypothecation of book debts.
NABARD	200.00	-	20-02-2023	30-06-2023	31-12-2025	Rate of Interest - 11.05%, loan repayable in 1st instalments of Rs 20,00,00,000 and 10 quarterly instalments of Rs 18,00,00,000 each.	Hypothecation of book debts and cash collateral.
Hudaji Leyland Finance Limited	-	0.65	31-05-2019	30-06-2019	28-05-2022	Rate of Interest - 11.30% HBLR+0.45%, loan repayable in 36 equal monthly instalments of Rs 33,09,503	Hypothecation of book debts and letter of comfort from Indian Infusing Finance Limited.
Hudaji Leyland Finance Limited	33.38	-	30-11-2022	30-12-2022	28-11-2024	Rate of Interest - HBLR - 1.50% spread, loan repayable in 24 equal monthly instalments of Rs 1,84,04.48	Hypothecation of book debts



HFL Samasta Finance Limited
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CIN: U65191KA1995PLC057884

Registered Office: 110/3, Lal Bagh Main Road, Krishnappa Layout, Bengaluru, Karnataka- 560027

Notes forming part of Financial Statements for the year ended March 31, 2023

(All amounts are stated in crores unless otherwise stated)

Hinduja Layard Finance Limited	48.11	-	28-02-2023	28-03-2023	28-02-2025	Rate of Interest - HBLR -1.75% spread, loan repayable in 24 equal weekly instalments of Rs 2,31,30,198	Hypothecation of book debts
SIDBI	-	13.33	10-12-2019	10-12-2019	10-11-2022	Rate of Interest 17.00%-loan repayable in 30 Monthly instalments of Rs 1,66,66,666	Hypothecation of book debts and cash collateral
SIDBI	30.00	60.00	31-03-2021	10-10-2021	10-03-2024	Rate of Interest 10.50%-loan repayable in 30 Monthly instalments of Rs 2,50,00,000	Hypothecation of book debts and cash collateral
SIDBI	-	35.00	12-11-2021	10-01-2022	10-10-2022	Rate of Interest 6%-loan repayable in 10 Monthly instalments of Rs 5,00,00,000	Hypothecation of book debts
SIDBI	95.00	150.00	17-11-2021	10-05-2022	10-10-2024	Rate of Interest 9.50 % loan repayable in 30 Monthly instalments of Rs 5,00,00,000	Hypothecation of book debts and cash collateral
SEBI Tata Capital Financial Services Limited	186.66	-	30-09-2022	10-03-2023	10-08-2025	Rate of Interest 10.00 % loan repayable in 29 Monthly instalments of Rs 13,14,00,000 and last instalment of Rs 13,14,00,000	Hypothecation of book debts and cash collateral
SEBI Tata Capital Financial Services Limited	20.00	-	28-02-2023	10-04-2023	10-09-2024	Rate of Interest - LTR(-11.55%), loan repayable in 10 Monthly instalments of Rs 1,11,11,111.11	Hypothecation of book debts
Total	1,030.68	1,132.44					



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CIN: U65191KA1995PLC057884

Registered Office: 110/3, Lal Bagh Main Road, Krishnappa Layout, Bengaluru, Karnataka- 560027

Notes forming part of Financial Statements for the year ended March 31, 2023

(All amounts are stated in crores unless otherwise stated)

Note 18. Unsecured/Subordinated Liabilities:

(a). Unsecured, Unsubordinated Non-Convertible Debentures

Particulars	As at March 31, 2023		As at March 31, 2022	
	At Amortised Cost	Total	At Amortised Cost	Total
Unsecured Non Convertible Debentures - Other than Sub Debt	140.00	140.00	-	-
Unamortised Debenture Issue Expenses	-0.99	-0.99	-	-
Interest Accrued on Debt Securities	0.81	0.81	-	-
Total (a)	139.83	139.83	-	-

(b) Unsecured Subordinated Non-Convertible Debentures

Particulars	As at March 31, 2023		As at March 31, 2022	
	At Amortised Cost	Total	At Amortised Cost	Total
Unsecured Non convertible debentures - Sub Debt	275.00	275.00	105.00	105.00
Less : Derivative Financial Liability	(4.32)	(4.32)	(4.32)	(4.32)
Less : Debenture Issue Expenses	(11.30)	(11.30)	(0.72)	(0.72)
Interest Accrued on Subordinated Liabilities	65.39	65.39	40.76	40.76
Total	324.77	324.77	140.72	140.72
Subordinated Liabilities in India	324.77	324.77	140.72	140.72
Subordinated Liabilities outside India	-	-	-	-
Total (b)	324.77	324.77	140.72	140.72
Total (a+b)	464.60	464.60	140.72	140.72

18.1 Unsecured Non convertible Debentures - Sub Debt includes debentures amounting to Rs.11 Cr (P.Y. Rs.11 Cr) in respect of which the company is having a call option at the end of the 5th year from 20-07-2018.

18.2 The funds received through above borrowings have been utilised for the purpose, it is generated.

18.3 All the charges against the receivable has been registered with the ROC and there are no charges which are to be registered as on March 31, 2023.



HFL Samasta Finance Limited
 (Formerly known as Samasta Microfinance Limited)
 CIN: U65194KA1995PLC057844
 Registered Office: 110/3, Lal Bagh Main Road, Krishnaappa Layout, Bengaluru, Karnataka - 560027
 Notes forming part of Financial Statements for the year ended March 31, 2023
 (All amounts are stated in crores unless otherwise stated)

18.4 Loan from Other Parties- Unsecured Subordinated Non-Convertible Debentures

Particulars	March 31, 2023	March 31, 2022	Borrowing Date	Repayment start date	Maturity date	Terms of repayment	Security Offered
INE413U08010 - NCD	-	5.00	25-06-2016	30-06-2022	30-06-2022	Rate of Interest - 16.90%, principal repayable on maturity.	Nil
INE413U08036 - NCD*	24.85	24.85	20-07-2018	19-04-2024	19-04-2024	Rate of Interest - 10.24% p.a. calculated on a XIRR basis, principal repayable on maturity.	Nil
INE413U08036 - NCD*	67.15	67.15	20-07-2018	19-04-2024	19-04-2024	Rate of Interest - 10.15% p.a. calculated on a XIRR basis, principal repayable on maturity.	Nil
INE413U08028 - NCD*	11.00	11.00	20-07-2018	19-04-2024	19-04-2024	Rate of Interest - 9.05% p.a. calculated on a XIRR basis, principal repayable on maturity.	Nil
INE413U08044 - NCD	150.00	-	19-08-2022	19-07-2028	19-07-2028	Rate of Interest - 11.25% p.a. principal repayable on maturity.	Nil
INE413U08077 - NCD	25.00	-	02-02-2023	02-04-2029	02-04-2029	Rate of Interest - 11.25% p.a. principal repayable on maturity.	Nil
Total	275.00	145.00					

* Represents Market Linked Debenture Invested by various Parties

18.4 Loan from Other Parties- Unsecured Unsubordinated Non-Convertible Debentures

Particulars	March 31, 2023	March 31, 2022	Borrowing Date	Repayment start date	Maturity date	Terms of repayment	Security Offered
INE413U08051 - Northern Arc Money Market Alpha Trust	50.00	-	19-12-2022	19-09-2023	20-12-2023	Rate of Interest - 10.50% p.a. principal repayable in 4 Monthly installments Starting from 19-09-2023.	Nil
INE413U08065 - Northern Arc Capital Limited	50.00	-	19-12-2022	19-01-2024	19-12-2024	Rate of Interest - 11.40% p.a. principal repayable in 12 Monthly installments Starting from 19-01-2024.	Nil
INE413U08055 - UNIFE-AIF	40.00	-	24-6-2023	24-05-2023	24-02-2025	Rate of Interest - 10.75% p.a. principal repayable in 8 Quarterly installments Starting from 24-05-2023.	Nil
Total	140.00	-					



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Notes forming part of Financial Statements for the year ended March 31, 2023
(All amounts are stated in crores unless otherwise stated)

Note 19. Lease Liability

Particulars	As at March 31, 2023	As at March 31, 2022
Lease Liability	9.21	7.42
Total	9.21	7.42

Note 20. Other Financial Liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Interest accrued but not due	-	-
Employee payables	18.27	5.15
Payable to assignee	194.60	79.39
Money held under trust	-	0.22
Payable / Refundable to Borrowers	19.93	6.60
Insurance payable	-	-
Total	232.80	91.36

Note 21. Current tax liabilities (net)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for Taxation	37.00	80.50
Advance Tax	(33.90)	(70.70)
TDS Receivable	(2.92)	(4.29)
Total	0.18	5.51

Note 22. Provisions:

Particulars	As at March 31, 2023	As at March 31, 2022
Leave encashment	5.89	3.71
Gratuity	7.40	4.75
Total	13.29	8.46

Note 23. Other Non Financial Liabilities:

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory Dues Payable	13.99	5.58
Others	12.58	-
Total	26.57	5.58



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Registered Office: 110/3, Lal Bagh Main Road, Krishnappa Layout, Bengaluru, Karnataka- 560027

Notes forming part of Financial Statements for the year ended March 31, 2023

(All amounts are stated in crores unless otherwise stated)

Note 24. Equity Share Capital

Equity Share Capital:

(a) The Authorized, Issued, Subscribed and Fully paid up share capital comprises of equity shares having a par value of ₹ 10/- as follows:

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Amount in ₹ Cr	No. of shares	Amount in ₹ Cr
Authorized Share Capital				
(a) Equity Shares of ₹10 each	69,80,00,000	698.00	59,80,00,000	598.00
(b) Preference Shares of ₹10 each (Out of 20,00,000 shares 1,45,000 are Redeemable Non Convertible Preference Shares of ₹10 each)	20,00,000	2.00	20,00,000	2.00
Issued, Subscribed and Paid Up:				
Equity Shares of ₹10 each fully paid	59,36,43,037	593.64	49,82,23,190	498.22

(b) Reconciliation of the Equity Shares outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Amount in ₹	No. of shares	Amount in ₹
At the beginning of the year	49,82,23,190	498.22	32,08,13,336	320.81
Add: Issued during the year	9,54,19,847	95.42	17,74,09,854	177.41
Outstanding at the end of the year	59,36,43,037	593.64	49,82,23,190	498.22

(c) Terms/rights attached to equity shares:

The Company has only one class of equity shares having a face value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. However, no such preferential amount exists currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

(d) Details of Equity Shareholders holding more than 5% shares and details of shares held by the Holding Company:

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	% of holding	No. of shares	% of holding
Equity shares of ₹10 each fully paid				
IFFL Finance Limited	59,07,16,057	99.51%	37,07,40,413	74.41%
IFFL Home Finance Limited	-	0.00%	12,45,55,797	25.00%

(e) Details of Equity Shares held by promoters at the end of the year

Promoter Name	No. of shares at the beginning of the year	Changes during the year	No. of shares at the end of the year	As at 31 March 2023	
				% of Total shares	% change during the year
IFFL Finance Limited	37,07,40,413	21,99,75,644	59,07,16,057	99.51%	59.33%
Narayanaswamy Venkatesh	13,35,840	-	13,35,840	0.23%	0.00%
Shivaprakash Deviah	3,45,000	-	3,45,000	0.06%	0.00%

Promoter Name	No. of shares at the beginning of the year	Changes during the year	No. of shares at the end of the year	As at 31 March 2022	
				% of Total shares	% change during the year
IFFL Finance Limited	23,76,83,022	13,30,57,391	37,07,40,413	74.41%	55.98%
Narayanaswamy Venkatesh	13,35,840	-	13,35,840	0.27%	0.00%
Shivaprakash Deviah	3,45,000	-	3,45,000	0.07%	0.00%

(f) The Company's capital management is intended to create value for shareholders. The assessment of Capital level and requirements are assessed having regard to long and short term strategies of the Company and its subsidiary capital requirements of its businesses and constituent entities.



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Notes forming part of Financial Statements for the year ended March 31, 2023
(All amounts are stated in crores unless otherwise stated)

(b) Statement of changes in equity share capital

Particulars	Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
As at March 31, 2023	498.72	95.42	593.64
As at March 31, 2022	320.81	177.41	498.72

Note 25. Other Equity

Particulars	Attributable to the Owners					Total
	Securities Premium	Special Reserve Pursuant to Section 45 IC of Reserve Bank of India Act, 1934*	Capital Reserve	Retained Earnings	Re-measurement of Actuarial Gains and Losses	
Balance at the beginning of the 01-04-2022	254.27	56.84	0.25	191.71	(2.02)	501.06
Total Comprehensive Income for the year	-	-	-	128.17	(0.32)	127.85
Additions	104.58	23.63	-	(25.63)	-	104.58
Sub Total	358.85	80.47	0.25	294.25	(2.34)	733.49
Final Dividend	-	-	-	(4.98)	-	(4.98)
Balance at the end of the 31-03-2023	358.85	80.47	0.25	289.27	(2.34)	728.51

Particulars	Attributable to the Owners					Total
	Securities Premium	Special Reserve Pursuant to Section 45 IC of Reserve Bank of India Act, 1934*	Capital Reserve	Retained Earnings	Re-measurement of Actuarial Gains and Losses	
Balance at the beginning of the 01-04-2021	131.68	46.72	0.25	151.23	(1.19)	328.69
Total Comprehensive Income for the year	-	-	-	30.60	(0.83)	29.78
Additions	122.59	10.12	-	(10.12)	-	122.59
Sub Total	254.27	56.84	0.25	191.71	(2.02)	501.06
Balance at the end of the 31-03-2022	254.27	56.84	0.25	191.71	(2.02)	501.06

*As per section 45-IC of the Reserve Bank of India Act, 1934, the company is required to create a reserve fund at a rate of 20% of the net profit after tax of the company every year. Considering the profit after tax for the year ended 31st March 2023, ₹25.63 Cr (P.Y. ₹ 10.12 Cr) being 20% of the profit after taxes for the year has been transferred from the Statement of Profit and Loss to Special Reserve.

The Board of Directors had recommended a final dividend of ₹ 0.10 per equity share amounting to Rs. 4.98 Cr for the financial year 2021-22 on 23rd April, 2022 which was paid in FY 2022-23

Accompanying notes are an integral part of these financial statements
As per our attached report of even date.

For Brahmaya & Co.,
Chartered Accountants
Firm No. 0005155

G.Srinivas
Partner
M. No. 086761



Place: Bengaluru
Date: 21-04-2023

For and on behalf of the Board of Directors
of IFFL Samasta Finance Limited

N. Venkatesh

N. Venkatesh
Managing Director
DIN : 01018821

D. Shivaprakash

D. Shivaprakash
Whole-Time Director
DIN : 02216802



Anandha Kumar T
Chief Financial Officer

Place: Bengaluru
Date: 21-04-2023

Anandhanand Biswal
Company Secretary

Place: Bengaluru
Date: 21-04-2023

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Notes forming part of Financial Statements for the year ended March 31, 2023

(All amounts are stated in crores unless otherwise stated)

Note 26. Interest Income

Particulars	Year Ended March 31, 2023			Year Ended March 31, 2022		
	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at fair value through profit or loss	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at fair value through profit or loss
Interest on Loans	-	1,521.97	-	-	973.58	-
Interest on deposits with Banks	-	17.66	-	-	10.65	-
Total	-	1,539.63	-	-	984.23	-



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Notes forming part of Financial Statements for the year ended March 31, 2023
(All amounts are stated in crores unless otherwise stated)

Note 27. Fee and Commission Income

Particulars	Year ended March 31 2023	Year ended March 31 2022
	On Financial Assets measured at Amortised Cost	On Financial Assets measured at Amortised Cost
Income from Referral Fee	21.76	9.83
Income from Business Correspondents	56.72	7.21
Commission Income	20.09	8.25
Documentation Charges	2.10	0.80
Total	100.67	26.09

Note 28. Net gain on derecognition of financial instruments under amortised cost category :

Particulars	Year ended March 31 2023	Year ended March 31 2022
Bad debts recovered	12.73	2.47
Amortisation of Interest only strip	93.20	-
Total	105.93	2.47



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Notes forming part of Financial Statements for the year ended March 31, 2023

(All amounts are stated in crores unless otherwise stated)

Note 29. Other Income

Particulars	Year Ended 31. 2023	March	Year Ended March 31, 2022
Profit on sale of investments		7.01	7.02
Miscellaneous Income		0.27	0.12
Total		7.28	7.14



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Notes forming part of Financial Statements for the year ended March 31, 2023

(All amounts are stated in crores unless otherwise stated)

Note 30. Finance Cost

Particulars	Year Ended March 31, 2023		Year Ended March 31, 2022	
	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost
Interest on Debt Securities	-	50.71	0.06	78.28
Interest on subordinated liabilities	0.33	28.35	0.30	13.37
Interest on Borrowings	-	465.20	-	277.59
Discount on Commercial Paper	-	2.72	-	1.19
Interest Expense on Other borrowings	-	10.97	-	7.56
Amortisation of Processing Fees	-	25.99	-	13.76
Interest on Lease Liability	-	1.05	-	0.68
Documentation Charges	-	0.21	-	0.26
Amortisation of Debenture Issue Expenses	-	0.70	-	2.00
Other Borrowing Cost	-	0.75	-	0.06
Total	0.33	586.65	0.36	394.75

Note 31. Net loss on derecognition of financial instruments under amortised cost category

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Amortisation of Interest only strip	-	6.74
Bad Debts Written off	450.91	131.84
Total	450.91	138.58

Note 32. Impairment On Financial Instruments:-

Particulars	Year Ended March 31, 2023		Year Ended March 31, 2022	
	On Financial instruments measured at fair value through OCI	On Financial instruments measured at Amortised Cost	On Financial instruments measured at fair value through OCI	On Financial instruments measured at Amortised Cost
Loans - Expected Credit Loss	-	4.37	-	98.72
Total	-	4.37	-	98.72



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Notes forming part of Financial Statements for the year ended March 31, 2023

(All amounts are stated in crores unless otherwise stated)

Note 33. Employee Benefit Expenses

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Salaries and bonus	345.37	207.00
Contribution to provident and other funds	28.41	18.28
Leave Encashment	6.10	3.94
Gratuity	2.23	1.51
Staff Welfare Expenses	11.76	5.92
Total	393.87	236.65

Note 34. Other Expenses

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Rent Expenses	21.57	12.78
Rates and Taxes	1.00	0.74
Exchange and statutory Charges	-	
Marketing Expense	0.12	0.02
Bank Charges	17.53	9.52
Repairs and maintenance	2.02	1.11
Electricity	2.51	1.55
Communication Costs	5.38	3.95
Printing and stationery	8.81	2.82
Postage and courier	2.38	1.53
Advertisement and publicity	0.02	0.05
Payment to Auditors		
(i) As Auditors	0.17	0.09
(ii) For taxation matters	-	-
(iii) For Certification Works	0.01	0.01
(iv) Out of pocket expenses	0.03	0.02
Legal and Professional charges	14.67	9.51
Software Charges/ Technology Cost	16.49	10.57
Travelling and conveyance	40.09	22.21
Miscellaneous Expenses	12.83	7.59
Total	145.63	84.07



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33.1 Gratuity Abridged Disclosure Statement as per Indian Accounting Standard - 19 "Employee Benefits" for the period 01/04/2022 - 31/03/2023

Details of defined benefit plan of gratuity as a given below:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
g) Changes in the Present Value of Obligation (PVO)		
PVO as at the beginning of the period	6.67	4.18
Interest Cost	0.38	0.22
Current service cost	1.96	1.35
Past service cost - (vested benefits)	-	-
Past service cost - (unvested benefits)	-	-
Liability Transferred for Acquisition	-	-
Benefits paid	(0.47)	(0.07)
The Effect Of Changes in Foreign Exchange Rates	-	-
Actual loss/gain on obligations -Due to Change in Demographic Assumptions	-	0.10
Actuarial (Gain)/Loss on Obligations - Due to Change in Financial Assumptions	(1.37)	(0.66)
Actuarial (Gain)/Loss on Obligations - Due to Experience	1.73	1.65
PVO as at the end of the year	8.90	6.67

h) Changes in the Fair Value of Plan Assets

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Fair value of plan assets as at the beginning of the period	1.92	3.13
Interest Income	0.11	0.66
Contributions by the Employer	-	0.92
Benefits paid from the Fund	(0.47)	(0.07)
Return on Plan Assets, Excluding Interest Income	(0.07)	(0.12)
Fair value of plan assets as at the end of the period	1.50	1.92
iii) Amount recognized in the Balance Sheet and Related Analysis		
Present Value of Benefit Obligation at the end of the Period	(8.90)	(6.67)
Fair Value of Plan Assets at the end of the Period	1.50	1.92
Funded Status - Deficit	(7.40)	(4.75)
Net Liability recognized in the balance sheet	(7.40)	(4.75)
iv) Net Interest Cost for Current Period		
Present Value of Benefit Obligation at the Beginning of the Period	6.67	4.18
Fair Value of Plan Assets at the Beginning of the Period	(1.92)	(3.13)
Net Liability at the Beginning	4.75	1.05
Interest Cost	0.78	0.22
Interest Income	(0.11)	(0.06)
Net Interest Cost for the Period	0.27	0.16
v) Expenses recognized in the Statement of Profit or Loss for Current Period		
Current service cost	1.96	1.35
Net Interest Cost	0.27	0.16
Past Service Cost	-	-
Expected Contributions by the Employer	-	-
(Gain)/Losses on Curtailments and Settlements	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
Expenses recognized in the statement of profit and loss	2.73	1.51
vi) Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period		
Actuarial (Gain)/Loss on Obligations For the Period	0.36	0.99
Return on Plan Assets, Excluding Interest Income	0.67	0.12
Change in Asset Ceiling	-	-
Net Expense For the Per, vi) Recognized in OCI	0.63	1.11
vii) Principal Actuarial Assumptions (Expressed as weighted averages)		
Discount Rate	7.29%	5.60%
Salary escalation rate	8.00%	8.00%
Actuarial basis	For service 4 years and below: 35% p.a For service 5 years and above: 10% p.a	For service 4 years and below: 35% p.a For service 5 years and above: 10% p.a
Mortality Rate	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban
Expected rate of return on Plan Assets	7.29%	5.60%



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 Notes forming part of Financial Statements for the year ended March 31, 2023
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Sensitivity Analysis

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Projected Benefit Obligation on Current Assumptions	7.30	6.67
Delta Effect of +1% Change in Rate of Discounting	(0.70)	(0.56)
Delta Effect of -1% Change in Rate of Discounting	0.77	0.69
Delta Effect of +1% Change in Rate of Salary Increase	0.81	0.66
Delta Effect of -1% Change in Rate of Salary Increase	(0.72)	(0.58)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.12)	(0.19)
Delta Effect of -1% Change in Rate of Employee Turnover	0.12	0.21

The sensitivity analysis has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the Defined Benefit Obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in preparing the above sensitivity analysis, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, with the same method as applied in calculating the Defined Benefit Obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Notes

Gratuity is payable on per company's scheme as detailed in the report.

Actuarial gains/losses are recognised in the period of occurrence under Other Comprehensive Income (OCI). All above reported figures of OCI are gross of taxation.

Salary escalation & attrition rate are calculated as advised by the employer; they appear to be in line with the industry practice considering potential and demand & supply of the employees.

Mortality Assumptions of Benefit Payments is undismounted cashflows considering future salary, attrition & death in respective year for members as reported above.

Average Expected Future Service represents Estimated Term of Post - Employment Benefit Obligation.

33.2 Leave Encashment

Particulars	FY 22-23	FY 21-22
Projected Benefit obligation	5.89	5.71
Expense recognised in the Statement of P&L	4.10	2.94
Discount rate	7.25%	5.60%
Salary Escalation rate	8.00%	8.00%
Attrition rate	For service 4 years and below, 35% pa For service 5 years and above, 10% pa	For service 4 years and below, 35% pa For service 5 years and above, 10% pa
Mortality rate During the Employment	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban

33.3 Defined Contribution Plans:

The Company has recognised the following expenses as an expense and included in the Employee Benefit Expenses.

Particulars	FY 22-23	FY 21-22
Contribution to Provident fund	72.60	14.31
Contribution to ESIC	5.75	3.93
Contribution to Labour Welfare Fund	0.06	0.04
Total	78.41	18.28



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Note 35. Income taxes

Amounts recognised in profit or loss

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Current tax expense		
Current year	13.77	36.77
Changes in estimates related to prior years	(1.63)	(0.19)
Deferred tax expense		
Origination and reversal of temporary differences	18.19	(28.23)

Amounts recognised in OCI

Particulars	Year Ended March 31, 2023			Year Ended March 31, 2022		
	Before tax	Tax expense	Net of tax	Before tax	Tax expense	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of defined benefit liability (asset)	(0.42)	0.11	(0.32)	(1.11)	0.28	(0.83)

Reconciliation of Effective Tax Rate:

Particulars	Year Ended March 31, 2023 (Rate)	Year Ended March 31, 2023 (Amount)	Year Ended March 31, 2023	Year Ended March 31, 2022 (Rate)	Year Ended March 31, 2022 (Amount)	Year Ended March 31, 2022
Profit before tax			158.51			58.96
Tax using the Bank's domestic tax rate	25.17%		39.89	25.17%		14.84
Tax effect of:						
Non-deductible		2.40	0.61		1.63	0.41
Tax-exempt income		-	-		-	-
Changes in the Estimates Taxes to previous year		-	(1.63)		-	(0.19)
Interest for deferment of advance tax		-	-		0.11	0.02
Deductible Income		(35.71)	(8.99)		(27.07)	(6.81)
Changes in the Deferred Tax Assets/ Liabilities		1.80	0.45		0.30	0.08
Total income tax expense			30.33			8.35



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Notes forming part of Financial Statements for the year ended March 31, 2023
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Note 36. Capital, Other Commitments and Contingent Liabilities at Balance Sheet date:

Particulars	Year Ended March 31,2023	Year Ended March 31,2022
Contingent Liabilities and Commitments(to the extent not provided for)		
Claims against the company not acknowledged as debt*		0.00
Guarantee excluding finance guarantee	-	-
Other money for which a company is contingently liable	-	-
Total	-	0.00
Commitments:		
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
Other Commitments		-
Total	-	-

*Income Tax Demand

- 36.1 The Company has not been declared as wilful defaulter by any bank or financial institution or other lender.
- 36.2 As per the information available with us, the Company is not having any relationship with struck off Companies during the year.
- 36.3 During the year, the Company has not entered into any merger/amalgamations. Accordingly, Compliance with approved mergers is not applicable for the Company.
- 36.4 The Company does not have any undisclosed income that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961
- 36.5 During the year, the Company has not invested / traded in crypto currency or in virtual currency.



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Note 37. Earnings Per Share:

Basic and Diluted Earnings Per Share ["EPS"] computed in accordance with Indian Accounting Standard - 33 "Earnings per share".

Particulars		Year Ended March 31, 2023	Year Ended March 31, 2022
Face value of equity shares in ₹ fully paid up		593.64	498.22
BASIC			
Profit after tax as per Statement of Profit and Loss (Total operations)	A	128.17	50.61
Profit after tax (after minority) as per Statement of Profit and Loss from Continuing Operations	B	128.17	50.61
Weighted Average Number of Equity Shares Outstanding	C	51,18,17,250	41,37,40,803
Basic EPS (In ₹) (i) Total operations	A/C	2.50	1.22
(ii) Continuing operations	B/C	2.50	1.22
DILUTED			
Weighted Average Number of Equity Shares for computation of basic EPS		51,18,17,250	41,37,40,803
Add: Potential Equity Shares on Account conversion of Employees Stock Options.		-	-
Weighted Average Number of Equity shares for computation of diluted EPS	D	51,18,17,250	41,37,40,803
Diluted EPS (In ₹) (i) Total operations	A/D	2.50	1.22
(ii) Continuing operations	B/D	2.50	1.22



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Note 18. Related Party Disclosures as per Indian Accounting Standard – 24 "Related Party Disclosure" for the year ended March 31, 2023

(a) Name of the related parties with whom transactions have been entered during the year and description of relationship:

Nature of Relationship	Name of the Related Party
Holding Company	IIFL Finance Limited
Group Company	IIFL Home Finance Limited IIFL Management Services Limited IIFL Investment Adviser And Trustee Services Limited IIFL Facilities Services Limited IIFL Wealth Management Limited IIFL Absence Ament Advisors Limited
Others	IIFL Wealth Private Limited (Estate of IIFL Wealth Finance Limited)
Key Management Personnel	Mr. N. Venkatesh, Managing Director Mr. D. Shivaprasad, Whole-time Director Mr. Anantha Kumar T, Chief Financial Officer Mr. Manoj Kumar Bimal, Company Secretary w.e.f 21/07/21 Mr. Prasad Kulkarni, Company Secretary upto 21/07/21
Non Executive Director	Mr. Mohan Raju, Non Executive Director upto 07/09/22
Independent Director	Mr. A. Vikraman, Independent Director Mr. A. Ramasathan, Independent Director Ms. Minitha B Edeh, Women Director Mr. Baburam Ganeshiah, Independent Director

(b) Disclosure of Transactions and Outstanding Balances with Related Parties

Nature of Transaction	FY 22-23	FY 21-22
Service Fee on Business Correspondence- Income	-	-
IIFL Finance Limited	56.72	1.21
Interest Expense	-	-
IIFL Finance Limited	1.03	7.45
IIFL Home Finance Limited	9.94	-
IIFL Facilities Services Limited	-	0.00
IIFL Wealth Management Limited	0.37	-
IIFL Wealth Private Limited (Estate of IIFL Wealth Finance Limited)	0.56	1.97
Dividend Paid	-	-
IIFL Finance Limited	3.71	-
IIFL Home Finance Limited	1.25	-
Narayanaswamy Venkatesh	0.01	-
Shivaprasad D-iah	0.00	-
Venkatesh's name Appointed as Narayanaswamy	0.01	-
Anitha Shivaprasad	0.00	-
Arranger Fee Expenses	-	-
IIFL Management Services Limited	0.50	-
IIFL Wealth Management Limited	-	0.68
Brokerage Expense/Other Expense	-	-
IIFL Wealth Management Limited	0.09	-
Reimbursement of Expenses	-	-
IIFL Finance Limited	0.63	0.66
Loans and Advances Received	-	-
Inter Corporate Deposit Received from IIFL Finance Limited	100.00	550.00
Inter Corporate Deposit Repaid to IIFL Finance Limited	100.00	550.00
Inter Corporate Deposit Received from IIFL Home Finance Limited	775.00	-
Inter Corporate Deposit Repaid to IIFL Home Finance Limited	775.00	-



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Notes forming part of Financial Statements for the year ended March 31, 2023

Share Capital and Securities Premium	-	-
Equity Share Capital Received	-	-
IIFL Finance Limited	95.42	133.66
IIFL Home Finance Limited	-	44.35
Securities Premium	-	-
IIFL Finance Limited	104.58	91.24
IIFL Home Finance Limited	-	30.45
Remuneration to Key Managerial Personnel	-	-
Sinking Fees paid	0.00	0.10
Short term Employee benefit	4.07	2.72
Outstanding Balance as on March 31, 2023	-	-
Sundry Receivable - IIFL Finance Limited (after TDS deduction)	7.18	2.50
Market Listed Debentures	-	-
IIFL Wealth Prime Limited (Excluded IIFL Wealth Finance Limited)	7.60	26.70
IIFL Wealth Management Limited	15.26	-
ICD / Loan Portfolio outstanding (Payable) / Receivable	-	-
IIFL Wealth Prime Limited (Excluded IIFL Wealth Finance Limited)	-	1.97

Disclosures of Transactions Pursuant to Regulation 34(3) of SEBI (LODR) Regulations, 2015:

Name of the Entity	As at March 31, 2023	
	Outstanding Amount	Maximum Amount outstanding during the year
IIFL Finance Limited	-	109.00
IIFL Home Finance Limited	-	250.00

Name of the Entity	As at March 31, 2022	
	Outstanding Amount	Maximum Amount outstanding during the year
IIFL Finance Limited	-	350.00



IFFI Samasta Finance Limited
(Formerly known as Samasta Microfinance Limited)
CIN: U65191KA1995PLC057884

Registered Office: 110/3, Lal Bagh Main Road, Krishnaappa Layout, Bengaluru, Karnataka-560027
Notes forming part of Financial Statements for the year ended March 31, 2023

(All amounts are stated in crores unless otherwise stated)

Note 39: Maturity Analysis of assets and liabilities as at March 31, 2023

Particulars	March 31, 2023	Current	Non Current
ASSETS			
1 Financial Assets			
(a) Cash and cash equivalents	227.11	226.82	0.29
(b) Bank Balance other than (a) above	382.39	201.74	180.65
(c) Derivative financial instruments	9.22	9.22	-
(d) Receivables			-
Trade Receivables	17.98	17.98	-
(e) Loans	7,736.08	4,439.50	3,296.58
(f) Investments	160.42	-	160.42
(g) Other Financial assets	289.48	272.10	17.38
2 Non-financial Assets			
(a) Other non-financial assets	5.70	5.66	0.04
(b) Current tax assets (Net)	2.12	2.12	-
(c) Deferred tax Assets (Net)	45.04	-	45.04
(d) Investment Property	0.05	-	0.05
(e) Property, Plant and Equipment	20.36	-	20.36
(f) Right to Use	8.15	-	8.15
(g) Capital work-in-progress	-	-	-
(h) Other Intangible assets	-	-	-
Total Assets	8,904.10	5,175.14	3,728.96
LIABILITIES AND EQUITY			
LIABILITIES			
1 Financial Liabilities			
(a) Derivative financial instruments	9.22	9.22	-
(b) Payables			
(i) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	20.38	20.38	-
(c) Debt Securities	477.00	318.01	158.99
(d) Borrowings (Other than Debt Securities)	6,328.70	3,769.17	2,559.53
(e) Unsecured/ Subordinated Liabilities	464.60	91.00	373.60
(f) Lease Liability	9.21	1.90	7.31
(g) Other financial liabilities	232.80	232.80	-
2 Non-Financial Liabilities			
(a) Current tax liabilities (Net)	0.18	0.18	-
(b) Provisions	13.29	10.20	3.09
(c) Other non-financial liabilities	26.57	26.57	-
3 Equity			
(a) Equity Share capital	593.64	-	593.64
(b) Other Equity	728.51	-	728.51
Total Liabilities and Equity	8,904.10	4,479.44	4,424.66



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Notes forming part of Financial Statements for the year ended March 31, 2023

(All amounts are stated in crores unless otherwise stated)

Maturity Analysis of assets and liabilities as at March 31, 2022

Particulars	March 31, 2022	Current	Non Current
ASSETS			
1 Financial Assets			
(a) Cash and cash equivalents	455.08	455.08	-
(b) Bank Balance other than (a) above	255.58	123.65	131.91
(c) Derivative financial instruments	9.87	-	9.87
(d) Receivables	-	-	-
Trade Receivables	8.48	8.48	-
(e) Loans	5,518.63	3,512.96	2,005.67
(f) Investments	0.05	-	0.05
(g) Other Financial assets	51.96	14.77	37.20
2 Non-financial Assets			
(a) Other non-financial assets	14.11	13.64	0.47
(b) Current tax assets (Net)	1.64	1.64	-
(c) Deferred tax Assets (Net)	63.12	-	63.12
(d) Investment Property	0.05	-	0.05
(e) Property, Plant and Equipment	9.12	-	9.12
(f) Right to Use	6.75	-	6.75
(g) Capital work-in-progress	-	-	-
(h) Other Intangible assets	0.01	-	0.01
Total Assets	6,394.43	4,138.23	2,264.72
LIABILITIES AND EQUITY			
LIABILITIES			
1 Financial Liabilities			
(a) Derivative financial instruments	9.87	-	9.87
(b) Payables			
(i) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	8.06	8.06	-
(c) Debt Securities	514.81	163.74	345.07
(d) Borrowings (Other than Debt Securities)	4,603.36	2,535.13	2,068.23
(e) Unsecured/ Subordinated Liabilities	140.72	4.65	136.07
(f) Lease Liability	7.42	1.14	6.28
(g) Other financial liabilities	91.36	91.35	-
2 Non-Financial Liabilities			
(a) Current tax liabilities (Net)	5.51	5.51	-
(b) Provisions	8.46	6.52	1.94
(c) Other non-financial liabilities	5.58	5.58	-
3 Equity			
(a) Equity Share capital	498.22	-	498.22
(b) Other Equity	501.06	-	501.06
Total Liabilities and Equity	6,394.43	2,817.48	3,564.74



HFI, Samasta Finance Limited
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CIN: U65191KA1995PLC057884
Registered Office: 110/3, Lal Bagh Main Road, Krishnappa Layout, Bengaluru, Karnataka- 560027
Notes forming part of Financial Statements for the year ended March 31, 2023
(All amounts are stated in crores unless otherwise stated)

Note 40. Financial Risk Management

a) Credit Risk

Credit Risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. The company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The exposure is continuously monitored.

Trade Receivables and Other financial assets

Credit risk with respect to trade receivables and other financial assets are extremely low. Trade receivables are primarily from other services provided, historically company has not suffered any defaults. Based on the credit assessment the historical trend of low default is expected to continue. No provision for expected credit loss has been Trade Receivables and Other financial assets.

Loans

The following table sets out information about credit quality of loan assets measured at amortised cost based on Number of Days past due information. The amount represents gross carrying amount.

Particulars	As at March 31, 2023	As at March 31, 2022
Gross Carrying value of loan Assets		
Stage-1 (Less than 30 Days)	7,593.73	5,230.65
Stage-2 (30-90 Days)	235.46	364.62
Stage-3 (More than 90 Days)	169.35	177.45
Total Gross Carrying value on Reporting Date	7,998.54	5,772.72

Credit Quality

Financial services business has a comprehensive framework for monitoring credit quality of its retail and other loans based on days past due monitoring. Repayment by individual customers and portfolio is tracked regularly and required steps for recovery is taken through follow ups and legal recourse.

Inputs considered in the ECL model

In assessing the impairment of loans assets under Expected Credit Loss (ECL) Model, the loan assets have been segmented into three stages.

The three stages reflect the general pattern of credit deterioration of a financial instrument. The differences in accounting between stages relate to the recognition of expected credit losses and the calculation and presentation of interest revenue.

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

- i) Stage 1: 30 Days Past Due
- ii) 31-90 Days Past Due
- iii) More than 90 Days Past Due

Exposure at default (EAD) is the maximum exposure as on the date of provision which includes both principal outstanding and interest. Interest is the total of interest outstanding and interest accrued but not due.

Loss given default (LGD) estimates the normalized loss which company incurs post customer default. It is computed through recovery observed in delinquent accounts over a period of time. It is always expressed as % of outstanding amount and not in count. LGD is common for all three stages and is based on loss in past portfolio.

Effective Interest rate (EIR) is the rate that discounts estimated future cash flows through the expected life of financial instrument.



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Notes forming part of Financial Statements for the year ended March 31, 2023
(All amounts are stated in crores unless otherwise stated)

Estimation Technique

Probability of default (PD) is the likelihood that customer will default on loan in time horizon. It is computed on count basis. The reason is customer defaulting on loan is captured by its count and there is no relationship with his outstanding dues.

Assessment of significant increase in credit risk

When determining whether the risk of default has increased significantly since initial recognition, the financial services business considers both quantitative and qualitative information and analysis based on the business historical experience, including forward-looking information. The financial services business considers reasonable and supportable information that is relevant and available without undue cost and effort.

The financial services business uses the number of days past due to classify a financial instrument in low credit risk category and to determine significant increase in credit risk in retail. As a backstop, the financial services business considers that a significant increase in credit risk occurs no later than when an asset is more than 30 days past due.

Impairment loss

The expected credit loss allowance provision is determined as follows:

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross Balance as at 31-03-2023	7,593.73	235.46	169.35	7,998.53
Expected Credit Loss	141.57	10.61	105.04	257.22
Expected Credit Loss Rate	1.86%	4.51%	62.03%	3.22%
Net of Impairment Provision	7,452.16	224.85	64.31	7,741.31

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross Balance as at 31-03-2022	5,230.65	364.62	177.45	5,772.72
Expected Credit Loss	198.86	15.81	130.13	254.80
Expected Credit Loss Rate	2.08%	4.34%	73.33%	4.41%
Net of Impairment Provision	5,031.79	348.81	47.32	5,517.92

The following tables show reconciliations from the opening to the closing balance of the loss allowance by class of financial instrument.

Reconciliation of loss allowance	Financial Assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Others
Opening ECL 01-04-2022	108.19	0.68	15.28	0.55	130.13	-	253.59	1.23
Incremental loans disbursed in FY 22-23	124.58	1.74	6.46	0.57	47.95	-	178.99	2.30
Loans closed/written off during the year	(43.66)	(0.29)	(13.79)	(0.49)	(113.26)	-	(170.71)	(0.76)
Stage change in both years - change in provisioning	(44.39)	(0.14)	(0.29)	(0.00)	(1.93)	-	(46.61)	(0.14)
Movement of stage due to asset reclassification	(5.15)	(0.02)	2.12	0.22	42.17	-	39.14	0.20
Closing ECL 31-03-2023	139.58	1.99	9.78	0.85	105.04	-	254.41	2.84



HFL Samasta Finance Limited
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CIN: U65191KA1995PT1C057884

Registered Office: 110/3, Lal Bagh Main Road, Krishnapur Layout, Bengaluru, Karnataka- 560027
Notes forming part of Financial Statements for the year ended March 31, 2023
(All amounts are stated in crores unless otherwise stated)

Reconciliation of loss allowance	Financial Assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Others
Opening ECL 01-04-2021	73.53	0.54	6.29	0.31	74.78	-	154.60	8.84
Incremental loans disbursed in FY 21-22	87.70	0.52	7.64	0.32	72.78	-	168.11	0.84
Loans closed/written off during the year	(30.81)	(0.21)	(3.15)	(0.18)	(59.35)	-	(93.31)	(0.39)
Stage same in both years- change in provisioning	(17.56)	(0.14)	(0.04)	(0.00)	(4.31)	-	(21.91)	(0.14)
Movement of stages due to asset reclassification	(4.67)	(0.03)	4.54	0.10	46.23	-	46.09	0.06
Closing ECL 31-03-2022	108.19	0.68	15.28	0.55	130.13	-	253.58	1.21

The following tables show reconciliations from the opening to the closing balance of the exposure at default (EAD) (Principal & Interest) by class of financial instrument

Reconciliation of Exposure at default	Financial Assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Others
Opening EAD 01-04-2021	5,230.66	35.63	364.63	13.14	177.44	-	5,772.73	48.77
Incremental loans disbursed in FY 22-23	6,777.93	46.18	155.45	7.62	77.30	-	7,010.68	53.81
Loans closed/written off during the year	(2,111.78)	(14.26)	(329.11)	(12.09)	(154.45)	-	(2,395.34)	(26.35)
Stage same in both years- change in provisioning	(2,054.96)	(13.72)	(6.77)	(0.30)	(0.72)	-	(2,062.45)	(14.02)
Movement of stages due to asset reclassification	(248.11)	(0.95)	51.26	2.74	69.79	-	(127.07)	1.78
Closing EAD 31-03-2023	7,593.74	52.88	235.46	11.11	149.35	-	7,998.54	63.99



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 Notes forming part of Financial Statements for the year ended March 31, 2023
 (All amounts are stated in crores unless otherwise stated)

Reconciliation of Exposure at default	Financial Assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Others
Opening EAD 01-04-2021	3,885.86	27.38	156.94	7.50	74.78	-	4,116.78	34.87
Incremental loans disbursed in FY 21-22	1,238.67	27.74	182.33	7.78	99.24	-	4,520.24	35.52
Loans closed/written off during the year	(1,626.00)	(10.97)	(74.57)	(4.42)	(59.35)	-	(1,763.90)	(15.39)
Stage same in both years- change in provisioning	(1,014.31)	(6.86)	(1.48)	(0.12)	(0.87)	-	(1,016.67)	(6.98)
Movement of stages due to asset reclassification	(252.72)	(1.66)	105.41	2.38	63.64	-	(83.67)	0.73
Close EAD 31-03-2022	5,230.66	35.63	364.63	13.14	177.44	-	5,772.72	48.75

b) Liquidity risk

(i) Financing arrangements

The company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Floating rate		
Expiring within one year	334	328
Expiring beyond one year	-	-
Total	334	328



HFL Samastha Finance Limited
(Formerly known as Samastha Microfinance Limited)
CIN: U65191KA1995PLC057884

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Notes forming part of Financial Statements for the year ended March 31, 2023
(All amounts are stated in crores unless otherwise stated)

(ii) Maturities of financial liabilities

The tables below analyse the company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

1. all non-derivative financial liabilities, and
2. net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities - 31-03-2023	Less than 3 months	3 to 6 months	6 months to 1 year	Between 1 and 5 years	More than 5 years
Non-derivatives					
Borrowings	1,104.24	1,154.02	1,905.64	2,857.45	175.00
- Term Loans - Banks	665.12	713.68	1,257.14	1,675.92	-
- Term Loans - Others	259.12	292.81	588.50	890.23	-
- Commercial Paper	-	-	-	-	-
- NCD-Secured	175.00	130.00	-	133.80	-
- NCD-Unsecured	5.00	17.50	60.00	157.50	175.00
- Cash Credit/Overdraft	-	-	-	-	-
- Securitizations	-	-	-	-	-
Trade payables	20.32	-	-	-	-
Other financial liabilities	214.53	18.27	-	-	-
Lease liability	0.46	0.47	0.96	7.31	-
Total non-derivative liabilities	1,339.55	1,172.76	1,906.60	2,864.76	175.00
Derivative liabilities					
Embedded Derivative	-	-	9.22	-	-
Total derivative liabilities	-	-	9.22	-	-



HFI, Samasta Finance Limited
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Registered Office: 118/3, Lal Bagh Main Road, Krishnappa Layout, Bengaluru, Karnataka. 560027

Notes forming part of Financial Statements for the year ended March 31, 2023

(All amounts are stated in crores unless otherwise stated)

Contractual maturities of financial liabilities - 31-03-2022	Less than 3 months	3 to 6 months	6 months to 1 year	Between 1 and 5 years	More than 5 years
Non-derivatives					
Borrowings	721.56	690.14	1,290.35	2,509.31	-
-Term Loans - Banks	679.90	591.88	938.98	1,555.47	-
-Term Loans - Others	201.16	149.86	261.37	520.04	-
-Commercial Paper	-	25.90	-	-	-
-NCD-Secured	32.50	12.50	90.00	333.80	-
-NCD-Unsecured	5.00	-	-	100.00	-
-Cash Credit/Overdraft	2.99	-	-	-	-
-Securitization	-	-	-	-	-
Trade payables	8.36	-	(0.30)	-	-
Other financial liabilities	88.19	3.17	-	-	-
Lease liability	0.28	0.28	0.57	5.20	1.08
Total non-derivative liabilities	818.38	693.59	1,290.62	2,514.51	1.08
Derivative liabilities					
Embedded Derivative	-	-	-	9.87	-
Total derivative liabilities	-	-	-	9.87	-



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Notes forming part of Financial Statements for the year ended March 31, 2023
(All amounts are stated in crores unless otherwise stated)

Note 40. Financial Risk Management

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factors. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity, and other market changes. The Company is exposed to two types of market risk as follows:

c) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	31-Mar-23	31-Mar-22
Variable rate borrowings	4,852.98	3,170.94
Fixed Rate of Borrowings	2,343.37	2,048.42
Total	7,196.35	5,219.36

As at the end of the reporting period, the Company had the following variable rate borrowings outstanding:

Particulars	31-Mar-23			31-Mar-22		
	Weighted Average Interest Rate	Balance	% of total loans	Weighted Average Interest Rate	Balance	% of total loans
Bank Loans	10.38%	4,852.98	67.44%	9.52%	3,170.94	60.85%

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. Other components of equity change as a result of an increase/decrease in the fair value of the cash flow hedges related to borrowings.

Particulars	Impact on profit after tax		Impact on other components of equity	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Interest rates – increase by 30 basis points	(11.77)	(8.17)	Nil	Nil
Interest rates – decrease by 20 basis points	11.77	8.17	Nil	Nil

d) Price Risk

Exposure

The Company's exposure to assets having price risk is as under

Particulars	Equity Shares (Other than Subsidiary)	Mutual Funds
Market Value as on 31.03.2023	0.05	-
Market Value as on 31.03.2022	0.05	-

To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio done in accordance with the limits set by the Company.

Sensitivity

The table below summarizes the impact of increases/decreases of the index on the Company's equity and profit for the period. The analysis is based on the assumption that the equity index had increased by 5% or decreased by 5% with all other variables held constant, and that all the Company's equity instruments moved in line with the index.

Particulars	Impact on profit after tax		Impact on other components of equity	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Increase by 5%	0.00	0.00	Nil	Nil
Decrease by 5%	(0.00)	(0.00)	Nil	Nil

e) Foreign Currency Risk Exposure

The Company is not exposed to foreign currency fluctuation risk for its External Commercial Borrowings (ECB).



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 (All amounts are stated in crores unless otherwise stated)

Note 41. Corporate Social Responsibility

During the year, the Company incurred an aggregate amount of ₹ 2.29 Cr (P.Y., ₹ 1.43 Cr) towards corporate social responsibility in compliance of Section 135 of Companies Act 2013 read with relevant schedule and rules made thereunder. The details of CSR Spend are given below:

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
(a) Gross amount required to be spent by the company during the Year	1.88	1.97
(b) Excess/Shortfall amount carried over from previous financial year carried forward	(1.27)	(0.73)
(c) Net amount required to be spent during the year (a-b)	3.14	2.70
(d) Amount spent during the year**		
(i) Construction/acquisition of assets	-	-
(ii) On purpose other than (i) above	2.29	1.43
(e) Excess/Shortfall at the end of the year (d-c)	(0.85)	(1.27)
(f) Total of previous year shortfall		
(g) Reason for shortfall	Out investment will be utilized for the ongoing project in the FY 23-24	
(h) Nature of CSR activities	All the CSR activities of HFL Samasta Finance are geared towards improving the quality of life of the community. However, our CSR activities focuses on Livestock Development, Women empowerment, education, health and skill development.	
(i) Details of revised spend transactions	-	-
(j) Provisions made during the year	-	-

Details of Ongoing Project

Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
Within Company	In Separate CSR Dispend a/c		From Company's Bank A/c	From Separate CSR Dispend A/c	With Company	In Separate CSR Dispend a/c
-	1.27	1.88	1.03	1.27	-	0.85

Details of Unspent amount

Opening Balance	Amount deposited in Specified Fund of Sec. VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
1.27	1.27	1.88	2.29	0.85



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 (All amounts are stated in crores unless otherwise stated)

Note 42. Additional Information

a) Asset Classification & Provisioning:

As per MCA press release no 11/10/2009 CL - V dated 18th Jan 2016, the company adopted Ind AS notified under Sec 133 of CA 2013, Govt Order April 2018. Pursuant to which the company has made provision for loss as per ICL under Ind AS 109: Financial Instruments. Consequently the provision for loss is not on the basis of the Prudential Norms of the Reserve Bank of India.

b) Disclosure Pursuant to Reserve Bank of India Notification ONBS 200/CGBS (PK)-2008 dated 1st August 2008

Capital to risk assets ratio (CRAR) (computed as per the method prescribed by RBI)

Particulars	As on 31.03.2022	As on 31.03.2021
	₹	₹
Tier I Capital	1,091.56	659.18
Tier II Capital	296.73	108.55
Total Capital Funds	1,388.29	767.73
Total Risk Weighted Assets	8,138.62	5,464.09
CRAR - Tier I Capital (%)	13.41%	12.08%
CRAR - Tier II Capital (%)	3.65%	1.98%
CRAR (%)	17.06%	14.06%



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 Stand alone part of Financial Statements for the year ended March 31, 2023
 (All amounts are stated in crores unless otherwise stated)

- ii) Exposure to Real Estate Sector (Direct & Indirect Exposure) - Nil (FY: Nil)
 iii) Amount of Subordinated Debt raised as Tier II Capital - Rs.175 Cr (FY: Nil)
 iv) Exposure to Capital Markets - Nil

v) Ratings assigned during the year	As on 31.03.2023	As on 31.03.2022
a) SBI Lending	CRISIL SBC1	CRISIL SBC1
b) Bank loan rating	CRISIL AA/Stable	CRISIL AA/Stable
c) NCD rating-	CRISIL AA-Stable	CRISIL AA-Stable
d) MLD rating	CRISIL FF-MLD AA-Stable	CRISIL FF-MLD AA-Stable
e) CFI rating-	CRISIL A1+	CRISIL A1+

vi) Maturity Pattern of Assets and Liabilities

Maturity pattern of certain items of assets and liabilities as on March 31 2023 (Amount in ₹)

Particulars	Liabilities					Assets		
	Borrowings from Banks	Borrowings from NBFCs/	NCD-Secured/ Commercial Paper	NCD-Covered	Cash Credit/Overdraft	Advances (Loan portfolios outstanding)	FD with Banks (Face of Lien)	Investments
Up to one month	169.87	19.88	115.90	-	-	933.39	-	-
Over one month to 12 months	205.99	75.43	-	3.00	-	306.21	127.58	-
Over 12 months to 3 months	291.62	147.13	60.90	-	-	377.47	-	-
Over 3 months to 6 months	718.65	247.82	110.00	17.20	-	1,137.83	9.00	-
Over 6 months to 1 year	1,122.14	341.20	-	60.00	-	2,182.91	-	-
Over 1 year to 3 years	1,675.03	875.23	132.80	157.30	-	2,276.26	-	-
Over 3 years to 5 years	-	13.00	-	-	-	6.72	-	-
Over 5 years	-	-	-	175.00	-	0.04	-	-
Total	2,711.87	2,830.66	428.80	175.30	-	7,899.54	137.58	-

c) Disclosure as required under BNSS (PD) CC. No. 300/03.10.03/2012-13 dated August 3 2012

The cap on margins (as defined by Margins Committee) and in compliance with RBI circular RBI/2012-13/161 BNSS (PD) CC.No.300/03.10.03/2012-13 dated August 2012 is 9.39% as at 31st March 2023 (9.39% as at 31st March 2022)

d) Details of average interest paid on borrowings and charges on loans given in B/Gs:

Particulars	2022-23	2021-22
	Rate of Interest in % for Microfinance loan	Rate of Interest in % for Microfinance loan
Average Rate of Interest on borrowings	11.85%	10.71%
Average Rate of Interest on Loans given	21.00%	19.47%
Net Interest Margin	9.15%	8.76%



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Note 43. Disclosure Pursuant to Reserve Bank of India Notification DNBS.193DC (VL)2007 dated 22nd February 2007:

Sl No.	Particulars	As at March 31, 2023		As at March 31, 2022	
		Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
	Liabilities	(₹)	(₹)	(₹)	(₹)
1	Loan and Advances availed by the NBFC Inclusive of Interest accrued thereon but not paid:				
A	Debtors	-	-	-	-
	- Secured	477.93	-	492.18	-
	- Unsecured	481.20	-	145.76	-
	(Other than falling the meaning of Public Deposits)	-	-	-	-
B	Deferred Credits	-	-	-	-
C	Term Loan	4,369.45	-	4,625.06	-
D	Inter-corporate Loans & Borrowings	-	-	-	-
E	Commercial Paper	-	-	-	-
Sl No.	Particulars	As at March 31, 2023		As at March 31, 2022	
		Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
	Liabilities	(₹)	(₹)	(₹)	(₹)
F	Public Deposits	-	-	-	-
G	Other Loans – Vehicle Loan	-	-	-	-
	Other Loans – Non Convertible Debentures	-	-	-	-

Sl No.	Particulars	Amount Outstanding	Amount Outstanding
		March 31, 2023	March 31, 2022
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 short fall in the value of security	-	-
	(c) Other Public Deposit Assets	-	-



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3	Break-up of Loans & Advances including Bills Receivables (Other than those included in (4) below)		
	(a) Secured	37.24	65.67
	(b) Unsecured	7,956.06	5,707.76
4	Breakup of Leased and Stock on Hire and other Assets counting towards AFC activities		
(i)	Lease assets including Lease rentals under sundry debtors:		
	(a) Finance Lease	-	-
	(b) Operating Lease	-	-
(ii)	Stock on Hire including Hire Charges under sundry debtors:		
	(a) Assets on Hire	-	-
	(b) Repossessed Assets	-	-
(iii)	Other Loans counting towards AFC Activities		
	(a) Loans where assets have been repossessed	-	-
	(b) Loans other than (a) above	-	-

Sl No.	Particulars	Amount Outstanding	
		March 31, 2023	March 31, 2022
5	Break-up of Investments		
	Current Investments		
	I Quoted:		
(i)	Shares: (a) Equity	-	-
	(b) Preference	-	-
(ii)	Debentures and Bonds	-	-
(iii)	Units of Mutual Funds	-	-
(iv)	Government Securities	-	-
(v)	Others	-	-
	II Unquoted:		
(i)	Shares: (a) Equity	-	-
	(b) Preference	-	-
(ii)	Debentures and Bonds	-	-
(iii)	Units of Mutual Funds	-	-
(iv)	Government Securities	-	-
(v)	Others	-	-



HFI, Samasta Finance Limited
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CIN: U65191KA1995PLC057884

Registered Office: 110/3, Lal Bagh Main Road, Krishnaappa Layout, Bengaluru, Karnataka- 560027

Notes forming part of Financial Statements for the year ended March 31, 2023

(All amounts are stated in crores unless otherwise stated)

Long term Investments			
1	Quoted:		
(i)	Shares: (a) Equity	-	-
	(b) Preference	-	-
(ii)	Debentures and Bonds	-	-
(iii)	Units of Mutual Funds	-	-
(iv)	Government Securities	-	-
(v)	Others	9.22	9.87
II	Unquoted:		
(i)	Shares: (a) Equity	0.05	0.05
	(b) Preference	-	-
(ii)	Debentures and Bonds	-	-
(iii)	Units of Mutual Funds	-	-
(iv)	Government Securities	-	-
(v)	Others	160.37	-

6. Borrower Group wise classification of Assets Financed as in (3) and (4) above

Sl No.	Particulars	As at 31 st March 2023		
		Amount in (₹) (Gross of Provisions)		
		Secured	Unsecured	Total
1	Related Parties			
	(a) Subsidiaries	-	-	-
	(b) Companies in the same group	-	-	-
	(c) Other Related Parties	-	-	-
2	Other than related parties	37	7,961	7,999
	Total	37	7,961	7,999

Sl No.	Particulars	As at 31 st March 2022		
		Amount in (₹) (Gross of Provisions)		
		Secured	Unsecured	Total
1	Related Parties			
	(a) Subsidiaries	-	-	-
	(b) Companies in the same group	-	-	-
	(c) Other Related Parties	-	-	-
2	Other than related parties	66	5,707	5,773
	Total	66	5,707	5,773

7. Investor Group-wise classification of all investments (Current and Long Term) in Share and Securities (both Quoted and Unquoted):

Sl No.	Category	Market Value / Breakup value or Fair Value or Net Assets Value	Book Value (₹)
1	Related Parties		
	(a) Subsidiaries	-	-
	(b) Companies in the same group	-	-
	(c) Other Related Parties	-	-
2	Other than related parties	170	170
	Total	170	170



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Notes forming part of Financial Statements for the year ended March 31, 2023
(All amounts are stated in crores unless otherwise stated)

8 Other Information

	Particulars	As on	As on
		March 31, 2023	March 31, 2022
		Amount	Amount
(i)	Gross Non - Performing Assets		
	(a) Related Parties	-	-
	(b) Other than Related Parties	105	130
(ii)	Net Non - Performing Assets		
	(a) Related Parties	-	-
	(b) Other than Related Parties	-	-
(iii)	Assets acquired in Satisfaction of Debt	-	-

Note 44. The Company has not disbursed any loan against security of gold.

Note 45. Securitization / Assignment of Loans

During the year the Company has sold loans through direct Securitization / assignment. The information on direct assignment activity of the Company as an Originator / Assignor is as shown below:

Particulars	Year ended	Year ended
	March 31 2023	March 31 2022
		(₹.)
Total number of loans securitized / assigned		
a. Through Direct assignment	0.08	0.02
b. Through Pass through Certificates	-	-
Total	0.08	0.02
Total book value of loans securitized / assigned		
a. Through Direct assignment	2,580.76	555.56
b. Through Pass through Certificates	-	-
Total	2,580.76	555.56
Sale consideration received for loans securitized / assigned		
a. Through Direct assignment	2,307.48	500.00
b. Through Pass through Certificates	-	-
Total	2,307.48	500.00
MFI Loans Subordinated as Credit Enhancement on Assets Derecognised		
a. Through Direct assignment	-	-
b. Through Pass through Certificates	-	-
Total	-	-
Income recognized in the statement of profit and loss		
a. Through Direct assignment	145.18	61.67
b. Through Pass through Certificates	-	-
Total	145.18	61.67



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Notes forming part of Financial Statements for the year ended March 31, 2023

(All amounts are stated in crores unless otherwise stated)

Income deferred on securitised transactions		
a. Through Direct assignment	93.20	(6.74)
b. Through Pass through Certificates	-	-
Total	93.20	(6.74)
Balance of loans assigned / securitized as at the balance sheet date		
a. Through Direct assignment	1,804.11	497.24
b. Through Pass through Certificates	-	-
Total	1,804.11	497.24
Cash collateral provided and outstanding as at the balance sheet date		
a. Through Direct assignment	-	-
b. Through Pass through Certificates	-	-
Total	-	-

Disclosure to be made under Securitization guidelines issued by Reserve Bank of India vide policy no. DNBS. PD. No. 301/3, 10.01/2012-13 dated August 21 2012.

Sl No.	Particulars	As on 31.03.2023	As on 31.03.2022
		(₹)	(₹)
1	No. of SPVs sponsored by the NBFC for Securitization transactions		
	a. Through Direct assignment	10.00	2.00
	b. Through Pass through Certificates	-	-
	Total	10.00	2.00
2	Total amount of securitized assets as per the books of the SPVs sponsored by the Company		
	a. Through Direct assignment	2,580.76	555.56
	b. Through Pass through Certificates	-	-
	Total	2,580.76	555.56



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Notes forming part of Financial Statements for the year ended March 31, 2023

(All amounts are stated in crores unless otherwise stated)

3	Total amount of exposures retained by the Company to comply with MRR as on the date of balance sheet	-	-
	i) Off-Balance Sheet exposures		
	a) First Loss	-	-
	b) Others	-	-
	ii) On-Balance Sheet exposures		
	a) First Loss (in the form of Fixed Deposit)	-	-
	b) Others	-	-
4	Amount of exposures to securitization transactions other than MRR		
SI No.	Particulars	As on 31.03.2023 (₹)	As on 31.03.2022 (₹)
	i) Off-Balance Sheet exposures	-	-
	a) Exposure to own securitization		
	First Loss	-	-
	Others	-	-
	b) Exposure to third party securitization transaction		
	First Loss	-	-
	Others	-	-
	ii) On-Balance Sheet exposures		
	a) Exposure to own securitization		
	First Loss	-	-
	Others	-	-
	b) Exposure to third party securitization transaction		
	First Loss	-	-
	Others	-	-



HFL Samasis Finance Limited
 (Formerly known as Samasis Microfinance Limited)
 CIN: U65101KA1995PLC052884
 Registered Office: 110/3, Lal Dagh Main Road, Krishnappa Layout, Bengaluru, Karnataka- 560027
 Notes forming part of Financial Statements for the year ended March 31, 2023
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Notes 46. Disclosure Pursuant to Reserve Bank of India Notification DOR (NBFC), CC.PD.No.109/21.10.106/2019-20 dated 13th March 2020:

Asset Classification as per RBI Norms for the year ended 31st March 2023						
MFI Loan Book						
Asset Classification as per RBI Norms	Asset Classification as per IND AS 109	Gross Carrying Amount as per IND AS 109	Loss Allowances (Provisions) as required under IND AS 109	Net Carrying Amount	Provisions required as per IRACP Norms	Difference between IND AS 109 provisions & IRACP Norms
1	2	3	4	5	6	7=4-6
Performing Assets						
Standard	Stage 1 Stage 2	7,064.16 231.03	121.61 10.85	6,942.55 220.17	104.18 2.50	27.43 6.79
Subtotal		7,295.19	132.46	7,162.72	106.68	34.21
Non Performing Assets (NPA)						
Substandard	Stage 3	167.86	103.94	63.92	2.90	101.48
Doubtful - upto 1 Year	Stage 3	-	-	-	-	-
1 to 3 Years	Stage 3	-	-	-	-	-
More than 3 Years	Stage 3	-	-	-	-	-
Subtotal for Doubtful		167.86	103.94	63.92	2.90	101.48
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA						
Other Assets such as Government Loans, Commitments etc. Which are in the scope of IND AS 109 but not covered under current business operations. Asset Classification, Provisioning (IRACP) norms	Stage 1 Stage 2 Stage 3	- - -	- - -	- - -	- - -	- - -
Subtotal						
Total	Stage 1 Stage 2 Stage 3 Total	7,463.05 231.03 167.86 7,491.94	132.46 10.85 103.94 245.30	7,330.59 220.17 63.92 7,384.67	109.58 2.50 2.90 106.90	27.49 6.79 101.48 294.76

Non - MFI Loan Book						
Asset Classification as per RBI Norms	Asset Classification as per IND AS 109	Gross Carrying Amount as per IND AS 109	Loss Allowances (Provisions) as required under IND AS 109	Net Carrying Amount	Provisions required as per IRACP Norms	Difference between IND AS 109 provisions & IRACP Norms
1	2	3	4	5	6	7=4-6
Performing Assets						
Standard	Stage 1 Stage 2	3,924.56 14.43	9.36 0.36	3,915.20 14.07	2.81 0.21	2.27 0.93
Subtotal		3,938.99	9.72	3,929.27	3.02	2.56
Non Performing Assets (NPA)						
Substandard	Stage 3	2.29	1.18	1.11	0.01	1.07
Doubtful - upto 1 Year	Stage 3	-	-	-	-	-
1 to 3 Years	Stage 3	-	-	-	-	-
More than 3 Years	Stage 3	-	-	-	-	-
Subtotal for Doubtful		2.29	1.18	1.11	0.01	1.07
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA						
Other Assets such as Government Loans, Commitments etc. Which are in the scope of IND AS 109 but not covered under current business operations. Asset Classification, Provisioning (IRACP) norms	Stage 1 Stage 2 Stage 3	- - -	- - -	- - -	- - -	- - -
Subtotal						
Total	Stage 1 Stage 2 Stage 3 Total	3,941.28 14.43 2.29 3,958.00	11.61 0.36 1.18 13.15	3,939.67 13.87 1.11 3,954.65	3.03 0.21 0.01 3.25	2.19 0.93 1.07 3.29



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Asset Classification as per RBI Norms for the year ended 31st March 2022						
NFI loan Book						
Asset Classification as per RBI Norms	Asset Classification as per IND AS 109	Gross Carrying Amount as per IND AS 109	Loss Allowances (Provisions) as required under IND AS 109	Net Carrying Amount	Provisions required as per IRACP Norms	Difference between IND AS 109 provisions & IRACP Norms
1	2	3	4	5	6	7-4-6
Performing Assets						
Standard	Stage 1	4,364.61	102.72	4,261.89	106.03	(13.14)
	Stage 2	343.15	14.95	328.20	7.47	7.48
Subtotal		5,711.79	117.68	5,594.11	113.50	4.17
Non Performing Assets (NPA)						
Substandard	Stage 3	132.96	47.55	75.41	2.99	94.66
	Stage 1	-	-	-	-	-
Doubtful - upto 1 Year	Stage 3	26.31	20.40	7.91	0.82	20.18
	Stage 1	-	-	-	-	-
1 to 3 Years	Stage 3	0.79	0.58	0.21	0.02	0.56
	Stage 1	-	-	-	-	-
More than 3 Years	Stage 3	-	-	-	-	-
	Stage 1	-	-	-	-	-
Subtotal for Doubtful		161.86	118.92	42.94	3.23	115.40
Loss		-	-	-	-	-
Subtotal for NPA		-	-	-	-	-
Other items such as guarantees, loans commitments etc. which are in the scope of IND AS 109 but not covered under current income recognition, Asset Classification, Provisions (IRACP) norms						
Subtotal	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Total		4,504.61	102.72	4,401.89	106.03	(13.14)
		343.15	14.95	328.20	7.47	7.48
		132.96	47.55	42.92	3.23	115.41
Total		2,393.60	216.41	2,177.19	117.03	119.58

NON NFI loan Book						
Asset Classification as per RBI Norms	Asset Classification as per IND AS 109	Gross Carrying Amount as per IND AS 109	Loss Allowances (Provisions) as required under IND AS 109	Net Carrying Amount	Provisions required as per IRACP Norms	Difference between IND AS 109 provisions & IRACP Norms
1	2	3	4	5	6	7-4-6
Performing Assets						
Standard	Stage 1	352.91	6.14	346.77	7.28	71.791
	Stage 2	71.43	0.85	70.58	8.47	0.39
Subtotal		384.40	6.99	377.41	15.75	71.38
Non Performing Assets (NPA)						
Substandard	Stage 3	15.22	10.93	4.29	1.11	16.40
	Stage 1	-	-	-	-	-
Doubtful - upto 1 Year	Stage 3	0.37	0.56	0.10	0.01	0.25
	Stage 1	-	-	-	-	-
1 to 3 Years	Stage 3	2.61	0.80	0.79	0.40	0.06
	Stage 1	-	-	-	-	-
More than 3 Years	Stage 3	-	-	-	-	-
	Stage 1	-	-	-	-	-
Subtotal for Doubtful		15.60	11.19	4.39	0.54	10.85
Loss		-	-	-	-	-
Subtotal for NPA		-	-	-	-	-
Other items such as guarantees, loans commitments etc. which are in the scope of IND AS 109 but not covered under current income recognition, Asset Classification, Provisions (IRACP) norms						
Subtotal	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Total		262.04	6.14	255.90	7.28	(1.22)
		21.82	0.85	20.97	8.67	0.39
		15.69	11.19	4.40	0.54	10.83
Total		299.55	18.18	281.37	16.49	9.99



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Note 47. Disclosures in terms of RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated 04 November 2019:

(i) Funding concentration based on significant counterparty (both deposits and borrowings):

As at March 31, 2023			
Number of Significant Counterparties	Amount	% of Total Deposits	"% of Total Liabilities"
28	5,875	Not Applicable	77.69%

As at March 31, 2022			
Number of Significant Counterparties	Amount	% of Total Deposits	"% of Total Liabilities"
23	4,383	Not Applicable	81.23%

(ii) Top 30 large deposits (amount in lakhs and % of total deposits) - Not applicable

(iii) Top 10 borrowings

Particulars	As at 31 March 2023		As at 31 March 2022	
	Amount	% of total Borrowings	Amount	% of total Borrowings
Top 10 Borrowings	3,540	49.19%	3,144	60.33%

(iv) Funding concentration based on significant instrument / product

Name of the instrument/product	As at 31 March 2023		As at 31 March 2022	
	Amount	% of total Liabilities	Amount	% of total Liabilities
Borrowings (other than debt securities)	4,343	83.65%	4,612	85.48%
Debt securities	439	5.79%	469	9.17%
Subordinated liabilities	415	5.47%	131	1.95%

Notes: A "significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.

Total Liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus and computed basis extant regulatory ALM guidelines.

(v) Stock Ratio

Particulars	31st March 2023	31st March 2022
Commercial papers as a % of total liabilities	0.00%	0.48%
Commercial papers as a % of total assets	0.00%	0.41%
Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	0.00%	0.00%
Non-convertible debentures (original maturity of less than one year) as a % of total assets	0.00%	0.00%
Other short-term liabilities as a % of total liabilities	59.08%	51.93%
Other short-term liabilities as a % of total assets	50.31%	43.82%



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Notes forming part of Financial Statements for the year ended March 31, 2023

(vi) Institutional set-up for Liquidity Risk Management

The Board of Directors of the Company has an overall responsibility and oversight for the management of all the risks, including liquidity risk, to which the Company is exposed to in the course of conducting its business. The Board approves the governance structure, policies, strategy and the risk limits for the management of liquidity risk. The Board of Directors approves the constitution of the Risk Management Committee (RMC) for the effective supervision, evaluation, monitoring and review of various aspects and types of risks, including liquidity risk, faced by the Company. The meetings of RMC are held at quarterly interval. Further, the Board of Directors also approves constitution of Asset Liability Committee (ALCO), which functions as the strategic decision making body for the asset-liability management of the Company from risk-return perspective and within the risk appetite and guard-rails approved by the Board. The main objective of ALCO is to assist the Board and RMC in effective discharge of the responsibilities of asset liability management, market risk management, liquidity and interest rate risk management and also to ensure adherence to risk tolerance/limits set up by the Board. ALCO provides guidance and directions in terms of interest rate, liquidity, funding sources, and investment of surplus funds. ALCO meetings are held once in a month or more frequently as warranted from time to time. The minutes of ALCO meetings are placed before the RMC and the Board of Directors in its next meeting for its perusal/ approval/ ratification.

Note 48. High Quality Liquid Assets disclosure pursuant to RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated 04 November 2019

Particulars	As at 31 March 2023		As at 31 March 2022	
	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets				
Cash and bank balances	214.91	214.91	265.16	265.16
Unencumbered fixed deposits	12.19	12.19	115.14	115.14
Total	227.10	227.10	380.30	380.30
Cash Outflows				
Unsecured wholesale funding	-	-	-	-
Secured wholesale funding	-	-	-	-
Additional requirements, of which	-	-	-	-
Outflows related to derivative exposures and other collateral requirements	-	-	-	-
Outflows related to lines of funding of debt products	-	-	-	-
Credit and liquidity facilities	-	-	-	-
Other contractual funding obligations	601.81	692.08	292.85	336.77
Other contingent funding obligations	-	-	-	-
Total	601.81	692.08	292.85	336.77
Cash Inflows				
Secured lending	-	-	-	-
Inflows from fully performing exposures	333.39	250.04	262.26	196.70
Other cash inflows	311.60	235.27	155.74	116.80
Total	647.08	485.31	418.00	313.50



IIFL Samasta Finance Limited
(Formerly known as Samasta Microfinance Limited)
CIN: U65191KA1995PLC057884

Registered Office: 110/3, Lal Bagh Main Road, Krishnappa Layout, Bengaluru, Karnataka- 560027
Notes forming part of Financial Statements for the year ended March 31, 2023

Liquidity coverage ratio

Particulars	As at 31 March 2023	As at 31 March 2022
Total high quality liquid assets (a)	227.10	380.30
Total net cash outflows (b) (Refer, note below)	206.77	84.19
Liquidity coverage ratio (a)/(b)	109.83%	451.69%

Note Total net cash outflows over the next 30 days = Stressed Outflows - Minimum of (Stressed Inflows; 75% of Stressed Outflows).

Qualitative disclosures

The Reserve Bank of India has prescribed monitoring of sufficiency of NBFC's liquid assets pursuant to RBI/2019-20/88 DOR.NBFC (PD) CC, No.102/03.10.001/2019-20 dated 04 November 2019. The Liquidity Coverage Ratio (LCR) is aimed at measuring and promoting short-term resilience of NBFCs to potential liquidity disruptions by ensuring maintenance of sufficient high quality liquid assets (HQLAs) to survive an acute stress scenario lasting for 30 days.

Liquidity of the Company is managed by the Asset Liability Management Committee (ALCO) under the supervision of Borrowings committee. The ratio comprises of high quality liquid assets (HQLAs) as numerator and net cash outflows in 30 days as denominator. Cash outflows are calculated by multiplying the outstanding balances of various categories or types of liabilities by 1.15 times and cash inflows are calculated by multiplying the outstanding balances of various categories of contractual receivables by 0.75 times.

The weighted cash outflows are primarily driven by secured and unsecured from banks, financial institutions, non-convertible debentures and securitizations/direct assignment transactions. Borrowings contributed 46.58% and 52.20% of the total weighted cash outflows as at 31 March 2023 and 31 March 2022 respectively. The weighted cash inflows are primarily driven by unsecured micro loans and secured loans to MSME and individuals.

The Company has implemented the LCR framework and has consistently maintained LCR well above the regulatory threshold. The average LCR for the year ended 31 March 2023 was 109.83% which is above the regulatory requirement of 60.00%.



JIFL Samasta Finance Limited
 (Formerly known as Samasta Microfinance Limited)
 CIN: U65101KA1995PLC057884
 Registered Office: 11W3, 1st High Mile Road, Krishnappa Layout, Bengaluru, Karnataka- 560017
 Notes forming part of Financial Statements for the year ended March 31, 2023
 (All amounts are stated in crore unless otherwise stated)

Note 19: Disbursements in terms of RBI/2022-23/24 DOR.ACC.REC.No.2091/84/19/2023-23 dated 19 April 2023:
 Related Party Disbursement

Related Party	Factor for (per ownership/per control)		Subsidiaries		Associate/Joint Ventures		Key Management Personnel		Relatives of Key		Others		Total	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Disbursement														
Balance at Year end	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maximum Loan Outstanding during the year	103.00	339.00	-	-	-	-	-	-	-	-	350.00	-	430.00	330.00
Market Linked Disbursements	-	-	-	-	-	-	-	-	-	-	22.96	24.79	22.96	24.79
Deposit	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payment of Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reinvestment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Issue of Share Capital	280.00	225.00	-	-	-	-	-	-	-	-	-	75.10	200.00	300.00
Purchase of Fixed/Other Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Fixed/Other Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Paid	1.03	7.43	-	-	-	-	-	-	-	-	10.87	1.97	11.91	9.42
Interest Received	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service Fee on Business Correspondence - Income	36.78	7.21	-	-	-	-	-	-	-	-	-	-	36.72	7.21
Dividend Paid	3.71	-	-	-	-	-	-	0.02	-	0.01	-	-	1.21	4.98
Arranger Fee Expense	-	-	-	-	-	-	-	-	-	-	0.50	0.68	0.50	0.68
Commission on NPA	-	-	-	-	-	-	-	4.23	2.88	-	-	-	-	-
Others	0.03	0.66	-	-	-	-	-	-	-	-	0.09	-	0.12	0.66

Note 20: Disbursements in terms of RBI/2022-23/24 DOR.ACC.REC.No.3871/84/19/2023-23 dated 19 April 2023:
 Sectoral Exposure

Sector	FY 2022-23			FY 2021-22		
	Total Exposure (includes on balance sheet and off balance sheet exposure)	Crude NPA	Percentage of Crude NPA on Total Exposure in that sector	Total Exposure (includes on balance sheet and off balance sheet exposure)	Crude NPA	Percentage of Crude NPA on Total Exposure in that sector
Agriculture & Allied Activities	4,877.33	46.98	0.95%	1,050.04	62.34	1.90%
MSME	1,174.21	172.86	3.94%	3,922.04	115.41	2.17%
Total	3,998.31	189.34	2.12%	5,772.12	172.45	2.97%



HFL Samasta Finance Limited
(Formerly known as Samasta Microfinance Limited)

CIN: U65191KA1995PLC057884

Registered Office: 110/3, Lal Bagh Main Road, Krishnappa Layout, Bengaluru, Karnataka- 560027

Notes forming part of Financial Statements for the year ended March 31, 2023

(All amounts are stated in crores unless otherwise stated)

Note 51. Leases

The Company has adopted Ind AS 116 'Leases' with the date of initial application being April 1, 2019. Ind AS 116 replaces Ind AS 17 – Leases and related interpretation and guidance. The Company did not have contract qualifying as Lease as on April 1, 2019 except short term leases which are exempted from the application of Ind AS 116.

Impact of adoption of Ind AS 116 on the statement of profit and loss

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Interest on lease liabilities	1.05	0.68
Income recognised- Security deposit	0.08	0.06
Depreciation on Right to Use	2.23	1.26
Total cash outflow for leases	2.64	1.60
Lease expense on Low Value Assets / Short term assets	21.69	12.89

Impact of adoption of Ind AS 116 on the Balance Sheet

Particulars	As at March 31, 2023	As at March 31, 2022
Right to Use Asset	8.15	6.74
Lease Liability	9.21	7.42

The company has discounted lease payments at weighted average borrowing rate which is 10.56%.

Maturity analysis of Lease Liabilities (valued on undiscounted basis)

Particulars	As at March 31, 2023	As at March 31, 2022
Year 1	2.77	1.86
Year 2	2.60	1.81
Year 3	2.36	1.72
Year 4	2.16	1.68
Year 5	1.55	1.58
More than 5 years	0.15	1.14



HFL Samasis Finance Limited
 (Formerly known as Samasis Microfinance Limited)
 CIN: U65191KA1995PLC057884
 Registered Office: 110/3, Lal Bagh Main Road, Krishnaappa Layout, Bengaluru, Karnataka, 560022
 Notes forming part of financial statements for the year ended March 31, 2023
 (All amounts are stated in crore unless otherwise stated)

Note 52. Employee Stock Option Plan

1. The Company's Employee Stock Option Plan - 2023 ("ESOP Plan") provides for the grant of stock options to eligible employees. The ESOPs are administered through Direct route by the company. The company transfers shares to the eligible employees upon exercise of the options by such employees.

2. The Company had an ESOP scheme called ESOP Plan 2023. The ESOP plan 2023 came into force on March 24, 2023.

3. During the financial year 2022-23, the Company had introduced a new stock option scheme namely "ESOP 2023" effective from March 24, 2023. The grant price shall be as decided by the Nomination and Remuneration Committee ("NRC") of the Company. The number of options and terms could vary at the discretion of the NRC. Till March 31, 2023, the Company has not granted any option under ESOP 2023.

4. The total number of Employee Stock Options to be granted, which shall not exceed 5% of the Paid up share Capital of the Company, as expanded four time in time, comprising 2,96,82,152 (Two Crores Ninety Six Lakh Eighty Two Thousand One Hundred and Fifty Two) Options which shall be convertible into equal number of Shares.

The company has provided various equity centred short term based payment schemes to its employees. The details are ESOP schemes are as follows:

Particulars	Grant	Number of Options	Waiting period	Waiting Conditions
ESOP Scheme 2023	Grant 1	8,41,778	3	25% AOP and 40% vests every year subject to the tenure of 36 months.

Exercise period for all the above schemes is 3 years from the date of grant of the options.

The details of activity under ESOP Scheme 2023 Plan with an exercise price for the year ended March 31, 2023 have been summarised as below:

Particulars	Grant
Date of Grant	31.03.2023
Date of Board of Committee Approval	24.03.2023
Number of Options Granted	84,21,778
Method of payment	Up-D
Granted Vesting Period	
At the end of 1 st year from date of grant (Date falls on the expiry of 24 months from grant)	01-Apr-24
At the end of 2 nd year from date of grant (Date falls on the expiry of 24 months from grant)	01-Apr-25
At the end of 3 rd year from date of grant (Date falls on the expiry of 36 months from grant)	01-Apr-26
Exercise Price per Share	Rs. 20.00
Number of options outstanding at the beginning of the year	Nil.



HFL Samasta Finance Limited
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CIN: U65191KA1995PLA057884
Registered Office: 1100, Lal Ragh Mulu Road, Krishnappa Layout, Bengaluru, Karnataka- 560027
Notes forming part of Financial Statements for the year ended March 31, 2023
(All amounts are stated in crores unless otherwise stated)

Note 53. Fair value measurements

Particulars	Carrying Value		Fair Value	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Financial assets				
Derivative Financial Instruments	9.22	9.87	9.22	9.87
Investments	160.42	0.05	160.42	0.05
Loans	7,736.08	5,518.63	7,736.08	5,518.63
Accrued interest on Fixed Deposits	4.38	4.57	4.38	4.57
Staff Loans	0.09	0.17	0.09	0.17
Securities Deposits	9.67	6.35	9.67	6.35
Interest Strip Asset on Assignment	129.88	36.67	129.88	36.67
Other Receivable	145.46	4.20	145.46	4.20
TDS Receivable	-	-	-	-
Trade Receivables	17.98	8.48	17.98	8.48
Cash and cash equivalents	227.11	256.08	227.11	456.08
Bank Balance	382.39	254.56	382.39	254.56
Total Financial Assets	8,822.88	6,299.63	8,822.88	6,299.63
Financial liabilities				
Derivative Financial Instruments	9.22	9.87	9.22	9.87
Debt Securities	477.00	514.81	477.00	514.81
Borrowings	6,328.70	4,603.36	6,328.70	4,603.36
Subordinated Liabilities	464.60	140.72	464.60	140.72
Lease Liability	9.21	7.42	9.21	7.42
Trade payables	29.88	8.06	29.88	8.06
Other financial liabilities	232.80	91.26	232.80	91.26
Total Financial Liabilities	7,541.91	5,375.60	7,541.91	5,375.60

Fair value hierarchy

Ind AS 113, 'Fair Value Measurement' requires classification of the valuation method of financial instruments measured at fair value in the Statement of Balance sheet, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurement). The hierarchy gives the highest priority to un-adjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to un-observable inputs (Level 3 measurements). Fair value of derivative financial assets and liabilities are estimated by discounting expected future contractual cash flows using prevailing market interest rate curves. The three levels of the fair-value-hierarchy under Ind AS 113 are described below.

Financial assets and liabilities measured at fair value - recurring fair value measurements - AS at March 31, 2023	Level 1	Level 2	Level 3	Total	Carrying cost
Financial assets					
Derivative Financial Instruments	-	9.22	-	9.22	9.22
Investments:	-	-	-	-	-
(i) Mutual Funds	-	-	-	-	-
(ii) Government Securities	-	-	-	-	-
(iii) Debt Securities	-	-	-	-	-
(iv) Equity	-	-	-	-	-
Total Financial assets	-	9.22	-	9.22	9.22
Financial liabilities					
Derivative Financial Instruments	-	9.22	-	9.22	9.22
Total Financial liabilities	-	9.22	-	9.22	9.22



IIFL Samastha Finance Limited
(Formerly known as Samastha Microfinance Limited)
CIN: U65191KA1995PLC057884

Registered Office: 110/3, Lal Bagh Main Road, Krishnappa Layout, Bengaluru, Karnataka-560027
Notes forming part of Financial Statements for the year ended March 31, 2023
(All amounts are stated in rupees unless otherwise stated)

Financial assets and liabilities measured at fair value - recurring fair value measurements - As at March 31, 2022	Level 1	Level 2	Level 3	Total	Carrying cost
Financial assets					
Derivative Financial Instruments	-	9.87	-	9.87	9.87
Investments	-	-	-	-	-
(i) Mutual Funds	-	-	-	-	-
(ii) Government Securities	-	-	-	-	-
(iii) Debt Securities	-	-	-	-	-
(iv) Equity	-	-	-	-	-
Total financial assets	-	9.87	-	9.87	9.87
Financial liabilities					
Derivative Financial Instruments	-	9.87	-	9.87	9.87
Total financial liabilities	-	9.87	-	9.87	9.87

Assets and liabilities which are measured at amortised cost for which fair values are disclosed - As at March 31, 2023	Level 1	Level 2	Level 3	Total	Carrying cost
Financial assets					
Cash and cash equivalents	-	-	-	-	227.11
Bank Balance other than included above	-	-	-	-	392.09
Receivables	-	-	-	-	-
(i) Trade Receivables	-	-	17.98	17.98	17.98
Loans	-	-	7,736.08	7,736.08	7,736.08
Investment in Equity	-	-	0.65	0.65	0.65
Other Financial assets	-	-	289.48	289.48	289.48
Total financial assets	-	-	8,043.59	8,043.59	8,663.09
Financial liabilities					
Trade Payables	-	-	20.38	20.38	20.38
Debt Securities	-	-	-	-	477.00
Borrowings (Other than Debt Securities)	-	-	6,328.70	6,328.70	6,328.70
Subordinated Liabilities	-	-	-	-	464.60
Lease Liability	-	-	9.21	9.21	9.21
Other financial liabilities	-	-	232.80	232.80	232.80
Total financial liabilities	-	-	6,591.09	6,591.09	7,532.69

Assets and liabilities which are measured at amortised cost for which fair values are disclosed - As at March 31, 2022	Level 1	Level 2	Level 3	Total	Carrying cost
Financial assets					
Cash and cash equivalents	-	-	-	-	455.08
Bank Balance other than included above	-	-	-	-	255.56
Receivables	-	-	-	-	-
(i) Trade Receivables	-	-	8.48	8.48	8.48
Loans	-	-	5,518.63	5,518.63	5,518.63
Investment in Equity	-	-	0.05	0.05	0.65
Other Financial assets	-	-	51.96	51.96	51.96
Total financial assets	-	-	5,579.12	5,579.12	6,289.76
Financial liabilities					
Trade Payables	-	-	8.06	8.06	8.06
Debt Securities	-	-	-	-	514.61
Borrowings (Other than Debt Securities)	-	-	4,601.36	4,601.36	4,601.36
Subordinated Liabilities	-	-	-	-	140.72
Lease Liability	-	-	7.42	7.42	7.42
Other financial liabilities	-	-	91.36	91.36	91.36
Total financial liabilities	-	-	4,710.20	4,710.20	5,365.73



IIFL Samasta Finance Limited
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CIN: U65191KA1995PT.C057884

Registered Office: 110/3, Lal Bagh Main Road, Krishnappa Layout, Bengaluru, Karnataka- 560027

Notes forming part of Financial Statements for the year ended March 31, 2023

(All amounts are stated in crores unless otherwise stated)

Note 54. Movement of Non Performing Assets (NPA)

Sl.No	Particulars	March 31, 2023	March 31, 2022
(i)	Net NPAs to Net Advances (%)		
	Movement of NPAs (Gross)		
	a) Opening balance	177.44	74.78
(ii)	b) Addition during the year	157.09	164.71
	c) Reduction during the year	165.18	62.05
	d) Closing balance	169.35	177.44
	Movement of Net NPAs		
	a) Opening balance	-	-
(iii)	b) Addition during the year	59.65	43.92
	c) Reduction during the year	42.65	(3.40)
	d) Closing balance	17.00	47.32
	Movement of provision for NPAs (excluding provision on standard assets)		
(iv)	a) Opening balance	130.13	74.78
	b) Provision made during the year	97.44	120.79
	c) Write off / write-back of excess provisions	122.53	65.44
	d) Closing balance	105.04	130.13



HPL Samasta Finance Limited
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CIN: U65191KA1995PLC057884

Registered Office: 110/3, Lal Bagh Main Road, Krishnappa Layout, Bengaluru, Karnataka- 560027

Notes forming part of Financial Statements for the year ended March 31, 2023

(All amounts are stated in crores unless otherwise stated)

Note 55. Details of terms of repayment - Term loans from banks and others

As at 31st March 2023

Type of instrument / institution	Frequency of Repayment	Original maturity of loan	Interest Range	Due within 1 year		Due within 1-2 year		Due within 2-3 year		Due within 3-4 year		Due within 4-5 year		Over 5 years	
				No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount
Debentures	Monthly	1-3 years	10.00%-11.00%	4	50.00	-	-	-	-	-	-	-	-	-	-
		1-3 years	11.00%-12.00%	-	-	3	12.50	9	37.50	-	-	-	-	-	-
	Quarterly	1-3 years	10.00%-11.00%	4	20.00	4	20.00	-	-	-	-	-	-	-	-
		Bullet	1-3 years	8.00%-9.00%	1	105.00	-	-	-	-	-	-	-	-	-
	11.00%-12.00%			6	200.00	-	-	-	-	-	-	-	-	-	-
	Above 3 Years		9.00%-10.00%	-	-	2	144.80	-	-	-	-	-	-	-	-
		10.00%-11.00%	-	-	1	89.00	-	-	-	-	-	-	-	-	-
		11.00%-12.00%	-	-	-	-	-	-	-	-	-	-	-	3	175.00
Term Loans- Banks	Monthly	1-3 years	8.00%-9.00%	79	231.69	11	20.75	-	-	-	-	-	-	-	-
			9.00%-10.00%	343	821.91	127	289.13	17	21.97	-	-	-	-	-	-
			10.00%-11.00%	307	691.27	241	617.58	2	4.17	-	-	-	-	-	-
		Above 3 Years	11.00%-12.00%	12	12.63	12	13.38	12	5.97	-	-	-	-	-	-
	Quarterly	1-3 years	8.00%-9.00%	10	70.37	4	9.14	-	-	-	-	-	-	-	-
			9.00%-10.00%	53	488.69	27	232.11	6	40.91	-	-	-	-	-	-
			10.00%-11.00%	22	249.28	25	304.54	7	62.27	-	-	-	-	-	-
		Above 3 Years	9.00%-10.00%	12	41.67	12	41.49	4	12.50	-	-	-	-	-	-
	Half-yearly	1-3 years	10.00%-11.00%	3	12.44	-	-	-	-	-	-	-	-	-	-
			9.00%-10.00%	2	24.99	-	-	-	-	-	-	-	-	-	-
Term Loans- Financial Institutions	Monthly	1-3 years	9.00%-10.00%	100	363.38	54	283.30	15	111.85	-	-	-	-	-	
			10.00%-11.00%	161	480.87	83	179.20	2	7.12	-	-	-	-	-	
	Quarterly	1-3 years	9.00%-10.00%	4	8.33	4	8.33	-	-	-	-	-	-	-	
			10.00%-11.00%	15	71.87	8	56.43	-	-	-	-	-	-	-	
			11.00%-12.00%	4	74.00	4	72.00	3	54.00	-	-	-	-	-	
		Above 3 Years	8.00%-9.00%	4	42.00	4	12.00	4	12.00	-	-	-	-	-	
	9.00%-10.00%		4	52.00	4	42.00	4	24.00	3	18.00	-	-	-		
	Half-yearly	Above 3 Years	11.00%-12.00%	2	40.00	2	15.00	-	-	-	-	-	-	-	
	Yearly	1-3 years	9.00%-10.00%	1	18.00	-	-	-	-	-	-	-	-	-	
					1,153	4,151	632	2,463	85	389	3	18	-	-	3



IIFL Samasta Finance Limited
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CIN: U65191KA1995PLC057884

Registered Office: 110/3, 1st Bugh Main Road, Krishnappa Layout, Bengaluru, Karnataka - 560027

Notes forming part of Financial Statements for the year ended March 31, 2023

(All amounts are stated in crores unless otherwise stated)

As at 31st March 2022

Type of Instrument / Institution	Frequency of Repayment	Original maturity of loan	Interest Range	Due within 1 year		Due within 1-2 year		Due within 2-3 year		Due within 3-4 year		Due within 4-5 year		Over 5 years		
				No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	
CP	Bullet	Up to 1 Year	7.00%-8.00%	1	25.90	-	-	-	-	-	-	-	-	-	-	
Debentures	Quarterly	1-3 years	10.00%-11.00%	4	50.00	-	-	-	-	-	-	-	-	-	-	
			7.00%-8.00%	1	50.00	-	-	-	-	-	-	-	-	-	-	
			9.00%-10.00%	2	30.00	-	-	-	-	-	-	-	-	-	-	-
	Bullet	Above 3 Years	11.00%-12.00%	-	-	6	200.00	-	-	-	-	-	-	-	-	-
			9.00%-10.00%	-	-	-	-	2	144.80	-	-	-	-	-	-	-
			10.00%-11.00%	-	-	-	-	1	89.00	-	-	-	-	-	-	-
			15.00%-16.00%	1	5.00	-	-	-	-	-	-	-	-	-	-	-
			16.00%-17.00%	1	5.00	-	-	-	-	-	-	-	-	-	-	
Term Loans- Banks	Monthly	1-3 years	8.00%-9.00%	81	272.12	67	217.43	9	17.71	-	-	-	-	-	-	
			9.00%-10.00%	312	817.33	153	404.94	21	107.99	-	-	-	-	-	-	
			10.00%-11.00%	110	188.48	32	21.76	-	-	-	-	-	-	-	-	
			11.00%-12.00%	24	3.26	-	-	-	-	-	-	-	-	-	-	
				Above 3 Years	10.00%-11.00%	1	0.14	-	-	-	-	-	-	-	-	
	Quarterly	1-3 years	8.00%-9.00%	3	6.84	4	9.12	4	9.04	-	-	-	-	-	-	
			9.00%-10.00%	46	334.75	45	351.61	9	101.94	-	-	-	-	-		
			10.00%-11.00%	23	139.53	8	72.73	8	72.73	-	-	-	-	-		
			9.00%-10.00%	14	58.26	9	37.50	8	33.33	2	8.33	-	-	-		
				Above 3 Years	10.00%-11.00%	4	16.67	1	8.32	-	-	-	-	-	-	
Half-yearly	1-3 years	9.00%-10.00%	2	25.00	2	25.00	-	-	-	-	-	-	-			
Bullet	1-3 years	9.00%-10.00%	3	59.38	-	-	-	-	-	-	-	-	-			
Term Loans- Financial Institutions	Monthly	1-3 years	5.00%-6.00%	7	35.00	-	-	-	-	-	-	-	-	-		
			9.00%-10.00%	34	81.92	32	83.00	8	36.08	-	-	-	-			
			10.00%-11.00%	28	103.13	59	95.96	-	-	-	-	-	-			
			11.00%-12.00%	11	14.22	-	-	-	-	-	-	-	-			
	Quarterly	1-3 years	9.00%-10.00%	4	8.33	4	8.33	4	8.33	-	-	-	-			
			10.00%-11.00%	8	23.33	8	23.33	-	-	-	-	-				
			11.00%-12.00%	3	5.97	-	-	-	-	-	-	-				
			8.00%-9.00%	4	42.00	4	42.00	4	12.00	4	12.00	-	-			
				Above 3 Years	9.00%-10.00%	4	64.00	4	52.00	4	42.00	4	24.00	3	18.00	
	Half-yearly	1-3 years	10.00%-11.00%	1	32.50	-	-	-	-	-	-	-	-			
		Above 3 Years	11.00%-12.00%	2	30.00	2	30.00	2	15.00	-	-	-	-			
	Yearly	1-3 years	7.00%-8.00%	2	112.00	-	-	-	-	-	-	-	-			
			8.00%-9.00%	1	30.00	-	-	-	-	-	-	-	-			
9.00%-10.00%			1	30.00	1	18.00	-	-	-	-	-	-				
				793	2,699	444	1,757	84	698	10	44	3	18			



IIFL Samasta Finance Limited
(Formerly known as Samasta Microfinance Limited)
CIN: U65191KA1995PLC057884
Registered Office: 110/3, Lal Bagh Main Road, Kishanpura Layout, Bengaluru, Karnataka- 560027
Notes forming part of Financial Statements for the year ended March 31, 2023
(All amounts are stated in crores unless otherwise stated)

Note 56. Asset Liability Management

Maturity Pattern of certain items of Assets and Liabilities as at 31 March 2023:

Particulars	1 to 7 days	8 days to 14 days	15 days to 31 days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
Liabilities											
Borrowings from Banks, Financial Institution and NBFCs	35.28	60.48	111.59	277.84	439.04	1,006.32	1,845.64	2,548.15	18.00	-	6,362.55
Market Borrowings	-	-	115.00	5.00	60.00	147.50	60.00	291.30	-	175.00	853.80
Securitisation	-	-	-	-	-	-	-	-	-	-	-
Total	35.28	60.48	226.59	282.84	499.04	1,154.02	1,905.64	2,839.45	18.00	175.00	7,198.35
Assets											
Advances	100.02	133.35	100.07	386.32	373.47	1,137.63	2,182.91	3,578.26	7.72	0.84	7,998.53
Investments	-	-	-	-	-	-	-	160.37	-	0.05	160.42
Total	100.02	133.35	100.07	386.32	373.47	1,137.63	2,182.91	3,738.63	7.72	0.89	8,158.95

Maturity Pattern of certain items of Assets and Liabilities as at 31 March 2022:

Particulars	1 to 7 days	8 days to 14 days	15 days to 31 days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
Liabilities											
Borrowings from Banks, Financial Institution and NBFCs	27.89	39.86	108.06	257.27	250.97	651.73	1,200.33	2,013.21	62.33	-	4,611.66
Market Borrowings	-	-	-	-	37.50	35.80	90.00	471.80	-	-	599.70
Securitisation	-	-	-	-	-	-	-	-	-	-	-
Total	27.89	39.86	108.06	257.27	288.47	687.53	1,290.33	2,485.01	62.33	-	5,211.36
Assets											
Advances	52.45	157.36	52.45	286.71	290.11	884.22	1,769.97	2,355.44	20.09	3.91	5,772.72
Investments	-	-	-	-	-	-	-	-	-	0.05	0.05
Total	52.45	157.36	52.45	286.71	290.11	884.22	1,769.97	2,355.44	20.09	3.96	5,772.77

Capital Management

The Company manages capital risk in order to maximise shareholders' profit by maintaining sound/optimal capital structure. For the purpose of the Company's capital management, capital includes equity share capital and other equity. Debt includes term loans from banks, NBFC and debentures net of cash and bank balances. The Company monitors capital on the basis of the following gearing ratio. There is no change in the overall capital risk management strategy of the Company compared to last year.

Particulars	As at Mar'23	As at Mar'22
Borrowings	#REF!	5,211.36
Cash and bank balance	609.30	710.64
Net Debt (A)	#REF!	4,500.72
Equity share capital	593.64	493.22
Other equity	879.23	475.30
Total Equity (B)	1,472.86	968.52
Net Debt to Equity Ratio	#REF!	4.82



IIPL Samastha Finance Limited
 (Formerly known as Samastha Microfinance Limited)
 CIN: U65191RA1995PLC052884
 Registered Office: 1100, 1st Block Main Road, Krishnaappa Layout, Bengaluru, Karnataka - 560027
 Notes forming part of Financial Statements for the year ended March 31, 2023
 (All amounts are stated in crores unless otherwise stated)

Note 57. Financial ratios

Ratio	Numerator	Denominator	As at	As at	% Change	Reason for variance
			31 March 2023	31 March 2022		
			Ratio	Ratio		
Current ratio	Current assets	Current liabilities	1.16	1.05	(20.90%)	Due to increase in current liabilities by 58% YoY and increase in current assets by 23% YoY
Debt-equity ratio	Total debt (Non-current borrowings + Current borrowings)	Total equity	5.60	5.37	5.19%	
Debt service coverage ratio	Earnings before depreciation and amortisation and interest (Earnings - Profit after tax + Depreciation and amortisation expense + Finance costs (excluding interest on loan facilities))	Interest expense (including capitalised) + Principal repayment (including prepayments)	NA	NA	NA	
Return on equity ratio	Profit after tax	Average of total equity	0.11	0.05	81.02%	Due to increase in profitability by 153% YoY
Inventory turnover ratio	Cost of materials consumed	Average inventory	NA	NA	NA	
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	NA	NA	NA	
Trade payables turnover ratio	Provision	Average trade payables	NA	NA	NA	
Net capital turnover ratio	Revenue from operations	Working capital (Current assets - Current liabilities)	2.53	0.78	222.80%	Due to increase in revenue from operations by 72% YoY and reduction in Capital employed by 66% YoY
Net profit ratio	Profit after tax	Revenue from operations	0.07	0.05	47.09%	Due to increase in profitability by 153% YoY
Return on capital employed	Earnings before depreciation and amortisation, interest and tax (Earnings - Profit after tax + Tax expense + Depreciation and amortisation expense + Finance costs (excluding interest on loan facilities))	Capital employed (Total assets - Current liabilities - Current borrowings)	0.09	0.07	19.87%	Due to increase in EBITDA by 64% YoY
Return on investment	Profit after tax	Equity share capital - Reserves and surplus equity in nature - Securities premium	0.13	0.07	180.11%	Due to increase in profitability by 153% YoY

Note 58. Details of Financial Assets sold to Securitisation/Reconstruction Company for reconstruction

The details of stressed loans transferred during the year ended March 2023 (Previous Year ended March 2022-NIL) to ARC are given below.

Particulars	NPA	STPA	Write Off
No. of Accounts	1,32,423	1,058	1,80,423
Aggregate principal outstanding of loans transferred (Rs. in crores)	432.19	4.10	341.90
Weighted average tenor of the loans transferred (in years)	1.54	1.61	-
Net book value of loans transferred (at the time of transfer) (Rs. in crores)	175.63	3.81	-
Aggregate consideration (including interest) (Rs. in crores)		194.00	
Additional consideration received in respect of stressed loans in			

The Company has reversed Rs. 16.46 Cr provision on account of the sale of stressed loans.



LPL Samasta Finance Limited
 (Formerly known as Samasta Mutuals Finance Limited)
 CTN: 065191KA1995PLCC09884
 Registered Office: 110/3, Lal Bagh Main Road, K. Changanur Layout, Bengaluru, Karnataka- 560027
 Notes forming part of Financial Statements for the year ended March 31, 2023
 (All amounts are stated in Lakhs unless otherwise stated)

Note 59. Disclosures of frauds reported during the year vide RHD/NRS/2014-17/3 Major Direction DNBS, PPD/01/06 15/01/2016-17 dated on September 29, 2016

Particulars	Less than ₹ 1 lakh		₹ 1 - 5 Lakhs		₹ 5 - 25 Lakhs		Total	
	No. of Accounts	Value ₹	No. of Accounts	Value ₹	No. of Accounts	Value ₹	No. of Accounts	Value ₹
All Frauds involved								
Staff	330	0.52	31	0.60	4	0.44	365	1.56
Customers	-	-	-	-	-	-	-	-
Staff and Customer	-	-	-	-	-	-	-	-
Total	330	0.52	31	0.60	4	0.44	365	1.56
By Type of Fraud								
Misappropriation and others	330	0.52	31	0.60	4	0.44	365	1.56
Branch of Fraud								
Branches where accounts of Manipulation of Books of Accounts	-	-	-	-	-	-	-	-
Unauthorized entry by staff	-	-	-	-	-	-	-	-
Checkbook and Cheque	-	-	-	-	-	-	-	-
Total	330	0.52	31	0.60	4	0.44	365	1.56

Note 60. Branch-wise Percentage of RHD/2022-23/24 DTR ACC REC No.1801/04/01/08/23-23 dated 18 April 2023
Customer Complaints

Particulars	As at 31 March 2023	As at 31 March 2022
1. Number of complaints received during the year	4	36
2. Number of complaints resolved during the year	1,098	567
3. Number of complaints pending during the year	1,410	701
3.1 Of which, number of complaints referred by the Customers	-	-
4. Number of complaints pending at the end of the year	32	4
Mutuals/branches resolved by the Company from Office of the Officer		
3. Number of complaints resolved by the Company from Office of the Officer	30	10
3.1 Of which, number of complaints resolved in favour of the Company by Office of the Officer	30	10
3.2 Of which, number of complaints resolved through		
3.2.1 Through resolution of the Officer of the Office of the Officer	-	-
3.2.2 Of which, number of complaints resolved after passing of Awards by Office of the Officer of the Office of the Officer	-	-
3.2.3 Number of Awards in favour of the Company (other than those reported)	-	-



IFIL Samasta Finance Limited
(Formerly known as Samasta Microfinance Limited)
CIN: U68191KA1005912067084

Registered Office: IFIL, 1st High Main Road, Krlh Inappa Layout, Bengaluru, Karnataka-560037
Notes forming part of Financial Statements for the year ended March 31, 2023
(All amounts are stated in rupees unless otherwise stated)

Grounds of completion, (in completion is relating to)	Number of completions pending at the beginning of the year	Number of completions received during the year	% increase/decrease in the number of completions received over the previous year	Number of completions pending at the end of the year	Of 5, number of such completions pending beyond 30 days
Current Year					
Disbursement	-	358	482%	6	-
Loan Repayment	2	149	414%	18	-
Insurance	-	203	126%	5	-
CD Dispute	2	204	307%	-	-
Staff Misbehaviour	-	36	208%	-	-
Others	-	161	-39%	2	-
Total	4	1,408	123%	31	-
Previous Year					
Disbursement	2	61	-	-	-
Loan Repayment	-	19	-	-	-
Insurance	24	282	-	3	-
CD Dispute	1	58	-	-	-
Staff Misbehaviour	1	9	-	2	-
Others	-	252	-	-	-
Total	34	663	-	4	-

Details of registration with financial regulators

Regulator	Registration No
Ministry of Company Affairs	U68191KA1005912067084
Reserve Bank of India	R-02 00050

The source of penalties imposed by RBI and other regulators: There are no penalty imposed by Reserve Bank of India and other regulators during the financial year.

Note 81. COVID-19 Pandemic

The outbreak of the COVID-19 pandemic led to a nation-wide lockdown in April - June 2020. This was followed by its effect on business in 2020 with a significant number of COVID-19 cases. Following the easing of lockdown measures, there was an improvement in economic activity in the month of July 2021. Since then India experienced a 2nd wave of COVID-19 pandemic due to the discovery of more transmissible variants, leading to the suspension of regional lockdowns with a more relaxed policy. The impact of COVID-19, including changes in consumer behaviour and pandemic fears, as well as various issues on business and individual activities, led to significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. The disruption following the outbreak, imposed loan covenants, and the efficiency in collection efforts resulting in loan write-off costs and other losses. The impact of COVID-19 pandemic on the company's business will depend on various factors as well as future developments, including any relief package and government measures during the spread of the COVID-19 pandemic, and any regulatory or other measures in response to the government's decision to take any action.

Note 82. Previous Year Figures

Previous year figures have been enclosed in our form with the current year's financial statements wherever applicable.

Accounting notes are an integral part of these financial statements

As per our report of audit of these financial statements
For Brahmayya & Co.,
Chartered Accountants
Firm No. 0885155

G. S. Indras
G. S. Indras
Partner
M. No. 088701

Place: Bengaluru
Date: 21-04-2023

For and on behalf of the Board of Directors
of IFIL Samasta Finance Limited

N. Venkatesh

N. Venkatesh
Managing Director
DIN : 01018871

D. Shikrapathi

D. Shikrapathi
Whole-Time Director
DIN : 02114902



Manoj Kumar

Manoj Kumar
Chief Financial Officer
Place: Bengaluru
Date: 21-04-2023

Manoj Kumar

Manoj Kumar
Company Secretary
Place: Bengaluru
Date: 21-04-2023



To the Members of IIFL Samasta Finance Limited (Formerly known as "Samasta Micro Finance Limited")

Report on the Audit of the financial statements

Opinion

1. We have audited the financial statements of IIFL Samasta Finance Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").
2. 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("Act") in the manner so required and give a true and fair view in conformity with 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 March 31, 2022, its profit, other total comprehensive income, changes in equity and cash flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the 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 Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Emphasis of Matter

4. We draw attention to Note 58 of the Annual Financial Statements which describes the uncertainties due to outbreak of COVID-19 pandemic and management's evaluation of the impact on Company's financial performance is dependent on future developments, which are uncertain.

Our opinion is not qualified on the above said matter.

Key Audit Matters

5. 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 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 the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our Audit addressed the Key Audit Matter
<p>(a) Expected Credit Loss</p> <p>Refer note 2 (c) of significant accounting policies and note 40 for credit disclosures.</p> <p>As at 31 March 2022, the Company has total gross loan assets of Rs.5,772.72 crores (2021: Rs. 4,116.78 crores) against which an Expected Credit Loss ('ECL') of Rs. 254.80 crores (2021 Rs. 155.44 crores) has been accrued.</p> <p>The ECL approach as required under Ind AS 109, Financial instruments, involves high degree of complexity and requires significant judgement of the management.</p> <p>The Management is required to determine the ECL that may occur over either a 12-month period or the remaining life of an asset, depending on the categorization of the individual asset. The key areas of judgment include</p>	<p>Our audit focused on assessing the appropriateness of management's judgment and estimates used in the impairment analysis through procedures that included, but were not limited to, the following:</p> <ul style="list-style-type: none"> • Evaluated the Company's accounting policies for estimation of expected credit loss on loan assets in accordance with the requirements of Ind AS 109, Financial Instruments; • Obtained an understanding of the modelling techniques adopted by the Company including the key inputs and assumptions. Since modelling assumptions and parameters are based on historical data, we assessed whether historical experience was representative of current circumstances and was relevant in view of the recent impairment losses incurred within the portfolios.



<p>1. Categorization of loans in Stage 1, 2 and 3 based on identification of:</p> <p>a) exposures with Significant Increase in Credit Risk (SICR) since their origination and</p> <p>b) Individually impaired / default exposures.</p> <p>2. Techniques used to determine Loss Given Default ('LGD') and Probability of Default ('PD') to calculate an ECL are based on past experience.</p> <p>3. The impact of different future macroeconomic conditions in the determination of ECL.</p> <p>These parameters are derived from the Company's internally developed statistical models, historical data and macro-economic factors and a change in such models or assumptions could have a material impact on the accompanying financial statements.</p> <p>These factors required the models to be reassessed based on the available information including the additional risk profiling due to the impact of COVID-19 Pandemic, geographical, political and economic risk to measure the ECL.</p> <p>Management has made a number of interpretations and assumptions when designing and implementing models that are compliant with the standard. The accuracy of data flows and the implementation of related controls is critical for the integrity of the estimated impairment provisions.</p> <p>Considering the significance of the above matter to the financial statements and the significant auditor attention required to test such complex accounting estimates, we have identified this as a key audit matter for current year audit.</p>	<ul style="list-style-type: none"> • Assessed the design and implementation, and tested the operating effectiveness of controls over the modelling process including governance over monitoring of the model and approval of key assumptions • Evaluated the appropriateness of the Company's process of determination of significant increase in credit risk in accordance with the applicable accounting standard and the basis for classification of exposures into various stages. • Assessed the key judgments and assumptions relating to the macro-economic scenarios including the impact of COVID 19 Pandemic, RBI guidelines/notification and the associated probability weights. • Obtained the approved policy of board of directors to understand the relief measures sanctioned to various class of borrowers in accordance with the directions given by the RBI and tested, on sample basis, the compliance with respect to asset classification and provisioning norms as per such directions. • Tested management's computation of ECL by performing following procedures: • Evaluated management's groupings of borrowers on the basis of different product lines and customer segments with different risk characteristics. • Tested classification of loans into various categories based on their past due status and other loss indicators. On a sample basis, inspected the repayment schedule from the underlying borrower agreements and collection made on due dates; • Performed test of details of the input information used in ECL computation on a sample basis. • Tested the arithmetical accuracy of the computation.
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	<ul style="list-style-type: none"> Performed analytical procedures by determining various ratios or percentage-based measures to review overall reasonableness of the estimate determined by the management.
<p>2. Identification and Measurement of NPA: As per RBI's circular dated November 12, 2021 read with earlier circular dated October 1, 2021 on "Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances, Automation of NPA and provisioning is required to be implemented by all lending Institutions.</p> <p>The NPA provisioning as per ECL methodology followed by the Company are not fully automated in Software Applications used by the Company for Loans Management and are performed manually through excel spreadsheets. Further, marking of linked accounts at borrower level as NPAs are done manually. These may have impact on the accuracy and completeness of the provision accrued for NPAs.</p> <p>Considering the significance, we have identified this as a key audit matter for current year audit.</p>	<p>Performed other substantive procedures, included but not limited to the following:</p> <ul style="list-style-type: none"> Assessed the appropriateness of asset classification and adequacy of related provisioning by performing procedures such as computation of overdue ageing, assessment of borrower level NPA identification and verification of applicable provision rates as per ECL policy of the Company on test check basis; Selected samples of performing loan accounts to assess, independently, whether such loan accounts should be classified as NPA; Recompilation of the amount of ECL provisioning on the total advances base considering the stage wise categories of advances, LGD (Loss given default) and PD(Probability of default) arrived by the Company.

Information Other than the Financial Statements and Auditor's Report thereon

- The Company's Board of Directors is 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 auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's 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 above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.



When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the financial statements

7. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
8. In preparing the financial statements, Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the financial statements

9. 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.
10. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism 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 override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures 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.
11. Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.
 12. 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.
 13. 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.
 14. 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 auditors' 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

15. As required by Sec 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with schedule V to the Act.
16. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013, we give in "Appendix - A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
17. As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the financial statements.
 - (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 Statement of Cash Flows dealt with by this Report are in agreement with the books of account for the purpose of preparation of the financial statements.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Appendix-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) 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, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position in its financial statements the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. a. The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entities, including foreign entities ('the 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries.
- b. The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ('the 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; and
- c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.



- d. The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

For Brahmayya & Co.,
Chartered Accountants
ICAI Firm Registration No: 000515S



G. Srinivas

Partner
Membership No: 086761
UDIN No. 22086761AILZCE2203

Place: Bengaluru
Date: April 23, 2022



Appendix - A to the Independent Auditors' Report

The Appendix referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2022, we report that:

(i) In respect of the Company's Property, Plant and Equipment and Intangible Assets

(a) (A)The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment ('PPE') and relevant details of Right-of-use assets.

(B)The Company has maintained proper records showing full particulars of tangible and intangible assets.

(b) The company has a regular program of physically verifying all fixed assets at its offices in a phased manner, which in our opinion is reasonable having regard to the size of the company and the nature of its assets.

Based on the information and explanation given to us and on verification of the records of the Company, the Company has physically verified the fixed assets as per their program during the year. No material discrepancies as compared to book records 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, the title deeds of immovable properties are held in the name of the Company.

(d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) The Company is not carrying on any trading or manufacturing activities and hence does not have inventories. Therefore, paragraph 3(ii) of the Order is not applicable to the Company.

(iii) (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) of the Order is not applicable.

(b) In our opinion, the investments made, during the year are, prima facie, not prejudicial to the Company's interest.

(c) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.



- (iv) In our opinion and according to the information and explanations given to us, the Company has no loans, investments, guarantee and security which meets the requirements of section 185 and 186 of the Act.
- (v) The Company has not accepted any deposits from the public, within the meaning of Section 73 to 76 or any other relevant provisions of the Act and Rules framed thereunder. We are informed that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or other tribunal.
- (vi) According to the information and explanations given to us, in respect of the class of industry the company falls under, the Central Government has not specified the maintenance of cost records under section 148 (1) of the Act. Therefore, the provisions of clause (vi) of the Order are not applicable to the Company
- vii) (a) According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues payable including Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, and Cess and other material statutory dues as applicable to the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance Income Tax, Goods and Services Tax, and Cess were in arrears as at March 31, 2022 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 are no dues in respect of income tax, sales tax, service tax, value added tax, goods and service tax, customs duty, excise duty, cess which have not been deposited on account of dispute.
- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix)
- (a) On the basis of verification of records and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to Financial Institutions, Banks and monies raised by issue of debentures. The Company has not raised any loan from Government.
- (b) The company has not been declared wilful defaulter by any bank or financial institution or other lender;
- (c) The Company has applied the loans for which the loans were obtained.
- (d) On an overall examination of financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- (x) (a) According to the information and explanations given by the management, the Company has not raised moneys by way of initial public offer or further public offer



or debt instruments or term loans and hence the reporting under clause 3 (x) is not applicable.

- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given to us by the Management and the representations obtained from the management, we report that no material fraud by the Company and on the company by its officers or employees, except for 128 cases of frauds in the nature of 'fraudulent encashment / manipulation of books of accounts' amounting to Rs. 63,97,720/-, on the Company have been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) In our opinion and according to the information and explanations given to us, based on verification of the records and approvals of the Audit Committee, the Company is in compliance with Section 177 and Section 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the books of account
- (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him as referred to in section



192 of companies Act, 2013. Accordingly, paragraph 3(xv) of the Order is not applicable.

- (xvi) (a) The Company is registered under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been resignation of the statutory auditors of the Company during the year because of the predecessor auditor not eligible to continue as statutory auditors as per the RBI guidelines as amended.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) The unspent amount towards Corporate Social Responsibility (CSR) on other than ongoing projects have been transferred to a special account in accordance with the provisions of section 135 of the Companies Act, 2013.
- (b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount as at the end of the previous financial year, to a Special account within a period of 30 days from the end of the said financial year in compliance with the provision of section 135(6) of the Act.

In respect of ongoing projects, the Company has not transferred the unspent Corporate Social Responsibility (CSR) amount as at the Balance Sheet date out of the amounts that was required to be spent during the year, to a Special Account in compliance with the provision of sub-section (6) of section 135 of the said Act till the date of our report since the time period for such transfer i.e. 30 days from the end of the financial year has not elapsed till the date of our report.



(xxi) The reporting under clause 3(xxi) is not applicable in respect of audit of financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For Brahmayya & Co.,
Chartered Accountants
ICAI Firm Registration No: 000515S



G. Srinivas
Partner
Membership No: 086761
UDIN No. 22086761AILZCE2203

Place: Bengaluru
Date: April 23, 2022



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 over financial reporting of IIFL Samasta Finance Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Managements Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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 over financial reporting 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting 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 over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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 Control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Institute of Chartered Accountants of India.

For Brahmaya & Co.,
Chartered Accountants
ICAI Firm Registration No: 0005155



G. Srinivas
Partner

Membership No: 086761
UDIN No. 22086761A1LZCE2203

Place: Bengaluru
Date: April 23, 2022



HFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
CIN: U65191KA1995PLC057884
Registered Office: 110/3, Lal Bagh Main Road, Krishnaappa Layout, Bengaluru, Karnataka- 560027

BALANCE SHEET AS AT MARCH 31, 2022

(Amount in ₹)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
1 Financial Assets			
(a) Cash and cash equivalents	3	4,55,08,08,859	1,78,70,10,465
(b) Bank Balance other than (a) above	3	2,55,56,28,994	1,54,44,11,947
(c) Derivative financial instruments	4	9,86,93,322	8,69,85,006
(d) Receivables			
(i) Trade Receivables	5	8,48,45,567	3,05,99,607
(ii) Other Receivables			
(e) Loans	6	55,18,62,67,844	39,63,02,60,944
(f) Investments	7	5,00,000	5,00,000
(g) Other Financial assets	8	51,96,30,247	50,77,89,958
2 Non-Financial Assets			
(a) Other non-financial assets	9	14,10,58,538	1,18,40,015
(b) Current tax assets (Net)	10	1,63,74,019	1,61,26,237
(c) Deferred tax Assets (Net)	11	63,12,41,303	34,61,18,403
(d) Investment Property	12	5,04,836	5,31,516
(e) Property, Plant and Equipment	13	9,12,37,772	6,26,47,738
(f) Right to Use	13	6,73,77,250	5,62,88,979
(g) Other Intangible assets	14	1,32,391	10,37,287
Total Assets		63,94,43,00,942	44,08,21,48,102
LIABILITIES AND EQUITY			
LIABILITIES			
1 Financial Liabilities			
(a) Derivative financial instruments	4	9,86,93,322	8,69,85,006
(b) Payables			
(I) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises			
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	15	8,06,03,416	8,60,14,864
(II) Other Payables			
(i) total outstanding dues of micro enterprises and small enterprises			
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises			
(c) Debt Securities	16	5,14,80,83,770	8,82,92,74,954
(d) Borrowings (Other than Debt Securities)	17	46,03,36,59,529	25,54,11,18,371
(e) Subordinated Liabilities	18	1,40,72,04,341	1,27,85,62,710
(f) Lease Liability	19	7,41,82,995	6,17,65,249
(g) Other financial liabilities	20	91,35,84,192	1,59,95,59,729
2 Non-Financial Liabilities			
(a) Current tax liabilities (Net)	21	5,51,16,012	1,15,81,955
(b) Provisions	22	8,45,85,688	5,43,36,393
(c) Other non-financial liabilities	23	5,57,55,501	3,78,79,578
3 Equity			
(a) Equity Share capital	24	4,98,22,31,900	3,20,81,33,360
(b) Other Equity	25	5,01,06,00,276	3,28,69,35,933
Total Liabilities and Equity		63,94,43,00,942	44,08,21,48,102

Accompanying notes are an integral part of these financial statements.

As per our attached report of even date

For Brahmaya & Co.,
Chartered Accountants
Firm No. 0005155

For and on behalf of the Board of Directors
of HFL Samasta Finance Limited



G. Srinivas
Partner
M. No. 086761



N. Venkatesh
Managing Director
DIN : 01018821



D. Shivaprakash
Whole-Time Director
DIN : 02216802



Anantha Kumar T
Chief Financial Officer



Manoranjan B
Company Secretary

Place: Bengaluru
Date: 23-04-2022

Place: Bengaluru
Date: 23-04-2022



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)

CIN: U65191KA1995PLC057884

Registered Office: 110/3, Lal Bagh Main Road, Krishnappa Layout, Bengaluru, Karnataka- 560027

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

Particulars	Note No.	(Amount in Rs ₹)	
		Year Ended March 31, 2022	Year Ended March 31, 2021
Revenue from operations			
Interest Income	26	9,84,23,24,692	6,88,59,23,563
Fees and commission Income	27	26,09,04,540	10,28,64,271
Net gain on derecognition of financial instruments under amortised cost category	28	2,46,39,020	7,23,314
Total Revenue from operations		10,12,78,68,252	6,98,95,11,148
Other Income	29	7,14,07,505	3,25,10,402
Total Income		10,19,92,75,757	7,02,20,21,550
Finance Costs	30	3,95,10,25,187	2,54,56,40,521
Net loss on derecognition of financial instruments under amortised cost category	31	1,38,57,70,281	55,29,51,309
Impairment on financial instruments	32	98,72,54,224	85,29,14,313
Employee Benefits Expenses	33	2,36,65,02,967	1,57,53,54,868
Depreciation, amortization and impairment	13, 14	7,86,01,904	6,32,23,192
Others expenses	34	84,06,71,298	61,04,01,795
Total Expenses		9,60,98,25,861	6,20,04,85,998
Profit before exceptional items and tax		58,94,49,896	82,15,35,552
Exceptional items		-	-
Profit before tax		58,94,49,896	82,15,35,552
Tax Expense:			
Current Tax	35	36,76,90,322	43,49,98,351
Tax related to Earlier Years	35	(19,47,155)	8,69,253
Deferred Tax	35	(28,23,37,634)	(28,05,63,971)
Total Tax Expense		8,34,05,533	15,53,03,633
Profit Before impact of rate Change on Opening Deferred Tax		50,60,44,363	66,62,31,919
Impact of Change in the tax rate on Opening deferred tax		-	-
Profit for the period		50,60,44,363	66,62,31,919
Other Comprehensive Income			
(A) (i) Items that will not be reclassified to profit or loss	35	(1,10,66,704)	(30,86,716)
(ii) Income tax relating to items that will not be reclassified to profit or loss	35	27,85,268	7,76,865
Subtotal (A)	35	(82,81,436)	(23,09,851)
(B) (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Subtotal (B)		-	-
Other Comprehensive Income		(82,81,436)	(23,09,851)
Total Comprehensive Income for the period (Comprising Profit and other Comprehensive Income for the period)		49,77,62,927	66,39,22,068
Earnings per equity share			
Basic (Rs.)		1.22	2.38
Diluted (Rs.)		1.22	2.38

Accompanying notes are an integral part of these financial statements.

As per our attached report of even date

For Brahmaya & Co.,

Chartered Accountants

Firm No. 000515S

G.Srinivas

Partner

M. No. 086761

For and on behalf of the Board of Directors
of IIFL Samasta Finance Limited

N. Venkatesh

N. Venkatesh
Managing Director
DIN : 01018821

D. Shivaprakash

D. Shivaprakash
Whole-Time Director
DIN : 02216802

Anantha Kumar T

Anantha Kumar T
Chief Financial Officer

Manoranjan Biswal

Manoranjan Biswal
Company Secretary

Place: Bengaluru

Date: 23-04-2022

Place: Bengaluru

Date: 23-04-2022



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)

CIN: U65191KA1995PLC057884

Registered Office: 110/3, Lal Bagh Main Road, Krishnappa Layout, Bengaluru, Karnataka- 560027

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

(Amount in ₹)

Sr. No.	Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
1	Cash flows from operating activities		
	Net profit before taxation, and extraordinary item	58,94,49,896	82,15,35,552
	Adjustments for		
	Depreciation	7,86,01,904	6,32,23,192
	Net (gain) / loss on derecognition of financial instruments under amortised cost category	6,73,96,345	12,42,51,401
	Interest income	(10,64,62,829)	(8,23,18,551)
	Short Term Capital Gain	(7,01,55,716)	(3,05,96,802)
	Gratuity and Leave Salary	2,19,67,859	1,49,64,749
	Profit on sale of assets	-	-
	Dividend income	-	-
	Provisions for Standard and Non Performing Assets	98,72,54,224	85,29,14,313
	Bad Debts Written Off	1,31,83,73,735	42,86,99,909
	Operating profit before working capital changes	2,88,64,25,619	2,19,26,73,763
	Increase in Trade Receivables	(5,42,45,960)	(1,20,60,031)
	(Increase) / Decrease in loans	(17,86,16,34,860)	(18,03,79,92,813)
	(Increase) / Decrease in Other Assets	(25,58,26,924)	2,30,347
	(Increase) / Decrease in Loans & Advances	(5,79,41,216)	35,64,676
	Increase / (Decrease) in Long term Liabilities	(1,23,11,75,700)	1,02,59,89,577
	Increase / (Decrease) in Other liabilities	(3,49,94,378)	(1,50,62,513)
	Increase / (Decrease) in trade payables	(54,11,448)	5,07,07,569
	Changes in Working Capital	(19,50,12,30,487)	(16,98,46,23,188)
	Cash generated from operations	(16,61,48,04,868)	(14,79,19,49,426)
	Income taxes paid	(29,00,00,000)	(41,00,00,000)
	Net cash from operating activities	(16,90,48,04,868)	(15,20,19,49,426)
2	Cash flows from investing activities		
	Purchase of fixed assets	(9,37,06,919)	(3,32,37,960)
	Proceeds from sale of equipment	80,909	1,53,974
	Purchase of Investments	(61,17,79,41,103)	(27,84,32,48,279)
	(Increase)/Decrease in Other Deposit	(1,01,12,17,048)	(74,48,03,319)
	Sale of investments	61,24,80,96,819	27,87,38,45,082
	Interest received	8,42,11,147	9,42,87,789
	Dividends received	-	-
	Net cash from investing activities	(95,04,76,195)	(65,30,02,713)
3	Cash flows from financing activities		
	Proceeds from issuance of share capital	2,99,99,99,955	89,99,99,998
	Proceeds from long-term borrowings	45,50,76,94,067	39,01,24,04,750
	Repayment of long-term borrowings	(27,59,79,38,082)	(24,33,95,78,004)
	Interest paid	-	-
	Dividends paid	-	(16,04,06,670)
	Net cash used in financing activities	20,90,97,55,940	15,41,24,20,074
4	Net increase in cash and cash equivalents	3,05,44,74,876	(44,25,32,064)
5	Cash and cash equivalents at beginning of period	1,46,64,19,226	1,90,89,51,290
6	Cash and cash equivalents at end of period	4,52,08,94,102	1,46,64,19,226

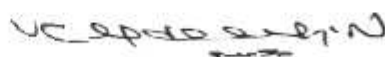
Accompanying notes are an integral part of these financial statements.


As per our attached report of even date

For Brahmayya & Co.,
Chartered Accountants
Firm No. 0005155

For and on behalf of the Board of Directors
of IIFL Samasta Finance Limited


G. Srinivas
Partner
M. No. 086761


N. Venkatesh
Managing Director
DIN : 01018821


D. Shivaprakash
Whole-Time Director
DIN : 02216802


Anantha Kumar
Chief Financial Officer


Manoranjan Biswal
Company Secretary

Place: Bengaluru
Date: 23-04-2022

Place: Bengaluru
Date: 23-04-2022



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 1. Corporate Information:

IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited) has its registered office at Bangalore, India and was Incorporated under the Provisions of Companies Act, 1956. The company has obtained certificate of registration from RBI dated 05-09-2013. The Company is categorised as systematically important Non Banking Finance (non - deposit accepting or holding) Company - Micro Finance Institution (NBFC MFI) under the provisions of RBI Act 1934. The Company is engaged in providing micro finance services to women who are enrolled as members and organized as Joint Liability Group ('JLG'), Small business loans and loans against property. The Company is a subsidiary of IIFL Finance Limited.

Note 2. Significant Accounting Policies And Key Accounting Estimates And Judgements

a) Basis of Preparation of financial statements:

The financial statements, together with the comparative period date as at and for the year ended March 31, 2022, comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015], as amended and other relevant provisions of the Act.

The Company has followed statutory requirements, circulars and guidelines issued by the Reserve Bank of India (RBI) for Non-Banking Financial Companies (NBFC), time to time.

b) Historical cost convention:

The financial statements have been prepared on a historical cost basis, except for the following:

- 1) certain financial assets and liabilities (including derivative instruments) are measured at fair value as stated in notes;
- 2) defined benefit plans – plan assets measured at fair value.

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.

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:

- 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 Payment of Principal and Interest (SPPI) on the principal amount outstanding.
- ii) Derecognition of financial assets and securitization.
- iii) Categorisation of loan portfolios



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

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. 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 and Loss during the reporting period in which they are incurred.

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 losses, if any.



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

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, an entity shall measure all of its investment properties in accordance with Ind AS 40's requirements for cost model.

Depreciation/ Amortisation

Depreciation on each item of PPE and Investment Property is provided using the Straight-Line Method 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 assessed based on the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc. 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.

No depreciation is charged from the month in which assets are sold. Depreciation/ Amortisation on PPE, Investment Property and Intangible Assets added or disposed off during the year is calculated on pro-rata basis with reference to the date of addition or deletion.

Estimated useful life of the assets is as under:

Class of assets	Useful life in years
Buildings *	20
Furniture and fixtures *	5
Office equipment *	5
Electrical Equipment *	5
Vehicles *	5
Computers *	3
Software *	3

* For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuers the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

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.



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

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.

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

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.



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

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.

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 subsidiaries and 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.



IFFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

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
- ii) Trade Receivables

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.



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

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

Stage	Past Due	ECL	Regulatory Standards
Stage 1	30 days past due	12 Month ECL	Equivalent to standard assets as per RBI
Stage 2	31-90 Days Past Due	Life time ECL	
Stage 3	More than 90 Days Past Due	Life time ECL	Equivalent to NPA assets as per RBI

Measurement of ECL

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

Financial assets that are not credit-impaired at the reporting date: As the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive);

Financial assets that are credit-impaired at the reporting date: As the difference between the gross carrying amount and the present value of estimated future cash flows.

Trade Receivables

For trade receivables, the Company applies the simplified approach which requires life-time ECL to be recognised from initial recognition of the receivables.

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 recovery activities in order to comply with the Company's procedures for recovery of amounts due.

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) (iii) where there is an embedded derivative as part of the financial liability, such embedded derivative is separated and recorded at fair value and the remaining component is categorized as on amortised costs.



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

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.
- (iii) For derivatives embedded in the liability, the embedded derivative is subsequently measured at fair value through profit and loss and the liability is subsequently measured at amortised cost using the effective interest method.

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

h) Derivative Financial Instruments

Derivatives Financial Contracts are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

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:

- i. In the principal market for the asset or liability, or
- ii. In the absence of a principal market, in the most advantages 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

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.



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

k) Functional Currency

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. Foreign currency transactions are translated into functional currency using exchange rates at the date of transaction.
- b. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Statement of Profit and Loss.

l) Securitization transaction

In accordance with Ind AS 109, in case of securitisation where the risks and rewards are not transferred completely, the assets are not derecognised and the liability to Special Purpose Vehicle (SPV) is shown under borrowings. The gain arising on securitisation is amortised over the life of the securities issued by SPV. Loss, if any, is recognised upfront in the Statement of Profit and Loss for all types of Securitisation Transactions.

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 performed. There is no significant financing component in 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.



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

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 or 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.

Deferred 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.

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 and 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.

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.



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

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.

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.



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

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 up to 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 the Statement of Profit and 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.

s) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM) of the company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the company. Revenue, expenses, assets and liabilities which relate to the company as a whole and are not allocable to segments on reasonable basis have been included under 'unallocated revenue / expenses / assets / liabilities'. The Company operates in a single business segment i.e. lending to members, having similar risk and returns for the purpose of IND AS 108 on 'Operating Segments'. The Company operates in a single geographical segment i.e. domestic.

t) Leases

The Company's lease asset classes primarily consist of leases for buildings. The Company, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered into on or after April 1, 2019.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the Statement of Profit and Loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less. The Company recognises the lease payments associated with these leases as an expense over the lease term.



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 3. Cash and Cash Equivalents

(Amount in ₹)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash and Cash Equivalents		
Cash on hand	62,30,899	1,75,11,463
Balance with Banks	2,64,53,62,100	1,43,54,64,342
In Fixed Deposit Accounts (Less than three months)	1,89,92,15,860	33,40,34,661
Cash and Cash Equivalents	4,55,08,08,859	1,78,70,10,465

Out of the Fixed Deposits shown above:

Particulars	As at March 31, 2022	As at March 31, 2021
Lien Marked *	74,78,49,351	30,90,34,661
Other deposits	1,15,13,66,509	2,50,00,000
Total	1,89,92,15,860	33,40,34,661

*Deposits have been placed with certain banks as cash collateral against term loans and working capital.

Particulars	As at March 31, 2022	As at March 31, 2021
Other Bank Balances		
In Fixed Deposit Account (Maturity more than 3 months to 12 months)	1,23,65,30,101	60,36,36,953
In Fixed Deposit account (Maturity more than 12 months)	1,31,90,98,894	94,07,74,994
Total	2,55,56,28,994	1,54,44,11,947

Out of the Fixed Deposits shown above:

Particulars	As at March 31, 2022	As at March 31, 2021
Lien Marked *	2,55,56,28,994	1,54,44,11,947
Other deposits	-	-
Total	2,55,56,28,994	1,54,44,11,947

*Deposits have been placed with certain banks as cash collateral against term loans and working capital.

Particulars	As at March 31, 2022	As at March 31, 2021
Cash and Cash Equivalents (As per Ind AS 7 Cash flow statement)		
Cash on hand	62,30,899	1,75,11,463
Balance with Banks	2,64,53,62,100	1,43,54,64,342
-In current accounts		
In Fixed Deposit Accounts (Less than three months)	1,89,92,15,860	33,40,34,661
	4,55,08,08,859	1,78,70,10,465
Less: Cash Credit / Overdraft facilities (Refer Note no 18)	2,99,14,757	32,05,91,239
Cash and cash equivalents (As per Ind AS-7 Cash flow statement) (A)	4,52,08,94,102	1,46,64,19,226



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 4. Derivative Financial Instruments

(Amount in ₹)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Nominal Amount	Fair Value - Assets	Fair Value - Liabilities	Nominal Amount	Fair Value - Assets	Fair Value - Liabilities
Interest Rate Derivatives						
Options Purchased *	4,31,60,885	9,86,93,322	9,86,93,322	5,56,20,000	8,69,85,006	8,69,85,006
Total	4,31,60,885	9,86,93,322	9,86,93,322	5,56,20,000	8,69,85,006	8,69,85,006

* Options invested are tied up to Secured Non Convertible Debentures of NIL - P.Y. (₹ 1,81,31,010/-) and Unsecured Non Convertible Debentures of ₹ 9,86,93,322/- P.Y. (₹ 6,88,53,996 /-) made as per the terms of issue and on maturity will be transferred to the investors of the NCD.



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 5. Receivables

Receivables	(Amount in ₹)	
	As at March 31, 2022	As at March 31, 2021
Trade Receivables		
Receivables considered good - Unsecured	8,48,45,567	3,05,99,607
Total - Gross	8,48,45,567	3,05,99,607
Less: Impairment loss allowance	-	-
Total - Net	8,48,45,567	3,05,99,607

The Company follows simplified method of estimation of expected credit loss and hence information required under Part (C) (i) is not furnished.

5.1 Trade Receivables ageing schedule as on March 31, 2022

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	2,05,67,053	6,42,78,514	-	-	-	-	8,48,45,567
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
Total	2,05,67,053	6,42,78,514	-	-	-	-	8,48,45,567

5.2 Trade Receivables ageing schedule as on March 31, 2021

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	1,20,77,074	1,85,22,533	-	-	-	-	3,05,99,607
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
Total	1,20,77,074	1,85,22,533	-	-	-	-	3,05,99,607



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 6 Loans

(Amount in ₹)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Amortised cost	Total	Amortised cost	Total
Loans (A)				
Term Loans	57,72,72,00,636	57,72,72,00,636	41,16,77,69,466	41,16,77,69,466
Inter Corporate Deposit to Holding Company	-	-	-	-
Unamortized Processing Fee	(48,04,81,142)	(48,04,81,142)	(33,18,02,606)	(33,18,02,606)
Advance from Customers	-	-	-	-
Accrued Interest but not due	48,75,09,843	48,75,09,843	34,87,33,521	34,87,33,521
Total (A) - Gross	57,73,42,29,337	57,73,42,29,337	41,18,47,00,381	41,18,47,00,381
Less: Impairment loss allowance (including ECL on Stage 3 of Rs. 1,30,12,60,240/- P.Y. (Rs.74,78,19,368/-))	(2,54,79,61,492)	(2,54,79,61,492)	(1,55,44,39,437)	(1,55,44,39,437)
Total (A) - Net	55,18,62,67,844	55,18,62,67,844	39,63,02,60,944	39,63,02,60,944
(B)				
(i) Secured by tangible assets	65,66,64,987	65,66,64,987	58,03,11,238	58,03,11,238
Less: Impairment loss allowance (including ECL on Stage 3 of Rs. 1,43,06,074/- P.Y. (Rs.26,01,963/-))	(2,58,52,110)	(2,58,52,110)	(1,19,14,961)	(1,19,14,961)
Total (i)	63,08,12,877	63,08,12,877	56,83,96,277	56,83,96,277
(ii) Unsecured	57,07,75,64,350	57,07,75,64,350	40,60,43,89,142	40,60,43,89,142
Less: Impairment loss allowance (including ECL on Stage 3 of Rs. 1,28,69,54,166/- P.Y. (Rs.74,52,17,405/-))	(2,52,21,09,383)	(2,52,21,09,383)	(1,54,25,24,476)	(1,54,25,24,476)
Total (ii)	54,55,54,54,968	54,55,54,54,968	39,06,18,64,666	39,06,18,64,666
Total (B) - Net	55,18,62,67,844	55,18,62,67,844	39,63,02,60,944	39,63,02,60,944
(C)				
(I) Loans in India				
(i) Public Sector	-	-	-	-
(ii) Others				
Joint Liability Group	53,74,29,82,555	53,74,29,82,555	37,65,35,06,353	37,65,35,06,353
Small Business Loans	3,33,45,81,795	3,33,45,81,795	2,95,08,82,789	2,95,08,82,789
Loan Against Property	65,66,64,987	65,66,64,987	58,03,11,238	58,03,11,238
Inter Corporate Deposit to Holding Company	-	-	-	-
Less: Impairment loss allowance (including ECL on Stage 3 of Rs. 1,30,12,60,240/- P.Y. (Rs.74,78,19,368/-))	(2,54,79,61,492)	(2,54,79,61,492)	(1,55,44,39,437)	(1,55,44,39,437)
Total (C) (I) - Net	55,18,62,67,844	55,18,62,67,844	39,63,02,60,944	39,63,02,60,944
(II) Loans outside India				
Less: Impairment loss allowance	-	-	-	-
Total (C) (II) - Net	-	-	-	-
Total C (I) and C (II)	55,18,62,67,844	55,18,62,67,844	39,63,02,60,944	39,63,02,60,944

6.1	Particulars	As at 31 March 2022	As at 31 March 2021
	The loan receivables reflected above excludes microfinance loans assigned to a third party on direct assignment in accordance with RBI Guidelines which qualify for derecognition as per Ind AS 109. The amounts given are net of minimum retention retained in the books:	4,47,58,19,217	6,78,79,56,071

6.2	Particulars	As at 31 March 2022	As at 31 March 2021
	Provisions as per RBI Prudential Norms	(1,25,72,42,004)	(57,63,48,773)
	Provisions as per ECL model under Ind AS 109	(2,54,79,61,492)	(1,55,44,39,437)
	Amount recorded in the books	(2,54,79,61,492)	(1,55,44,39,437)

6.3 Reconciliation of impairment allowance on Loans*

Particulars	Amount
Impairment allowance as at 1 April 2020	70,13,75,414
Add: Impairment allowance provided in statement of Profit & Loss	1,28,17,63,931
Less: Impairment allowance Utilised for writing off Loss assets	(42,86,99,909)
Impairment allowance as at 31 March 2021	1,55,44,39,437
Add: Impairment allowance provided in statement of Profit & Loss	2,31,18,95,792
Less: Impairment allowance Utilised for writing off Loss assets	(1,31,83,73,735)
Impairment allowance as at 31 March 2022	2,54,79,61,493

* Reconciliation table does not include ECL provision on other receivables (Refer point no.9).

6.4 The Company has not given any loans or advances to directors, promoters, key managerial person and related parties either repayable on demand or on any terms of repayment.



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 7. Investments

(Amount in ₹)

Particulars	As at March 31, 2022			As at March 31, 2021		
	At Fair Value through profit or loss	Others *	Total	At Fair Value through profit or loss	Others *	Total
(A) Equity instruments	-	-	-	-	-	-
Alpha Microfinance Consultants Private Limited (50,000 Equity Shares of Rs. 10 each)	-	5,00,000	5,00,000	-	5,00,000	5,00,000
Total – Gross (A)	-	5,00,000	5,00,000	-	5,00,000	5,00,000
i) Investments outside India	-	-	-	-	-	-
ii) Investments in India	-	5,00,000	5,00,000	-	5,00,000	5,00,000
Unquoted equity instruments in India	-	5,00,000	5,00,000	-	5,00,000	5,00,000
Quoted equity instruments in India	-	-	-	-	-	-
Total (B)	-	5,00,000	5,00,000	-	5,00,000	5,00,000
Less: Allowance for Impairment Loss (C)	-	-	-	-	-	-
Total- Net (D) = A-C	-	5,00,000	5,00,000	-	5,00,000	5,00,000

* The Company has carried investment in equity shares at cost.



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 8. Other financial assets

(Amount in ₹)

Particulars	As at March 31, 2022		As at March 31, 2021	
Accrued interest on Fixed Deposits		4,57,13,478		2,34,61,796
Staff Advances		16,51,888		9,39,651
Security Deposits		6,35,52,775		4,92,76,326
Interest Strip Asset on Assignment		36,67,15,640		43,41,12,185
Other Receivables	8,81,96,947		5,24,68,312	
Less: Impairment loss allowance towards other Receivable	(4,62,00,480)	4,19,96,467	(5,24,68,312)	-
Total		51,96,30,247		58,77,89,958



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 9. Other Non Financial Assets

(Amount in ₹)

Particulars	As at March 31, 2022	As at March 31, 2021
Prepaid expenses	2,24,23,333	1,11,26,742
Vendor Advances	1,95,73,708	7,13,273
Other Assets	9,90,61,496	-
Total	14,10,58,538	1,18,40,015

Note 10. Current Tax Assets (net)

(Amount in ₹)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance Tax	34,70,57,740	34,68,09,958
TDS Receivables	4,29,67,238	4,29,67,238
Provision for Taxation	(37,36,50,959)	(37,36,50,959)
Total	1,63,74,019	1,61,26,237



Note 11. Deferred Tax Assets (net)

Significant components of deferred tax assets and liabilities for the year ended March 31, 2022 are as follows:

(Amount in ₹)

Particulars	Opening balance	(Charged) / Recognised in Profit or Loss	Effect of the Tax Rate	Deferred Tax Taken to Balance Sheet	(Charged) / Recognised in OCI	Closing balance
Deferred Tax Assets:						
Provisions, allowances for doubtful receivables	37,84,63,498	25,14,97,514	-	-	-	62,99,61,013
Compensated absences and retirement benefits	1,36,75,383	48,27,875	-	-	27,85,268	2,12,88,526
Unamortized Processing Fees Income	8,38,37,589	3,70,89,004	-	-	-	12,09,27,493
Lease Liability	13,78,268	3,34,602	-	-	-	17,12,870
Total Deferred Tax Assets	47,73,54,738	29,37,49,895	-	-	27,85,268	77,38,89,902
Deferred Tax Liabilities:						
Property, plant and equipment	1,51,92,632	40,05,488	-	-	-	1,91,98,120
Prepaid expenses claimed	(7,83,38,037)	(3,73,28,337)	-	-	-	(6,56,66,373)
Unamortized Processing Fees Expense	(86,93,764)	50,89,754	-	-	-	(36,04,010)
Interest Strip Assets	(10,92,57,355)	1,69,62,363	-	-	-	(9,22,94,992)
Income on Security Deposit	(1,39,813)	(1,41,530)	-	-	-	(2,81,343)
Total Deferred Tax Liabilities	(13,12,36,337)	(1,14,12,263)	-	-	-	(14,26,48,600)
Deferred Tax Assets	34,61,18,402	28,23,37,632	-	-	27,85,268	63,12,41,303

Significant components of Deferred Tax Assets and Liabilities for the year ended March 31, 2021 are as follows:

(Amount in ₹)

Particulars	Opening balance	(Charged) / Recognised in Profit or Loss	Effect of the Tax Rate	Deferred Tax Taken to Balance Sheet	(Charged) / Recognised in OCI	Closing balance
Deferred Tax Assets:						
Provisions, allowances for doubtful receivables*	16,97,54,792	20,87,08,706	-	-	-	37,84,63,498
Over Due Interest	-	-	-	-	-	-
Compensated absences and retirement benefits	93,27,713	35,70,806	-	-	7,76,865	1,36,75,383
Unamortized Processing Fees Income	4,69,11,955	3,69,25,634	-	-	-	8,38,37,589
Unrealised profit on investments	-	-	-	-	-	-
Lease Liability	1,17,61,264	(1,03,82,937)	-	-	-	13,78,268
Total Deferred Tax Assets	23,77,55,664	23,88,22,210	-	-	7,76,865	47,73,54,738
Deferred Tax Liabilities:						
Property, plant and equipment	(12,03,689)	1,63,96,321	-	-	-	1,51,92,632
Prepaid expenses claimed	(1,52,94,160)	(1,30,43,877)	-	-	-	(2,83,38,037)
Unamortized Processing Fees Expense	(1,58,97,647)	72,03,883	-	-	-	(86,93,764)
Interest Strip Assets	(14,05,28,947)	3,12,71,592	-	-	-	(10,92,57,355)
Income on Security Deposit	(53,655)	(86,158)	-	-	-	(1,39,813)
Total Deferred Tax Liabilities	(17,29,78,097)	4,17,41,761	-	-	-	(13,12,36,337)
Deferred Tax Assets	6,47,77,566	28,05,63,970	-	-	7,76,865	34,61,18,403



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 12. Investment Property

(Amount in ₹)

Particulars	Land	Building	Total
Cost or Valuation as at April 1, 2021	1,14,905	4,92,545	6,07,450
Additions	-	-	-
Deductions /Adjustments during the year	-	-	-
As at March 31, 2022	1,14,905	4,92,545	6,07,450
Depreciation			
As at April 1, 2021	-	75,934	75,934
Depreciation For the year	-	26,680	26,680
Deductions/Adjustments during the year	-	-	-
Up to March 31, 2022	-	1,02,614	1,02,614
Net Block as at March 31, 2022	1,14,905	3,89,931	5,04,836

Particulars	Land	Building	Total
Cost or Valuation as at April 1, 2020	1,14,905	4,92,545	6,07,450
Additions	-	-	-
Deductions /Adjustments during the year	-	-	-
As at March 31, 2021	1,14,905	4,92,545	6,07,450
Depreciation			
As at April 1, 2020	-	49,255	49,255
Depreciation For the year	-	26,680	26,680
Up to March 31, 2021	-	75,934	75,934
Net Block as at March 31, 2021	1,14,905	4,16,611	5,31,516

- i) There are no direct expenses incurred towards above investment property.
- ii) The investment property is given as security against non - convertible debentures.
- iii) There are no contractual obligation existed as on 31st March 2022 in connection to purchase, construct or develop investment property.
- iv) The title deed of the above property is held in the name of the Company.
- v) The Company does not have any Benami Property and no proceedings have been initiated during the year or are pending against the company as at March 31, 2022 for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1988 as amended in 2016 and Rules made thereunder.
- vi) The revaluation is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 13. Property Plant and Equipment

(Amount in ₹)

Particulars	Furniture & Fixture	Office Equipment	Electrical Equipment	Air Conditioner	Computers	Vehicles	Right to Use*	Total
Cost as at April 1, 2021	5,93,66,589	2,96,57,032	1,09,48,567	29,48,493	14,43,30,143	56,26,884	7,20,25,873	32,49,03,582
Additions	2,23,49,137	85,22,610	41,34,265	7,73,897	5,77,62,045	1,64,965	2,37,22,621	11,74,29,541
Deductions/Adjustments	(1,80,013)	(2,700)	(2,73,833)	-	(27,319)	(15,46,771)	-	(20,30,636)
As at March 31, 2022	8,15,35,713	3,81,76,942	1,48,08,999	37,22,390	20,20,64,869	42,45,079	9,57,48,495	44,03,02,487
Depreciation								
As at April 1, 2021	5,20,43,203	1,83,49,836	70,32,844	11,60,575	10,63,38,407	53,05,106	1,57,36,894	20,59,66,864
Depreciation for the year	2,17,13,164	66,26,227	24,18,765	6,23,564	3,34,02,520	2,51,737	1,26,34,351	7,76,70,328
Deductions/Adjustments	(1,56,579)	(2,700)	(2,34,027)	-	(9,650)	(15,46,771)	-	(19,49,727)
Up to March 31, 2022	7,35,99,788	2,49,73,363	92,17,582	17,84,139	13,97,31,276	40,10,073	2,83,71,245	28,16,87,465
Net Block as at March 31, 2022	79,35,926	1,32,03,579	55,91,418	19,38,251	6,23,33,592	2,35,006	6,73,77,250	15,86,15,022

(Amount in ₹)

Particulars	Furniture & Fixture	Office Equipment	Electrical Equipment	Air Conditioner	Computers	Vehicles	Right to Use*	Total
Cost as at April 1, 2020	5,50,34,657	2,57,04,868	94,54,236	29,19,548	12,20,13,703	56,26,884	5,22,55,329	27,30,09,225
Additions	47,24,375	40,10,536	18,34,890	28,945	2,26,39,214	-	1,97,70,544	5,30,08,504
Reclassification								
Deductions/Adjustments	(3,92,443)	(58,371)	(3,40,559)	-	(3,22,774)	-	-	(11,14,146)
As at March 31, 2021	5,93,66,589	2,96,57,032	1,09,48,567	29,48,493	14,43,30,143	56,26,884	7,20,25,873	32,49,03,582
Depreciation								
As at April 1, 2020	4,41,58,842	1,33,50,316	59,47,471	5,92,340	7,12,87,940	46,32,279	59,09,546	14,58,78,734
Depreciation for the year	82,78,548	50,66,931	14,10,120	5,68,235	3,52,24,298	6,72,827	98,27,348	6,10,48,306
Reclassification								
Deductions /Adjustments	(3,94,188)	(67,411)	(3,24,747)	-	(1,73,830)	-	-	(9,60,175)
Up to March 31, 2021	5,20,43,203	1,83,49,836	70,32,844	11,60,575	10,63,38,407	53,05,106	1,57,36,894	20,59,66,864
Net Block as at March 31, 2021	73,23,386	1,13,07,197	39,15,723	17,87,918	3,79,91,736	3,21,778	5,62,88,979	11,89,36,718

* Right to use represent Lease asset



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 14. Intangible Assets (Other than internally generated)

(Amount in ₹)	
Particulars	Software
Cost as at April 1, 2021	76,22,317
Additions	-
Deductions /Adjustments during the year	-
As at March 31, 2022	76,22,317
Depreciation	
As at April 1, 2021	65,85,030
Depreciation For the year	9,04,896
Reclassification	-
Deductions/Adjustments during the year	-
Up to March 31, 2022	74,89,926
Net Block as at March 31, 2022	1,32,391
<hr/>	
Particulars	Software
Cost as at April 1, 2020	76,22,317
Additions	-
Deductions /Adjustments during the year	-
As at March 31, 2021	76,22,317
Depreciation	
As at April 1, 2020	44,36,823
Depreciation For the year	21,48,207
Reclassification	-
Deductions/Adjustments during the year	-
Up to March 31, 2021	65,85,030
Net Block as at March 31, 2021	10,37,287

14.1 There are no intangible assets under development.



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
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Note 15. Trade Payables

(Amount in ₹)

Particulars	As at March 31, 2022	As at March 31, 2021
(1) Trade Payables		
- (i) Total outstanding dues of micro enterprises and small enterprises (Refer note 16.1) *	-	-
- (ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	8,06,03,416	8,60,14,864
Total	8,06,03,416	8,60,14,864

* Dues to micro, small and medium enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. There are no interest due or outstanding on the same.

15.1 Disclosure under The Micro, Small and Medium Enterprises Development Act, 2006

The following disclosure is made as per the requirement under the Micro, Small and Medium Enterprises Development Act, 2016 (MSMED) on the basis of confirmations sought from suppliers on registration with the specified authority under MSMED:

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Principal amount remaining unpaid to any supplier at the year end	-	-
(b) Interest due thereon remaining unpaid to any supplier at the year end	-	-
(c) Amount of interest paid and payments made to the supplier beyond the appointed day during the year	-	-
(d) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-
(e) Amount of interest accrued and remaining unpaid at the year end	-	-
(f) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Act	-	-

15.2 Trade Payables Ageing Schedule

As at March 31, 2022

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	8,06,03,416	-	-	-	8,06,03,416
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	8,06,03,416	-	-	-	8,06,03,416

As at March 31, 2021

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	8,60,14,864	-	-	-	8,60,14,864
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	8,60,14,864	-	-	-	8,60,14,864



Note 16. Debt Securities

(Amount in ₹)

Particulars	As at March 31, 2022		As at March 31, 2021	
	At Amortised Cost	Total	At Amortised Cost	Total
Secured Non Convertible Debentures	4,68,80,00,000	4,68,80,00,000	7,94,00,00,000	7,94,00,00,000
Less : Derivative Financial Liability	-	-	(1,24,95,000)	(1,24,95,000)
Less : Unamortised Debenture Issue Expenses	(2,58,96,818)	(2,58,96,818)	(5,80,16,078)	(5,80,16,078)
Interest Accrued on Debt Securities	23,38,03,554	23,38,03,554	95,97,86,032	95,97,86,032
Others (Bonds/ Debenture etc.)				
	4,89,59,06,737	4,89,59,06,737	8,82,92,74,954	8,82,92,74,954
Commercial Paper	25,90,00,000	25,90,00,000	-	-
Less : Unexpired Discount on CP	(68,22,967)	(68,22,967)	-	-
	25,21,77,034	25,21,77,034	-	-
Total	5,14,80,83,770	5,14,80,83,770	8,82,92,74,954	8,82,92,74,954
Debt Securities in India	5,14,80,83,770	5,14,80,83,770	8,82,92,74,954	8,82,92,74,954
Debt Securities outside India	-	-	-	-
Total	5,14,80,83,770	5,14,80,83,770	8,82,92,74,954	8,82,92,74,954

(a) These Non convertible debentures are secured by way of first pari-passu charge on investment property, book debts, loans and advances including receivables other than those specifically charged.

(b) Non Convertible Debentures – Secured includes redeemable Non convertible debenture amounting to Rs NIL - P.Y. (Rs 14,00,00,000/-) which carries call option effective from 13-07-2018.

16.1 Details of commercial paper - Unsecured

Particulars	Tenor	Interest Rate (%)	As at March 31, 2022	As at March 31, 2021
India Energy Exchange Limited	182 Days	7.50%	25,90,00,000	-
Total			25,90,00,000	-

(i) Details of commercial paper issued/repaid during the current year ended 31 March 2022

Particulars	Tenor	Discount Rate p.a	Date of Transaction	Redemption Date
India Energy Exchange Limited	182 Days	7.50%	12-Aug-21	10-Feb-22
India Energy Exchange Limited	182 Days	7.50%	11-Feb-22	

(ii) Details of commercial paper issued/repaid during the current year ended 31 March 2021

Particulars	Tenor	Discount Rate p.a	Date of Transaction	Redemption Date
SBI Caps (SLS trust)	90	7.60%	24-Sep-20	23-Dec-20

16.2 The funds received through above borrowings have been utilised for the purpose, it is generated.

16.3 All the charges against the receivable has been registered with the ROC and there are no charges which are to be registered as on March 31, 2022.

16.4 During the year, the Company has submitted quarterly statement of book debts with all the lenders and the value of book debts statement submitted is as per the books of accounts.



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16.5 Debt securities

Particulars	March 31, 2022	March 31, 2021	Date of borrowing	Repayment start date	Maturity date	Terms of repayment	Security Offered
INE413U07020 - NCD	5,00,00,000	5,00,00,000	30-06-2016	29-06-2022	29-06-2022	Rate of Interest - 15.25% , principal repayable on maturity.	Hypothecation of book debts
INE413U07087 - NCD	-	14,00,00,000	13-07-2018	14-03-2022	14-03-2022	Rate of Interest - 8.73% p.a. calculated on a XIRR basis, principal repayable on maturity.	Hypothecation of book debts ,Immovable property
INE413U07079 - NCD	-	1,11,00,00,000	13-07-2018	19-10-2021	19-10-2021	Rate of Interest - 9.96% p.a. calculated on a XIRR basis, principal repayable on maturity.	Hypothecation of book debts ,Immovable property
INE413U07079 - NCD	-	1,00,00,00,000	19-06-2018	19-10-2021	19-10-2021	Rate of Interest - 9.75% p.a. calculated on a XIRR basis, principal repayable on maturity.	Hypothecation of book debts ,Immovable property
INE413U07079 - NCD	-	50,00,00,000	03-07-2018	19-10-2021	19-10-2021	Rate of Interest - 9.87% p.a. calculated on a XIRR basis, principal repayable on maturity.	Hypothecation of book debts ,Immovable property
INE413U07079 - NCD	-	25,00,00,000	10-07-2018	19-10-2021	19-10-2021	Rate of Interest - 9.93% p.a. calculated on a XIRR basis, principal repayable on maturity.	Hypothecation of book debts ,Immovable property
INE413U07053 - NCD	-	-	28-09-2017	28-12-2017	28-09-2020	Rate of Interest - 11.08% p.a. calculated on a XIRR basis, principal repayable in 12 Quarterly instalments of Rs 1,66,66,667/-	Hypothecation of book debts
INE413U07061 - NCD	-	-	24-05-2018	22-05-2020	22-05-2020	Rate of Interest - 10.80% p.a. , principal repayable on maturity.	Hypothecation of book debts ,Immovable property
INE413U07103 - Bank of India - NCD	25,00,00,000	25,00,00,000	18-06-2020	05-06-2023	05-06-2023	Rate of Interest - 11.50% p.a. principal repayable on maturity.	Hypothecation of book debts.
INE413U07103 - Bank of Maharashtra - NCD	15,00,00,000	15,00,00,000	05-06-2020	05-06-2023	05-06-2023	Rate of Interest - 11.50% p.a. principal repayable on maturity.	Hypothecation of book debts.
INE413U07137 - Bank of Maharashtra - NCD	-	50,00,00,000	11-08-2020	11-02-2022	11-02-2022	Rate of Interest - 10.00% p.a. principal repayable on maturity.	Hypothecation of book debts.
INE413U07103 - Canara Bank - NCD	20,00,00,000	20,00,00,000	05-06-2020	05-06-2023	05-06-2023	Rate of Interest - 11.50% p.a. principal repayable on maturity.	Hypothecation of book debts.
INE413U07178 - NCD	59,00,00,000	59,00,00,000	30-03-2021	30-04-2024	30-04-2024	Rate of Interest - 9% p.a. principal repayable on maturity.	Hypothecation of book debts.
INE413U07178 - NCD	74,80,00,000	-	30-03-2021	30-04-2024	30-04-2024	Rate of Interest - 9% p.a. principal repayable on maturity.	Hypothecation of book debts.
INE413U07129 - Indian Bank - NCD	25,00,00,000	25,00,00,000	10-07-2020	10-07-2023	10-07-2023	Rate of Interest - 11.50% p.a. principal repayable on maturity.	Hypothecation of book debts.
INE413U07160 - Northern Arc - NCD	50,00,00,000	1,00,00,00,000	18-03-2021	18-03-2023	18-03-2023	Rate of Interest - 10.50% p.a. principal repayable on maturity.	Hypothecation of book debts.
INE413U07137 - Punjab National Bank - NCD	-	25,00,00,000	11-08-2020	11-02-2022	11-02-2022	Rate of Interest - 10% p.a. principal repayable on maturity.	Hypothecation of book debts.
INE413U07111 - State Bank of India - NCD	1,00,00,00,000	1,00,00,00,000	26-06-2020	21-04-2023	21-04-2023	Rate of Interest - 11.50% p.a. principal repayable on maturity.	Hypothecation of book debts.
INE413U07145 - UNIFI-AIF - NCD	15,00,00,000	15,00,00,000	02-03-2021	02-06-2022	02-06-2022	Rate of Interest - 10.20% p.a. principal repayable on maturity.	Hypothecation of book debts.
INE413U07152 - UNIFI-AIF - NCD	15,00,00,000	15,00,00,000	02-03-2021	02-01-2023	02-01-2023	Rate of Interest - 10.20% p.a. principal repayable on maturity.	Hypothecation of book debts.
INE413U07111 - Union Bank of India - NCD	15,00,00,000	15,00,00,000	26-06-2020	21-04-2023	21-04-2023	Rate of Interest - 11.50% p.a. principal repayable on maturity.	Hypothecation of book debts.
INE413U07137 - Union Bank of India - NCD	-	25,00,00,000	11-08-2020	11-02-2022	11-02-2022	Rate of Interest - 10% p.a. principal repayable on maturity.	Hypothecation of book debts.
INE413U07194 - NCD	50,00,00,000	-	26-10-2021	26-12-2022	26-12-2022	Rate of Interest - 7.75% p.a. principal repayable on maturity.	Hypothecation of book debts.
Total	4,68,80,00,000	7,94,00,00,000					



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Notes forming part of Financial Statements for the year ended March 31, 2022

Note 17. Borrowings

(Amount in ₹)

Particulars	As at March 31, 2022		As at March 31, 2021	
	At Amortised Cost	Total	At Amortised Cost	Total
(a) Term Loans				
(i) From Banks	34,76,23,36,631	34,76,23,36,631	17,71,61,97,898	17,71,61,97,898
(ii) From Other Parties	11,32,43,64,748	11,32,43,64,748	7,45,84,10,812	7,45,84,10,812
Unamortised Processing Fees	(24,68,99,902)	(24,68,99,902)	(8,23,83,093)	(8,23,83,093)
Interest Accrued on Borrowings	16,39,43,294	16,39,43,294	12,83,01,514	12,83,01,514
	46,00,37,44,771	46,00,37,44,771	25,22,05,27,132	25,22,05,27,132
(b) Other Loans (specify nature)				
Cash Credit / Overdraft Facilities	2,99,14,757	2,99,14,757	32,05,91,239	32,05,91,239
Total	46,03,36,59,529	46,03,36,59,529	25,54,11,18,371	25,54,11,18,371
Borrowings in India	46,03,36,59,529	46,03,36,59,529	25,54,11,18,371	25,54,11,18,371
Borrowings outside India	-	-	-	-
Total	46,03,36,59,529	46,03,36,59,529	25,54,11,18,371	25,54,11,18,371

17.1 Security on Term Loans from Banks and Others

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Deposits with Banks & Others	1,70,66,66,558	1,07,69,09,593
(b) Deposits with NBFCs	68,80,76,352	37,28,55,079
Total	2,39,47,42,910	1,44,97,64,672

17.2 The funds received through above borrowings have been utilised for the purpose, it is generated.

17.3 All the charges against the receivable has been registered with the ROC and there are no charges which are to be registered as on March 31, 2022.

17.4 During the year, the Company has submitted quarterly statement of book debts with all the lenders and the value of book debts statement submitted is as per the books of accounts.



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

17.5 Loan from Banks

Particulars	March 31, 2022	March 31, 2021	Loan taken	Repayment start date	Maturity date	Terms of repayment	Security Offered
Axis Bank Limited	-	12,50,00,000	24-10-2019	24-01-2020	24-10-2021	Rate of Interest 3M MCLR+2.55% spread loan repayable in 8 quarterly installments of Rs 3,12,50,000/-	Hypothecation of book debts and cash collateral
Axis Bank Limited	-	12,50,00,000	11-03-2020	11-06-2020	11-03-2022	Rate of Interest 3M MCLR+2.65% spread, loan repayable in 8 quarterly installments of Rs 3,12,50,000/-	Hypothecation of book debts and cash collateral
Axis Bank Limited	6,81,81,820	12,50,00,000	11-03-2021	09-06-2021	09-03-2023	Rate of Interest 3M MCLR+2.95% spread loan repayable in 22 monthly installments of Rs 56,81,818/-	Hypothecation of book debts and cash collateral
Axis Bank Limited	20,45,45,450	37,50,00,000	11-03-2021	09-06-2021	09-03-2023	Rate of Interest 3M MCLR+2.95% spread loan repayable in 22 monthly installments of Rs 1,70,45,454/-	Hypothecation of book debts and cash collateral
Axis Bank Limited	1,43,18,18,182	-	09-12-2021	09-02-2022	09-11-2023	Rate of Interest 1Y MCLR+ 2.45% Spread, loan repayable in 22 monthly installments of Rs. 6,81,81,818.18	Hypothecation of book debts and cash collateral
Bandhan Bank Limited	-	57,14,28,571	28-02-2020	28-08-2020	28-02-2022	Rate of Interest 11.30% , loan repayable in 7 quarterly installments of Rs 14,28,57,143/-	Hypothecation of book debts
Bandhan Bank Limited	71,42,27,143	1,00,00,00,000	26-03-2021	01-10-2021	25-03-2023	Rate of Interest 11%, loan repayable in 7 quarterly installments of Rs 14,28,57,143/-	Hypothecation of book debts
Bandhan Bank Limited	1,00,00,00,000	-	22-12-2021	01-07-2022	22-12-2023	Rate of Interest 9.50%, loan repayable in 7 quarterly installments of Rs 14,28,57,142.86/-	Hypothecation of book debts.
Bandhan Bank Limited	1,00,00,00,000	-	18-02-2022	01-09-2022	18-02-2024	Rate of Interest 9.50%, loan repayable in 7 Quarterly installments of Rs 14,28,57,142.86/-	Hypothecation of book debts.
Bank of Baroda	41,66,66,672	-	24-09-2021	31-10-2021	30-09-2024	Rate of Interest 7.35% (1Y MCLR)+ 1.00% Spread, loan repayable in 36 monthly installments of Rs. 1,38,88,888/-	Hypothecation of book debts.
Bank of Maharashtra	14,34,897	2,64,28,412	28-03-2018	30-04-2018	31-03-2022	Rate of Interest 1Y MCLR+0.25%+0.95% spread, loan repayable in 47 monthly installments of Rs 20,84,000/- & last instalment of Rs 20,52,000/-	Hypothecation of book debts and cash collateral
Bank of Maharashtra	1,36,36,35,371	-	28-09-2021	01-03-2022	01-09-2024	Rate of Interest 1Y MCLR+ 2.00% Spread, loan repayable in 10 quarterly installments of Rs. 1,36,36,36,37/- and last installment of Rs. 1,36,36,36,30/-	Hypothecation of book debts.
Capital Small Finance Bank Limited	10,39,75,899	15,00,00,000	31-03-2021	01-05-2021	21-03-2024	Rate of Interest 11%, loan repayable in 35 monthly installments of Rs 48,85,983/- & last instalment of Rs 49,41,161/-	Hypothecation of book debts.
Canara Bank	2,72,72,72,727	-	22-09-2021	22-03-2022	22-09-2024	Rate of Interest 1Y MCLR, loan repayable in 11 quarterly installments of Rs. 27,27,27,273/- and last installment of Rs. 27,27,27,270/-	Hypothecation of book debts and cash collateral
Catholic Syrian Bank Limited	36,34,65,336	49,99,96,949	29-01-2021	29-07-2021	29-01-2024	Rate of Interest 1Y MCLR, loan repayable in 11 quarterly installments of Rs 4,54,54,550/-	Hypothecation of book debts.
DBS Bank Limited	57,95,45,455	-	31-08-2021	25-11-2021	01-09-2023	Rate of Interest 9.50%, loan repayable in 22 Monthly installments of Rs 3,40,90,909.09/-	Hypothecation of book debts and cash collateral
Development Credit Bank	17,49,47,193	-	28-09-2021	04-01-2022	04-12-2023	Rate of Interest 3M MCLR + 0.00% spread, loan repayable in 24 monthly installments of Rs 83,33,333.33/-	Hypothecation of book debts and cash collateral
Dhanalakshmi Bank Limited	10,31,15,731	21,56,25,000	21-03-2020	21-06-2020	21-02-2023	Rate of Interest 1Y MCLR+1.30% spread, loan repayable in 32 monthly installments of Rs 93,75,000/-	Hypothecation of book debts and cash collateral
Dhanalakshmi Bank Limited	18,17,99,197	25,00,00,000	12-03-2021	12-07-2021	12-03-2024	Rate of Interest 1Y MCLR+ 1.20% spread, loan repayable in 32 monthly Installments of Rs. 1,06,06,061/- and last installment of Rs. 1,06,06,048/-	Hypothecation of book debts and cash collateral
Dhanalakshmi Bank Limited	31,81,81,817	-	29-09-2021	29-01-2022	29-09-2024	Rate of Interest 1Y MCLR+0.00% spread, loan repayable in 24 monthly installments of Rs 83,33,333.33/-	Hypothecation of book debts.
Federal Bank	17,49,88,330	-	30-12-2021	29-01-2022	29-12-2023	Rate of Interest 9.00%, loan repayable in 24 monthly installments of Rs 3,12,50,000/-	Hypothecation of book debts.
HDFC Bank Limited	71,87,50,000	-	25-02-2022	25-03-2022	25-02-2024		Hypothecation of book debts.



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The Hongkong and Shanghai Banking Corporation Limited	34,28,57,143	60,00,00,000	19-03-2021	19-07-2021	19-03-2023	Rate of Interest 1Y MCLR+2.60% spread, loan repayable in 21 monthly instalments of Rs 2,85,71,428/-	Hypothecation of book debts.
The Hongkong and Shanghai Banking Corporation Limited	60,00,00,000	-	23-03-2022	23-04-2022	23-03-2024	Rate of Interest 1Y MCLR+ 2.35% spread, loan repayable in 24 monthly instalments of Rs. 2,50,00,00,000/-	Hypothecation of book debts.
The Hongkong and Shanghai Banking Corporation Limited	40,00,00,000	-	15-03-2022	16-04-2022	15-03-2024	Rate of Interest 1Y MCLR+ 2.35% spread, loan repayable in 24 monthly instalments of Rs. 1,66,66,666.67/-	Hypothecation of book debts.
ICICI Bank Limited	-	50,00,00,000	29-02-2020	10-05-2020	10-03-2022	Rate of Interest 1Y MCLR+2.55% spread, loan repayable in 22 monthly instalments of Rs 4,54,54,545/-	Hypothecation of book debts and cash collateral
ICICI Bank Limited	3,40,90,909	11,59,09,091	31-08-2020	10-11-2020	10-08-2022	Rate of Interest 1Y MCLR+2.55% spread, loan repayable in 22 monthly instalments of Rs 68,18,181/-	Hypothecation of book debts and cash collateral
ICICI Bank Limited	3,18,18,182	8,63,63,636	29-10-2020	10-01-2021	10-10-2022	Rate of Interest 1Y MCLR+2.55% spread, loan repayable in 22 monthly instalments of Rs 45,45,454/-	Hypothecation of book debts and cash collateral
ICICI Bank Limited	10,23,52,941	29,00,00,000	31-03-2021	10-05-2021	10-09-2022	Rate of Interest 1Y MCLR+2.45% spread, loan repayable in 17 monthly instalments of Rs 1,70,58,823/-	Hypothecation of book debts and cash collateral
ICICI Bank Limited	6,11,76,471	-	28-05-2021	10-07-2021	10-11-2022	Rate of Interest 1Y MCLR+2.45% spread, loan repayable in 17 monthly instalments of Rs -76,47,058.83/-	Hypothecation of book debts and cash collateral
ICICI Bank Limited	25,23,52,941	-	26-10-2021	10-12-2021	10-04-2023	Rate of Interest 1Y MCLR+ 2.45% spread , loan repayable in 17 monthly instalments of Rs. 1,94,11,764.71/-	Hypothecation of book debts and cash collateral
ICICI Bank Limited	97,64,70,588	-	31-07-2021	10-09-2021	10-01-2023	Rate of Interest 1Y MCLR+ 2.45% spread , loan repayable in 17 monthly instalments of Rs. 9,76,47,058.83/-	Hypothecation of book debts and cash collateral
ICICI Bank Limited	5,17,64,706	-	31-08-2021	10-10-2021	10-02-2023	Rate of Interest 1Y MCLR+ 2.45% spread , loan repayable in 17 monthly instalments of Rs. 47,05,882.36/-	Hypothecation of book debts and cash collateral
ICICI Bank Limited	16,47,05,882	-	30-11-2021	10-01-2022	10-05-2023	Rate of Interest 1Y MCLR+ 2.45% spread , loan repayable in 17 monthly instalments of Rs. 1,17,64,705.89/-	Hypothecation of book debts and cash collateral
ICICI Bank Limited	19,41,17,647	-	29-12-2021	10-02-2022	10-06-2023	Rate of Interest 1Y MCLR+ 2.45% spread , loan repayable in 17 monthly instalments of Rs. 1,29,41,176.48/-	Hypothecation of book debts and cash collateral
ICICI Bank Limited	44,00,00,000	-	23-02-2022	10-04-2022	10-08-2023	Rate of Interest 1Y MCLR+ 2.45% spread , loan repayable in 17 monthly instalments of Rs. 2,58,82,352.95/-	Hypothecation of book debts and cash collateral
ICICI Bank Limited	69,00,00,000	-	31-03-2022	10-06-2022	10-03-2024	Rate of Interest 1Y MCLR+ 2.45% spread , loan repayable in 22 monthly instalments of Rs. 3,13,63,636.37/-	Hypothecation of book debts and cash collateral
IDBI Bank Limited	91,66,66,666	-	30-10-2021	01-02-2022	29-10-2023	Rate of Interest 1Y MCLR+ 1.15% spread, loan repayable in 24 monthly instalments of Rs. 4,16,66,667/-	Hypothecation of book debts and cash collateral
IDBI Bank Limited	75,00,00,000	-	24-03-2022	01-07-2022	30-06-2024	Rate of Interest 1Y MCLR+ 2.25% spread, loan repayable in 24 monthly instalments of Rs.3,12,50,000/-	Hypothecation of book debts and cash collateral
IDFC First Bank Limited	-	15,76,76,055	26-02-2019	31-03-2019	28-02-2021	Rate of Interest 11.50%, loan repayable in 24 monthly instalments of Rs 6,25,00,000	Hypothecation of book debts.
IDFC First Bank Limited	36,24,99,994	1,08,74,99,998	28-09-2020	31-10-2020	28-09-2022	Rate of Interest 11%, loan repayable in 24 monthly instalments of Rs 6,04,16,667/-	Hypothecation of book debts.
IDFC First Bank Limited	49,99,99,996	1,00,00,00,000	18-03-2021	30-04-2021	18-03-2023	Rate of Interest 10.25%, loan repayable in 24 monthly instalments of Rs 4,16,66,667/-	Hypothecation of book debts.
IDFC First Bank Limited	87,50,00,000	-	31-12-2021	31-01-2022	31-12-2023	Rate of Interest 9.50%, loan repayable in 24 monthly instalments of Rs. 4,16,66,667/-	Hypothecation of book debts.
Indian Bank	-	8,32,33,196	26-10-2018	01-04-2019	31-12-2021	Rate of Interest 1Y MCLR+1.90% spread, loan repayable in 12 quarterly instalments of Rs 2,08,33,333/-	Hypothecation of book debts and cash collateral
Indian Bank	-	8,32,33,196	28-12-2018	01-04-2019	28-02-2021	Rate of Interest 1Y MCLR+1.90% spread, loan repayable in 12 quarterly instalments of Rs 2,08,33,333/-	Hypothecation of book debts and cash collateral
Indian Bank	16,63,33,374	33,32,70,743	18-12-2019	18-06-2020	18-03-2023	Rate of Interest 1Y MCLR+2.65% spread, loan repayable in 12 quarterly instalments of Rs 4,16,66,667/-	Hypothecation of book debts and cash collateral



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Indian Bank	20,79,81,173	37,49,66,334	19-03-2020	18-06-2020	18-03-2023	Rate of Interest 1Y MCLR+2.65% spread, loan repayable in 12 quarterly installments of Rs 4,16,66,667/-	Hypothecation of book debts and cash collateral
Indian Bank	24,98,44,999	41,66,66,667	04-06-2020	04-01-2021	04-09-2023	Rate of Interest 1Y MCLR+2.75% spread, loan repayable in 12 quarterly installments of Rs 4,16,66,667/-	Hypothecation of book debts and cash collateral
Indian Bank	99,99,98,805	-	17-03-2022	17-09-2022	17-03-2025	Rate of Interest 1Y MCLR+ 3.00% spread, loan repayable in 11 quarterly installments of Rs. 9,09,09,090.91/-	Hypothecation of book debts and cash collateral
Indian Bank	99,99,99,840	-	30-03-2022	30-09-2022	30-03-2025	Rate of Interest 1Y MCLR+ 3.00% spread, loan repayable in 11 quarterly installments of Rs. 9,09,09,090.91/-	Hypothecation of book debts and cash collateral
Indian Overseas Bank	50,00,00,000	-	30-03-2022	31-12-2022	30-09-2025	Rate of Interest 1Y MCLR+ 1.55% spread, loan repayable in 12 quarterly installments of Rs. 4,16,66,666.67/-	Hypothecation of book debts and cash collateral
Jana Small Finance Bank Limited	4,83,94,276	50,00,00,000	15-03-2021	03-05-2021	03-04-2023	Rate of Interest 11%, loan repayable in 23 equal monthly installments of Rs 2,33,03,920/- and last instalment of Rs 2,33,87,657/-	Hypothecation of book debts
Jana Small Finance Bank Limited	40,14,02,441	-	31-07-2021	03-08-2021	03-08-2024	Rate of Interest - 10.00%, loan repayable in 36 monthly installments.	Hypothecation of book debts
Karnataka Bank Limited	49,99,94,540	-	29-09-2021	28-06-2022	28-12-2023	Rate of Interest 1Y MCLR+ 0.95% spread, loan repayable in 4 half-yearly installments of Rs. 12,50,00,000/-	Hypothecation of book debts
Kotak Mahindra Bank	43,74,96,993	-	29-12-2021	29-01-2022	29-12-2023	Rate of Interest 9.45%, loan repayable in 24 monthly installments of Rs. 2,08,33,333.33/-	Hypothecation of book debts
Lakshmi Vilas Bank Limited	-	83,35,840	28-02-2018	31-07-2018	30-04-2021	Rate of Interest -1Y MCLR + 0.15% spread, loan repayable in 12 quarterly installments of Rs 41,66,667/-	Hypothecation of book debts and cash collateral
Lakshmi Vilas Bank Limited	-	4,16,79,207	21-03-2018	30-09-2018	30-06-2021	Rate of Interest -1Year MCLR + 0.15% spread, loan repayable in 12 quarterly installments of Rs 2,08,33,333/-	Hypothecation of book debts
Oriental Bank of Commerce (Punjab National Bank)	-	8,32,08,494	24-05-2019	29-08-2019	29-04-2022	Rate of Interest 1Year MCLR+1.75% spread, loan repayable in 33 monthly installments of Rs 75,75,758/-	Hypothecation of book debts and cash collateral
Oriental Bank of Commerce (Punjab National Bank)	8,48,45,697	21,21,13,567	31-12-2019	31-03-2020	31-12-2022	Rate of Interest 1Year MCLR+2.20% spread, loan repayable in 33 monthly installments of Rs 1,06,06,061/-	Hypothecation of book debts and cash collateral
Punjab and Sindh Bank	-	1,12,00,00,000	31-03-2021	03-05-2021	03-05-2021	Rate of interest - 3.41%. Bullet Repayment	Cash Collateral
Punjab and Sindh Bank	24,99,74,773	-	08-03-2022	30-09-2022	31-03-2025	Rate of Interest 1Y MCLR+ 1.50% spread, loan repayable in 10 quarterly installments of Rs. 2,28,00,000/- and last installment of Rs. 2,20,00,000/-	Hypothecation of book debts
Ratankar Bank Limited	40,00,00,000	70,00,00,000	30-03-2021	30-07-2021	30-03-2023	Rate of Interest - 1Y MCLR + 1.35%, loan repayable in 21 monthly installments' 3,33,33,333/-	Hypothecation of book debts and cash collateral
Ratankar Bank Limited	25,00,00,000	-	24-06-2021	24-10-2021	24-06-2023	Rate of Interest 1Y MCLR+ 1.35% spread, loan repayable in 21 monthly installments of Rs. 1,66,66,666.67/-	Hypothecation of book debts and cash collateral
South Indian Bank Limited	1,99,85,094	3,99,96,000	23-03-2020	23-04-2020	23-04-2023	Rate of Interest - 12M MCLR i.e. 8.90% +2.30% spread, loan repayable in 35 monthly installment of Rs 16,67,000/- and last installment of Rs 16,55,000/-	Hypothecation of book debts and cash collateral
South Indian Bank Limited	1,26,64,856	2,59,85,165	23-03-2020	23-04-2020	23-04-2023	Rate of Interest - 12M MCLR i.e. 8.90% +2.30% spread, loan repayable in 35 monthly installments of Rs 11,11,111/- and last installment of RS 11,15,000/-	Hypothecation of book debts and cash collateral
South Indian Bank Limited	99,99,97,318	-	21-03-2022	21-04-2022	21-03-2024	Rate of Interest 1Y MCLR+ 1.35% spread, loan repayable in 23 monthly installment of Rs. 4,17,00,000/- and last installment of Rs. 4,09,00,000/-	Hypothecation of book debts
Standard Chartered Bank Limited	-	12,50,00,000	28-01-2020	28-04-2021	28-04-2021	Rate of Interest 1Y MCLR+0.90% spread, principal is bullet repayment	Hypothecation of book debts and Letter of Comfort from India Infoline Finance Limited.
Standard Chartered Bank Limited	-	25,00,00,000	20-11-2020	19-11-2021	19-11-2021	Rate of Interest 1Y MCLR+0.90% spread, principal is bullet repayment	Hypothecation of book debts and Letter of Comfort from India Infoline Finance Limited.
Standard Chartered Bank Limited	-	22,50,00,000	08-12-2020	07-12-2021	07-12-2021	Rate of Interest 1Y MCLR+0.90% spread, principal is bullet repayment	Hypothecation of book debts and Letter of Comfort from India Infoline Finance Limited.
Standard Chartered Bank Limited	-	23,75,00,000	08-02-2021	07-02-2022	07-02-2022	Rate of Interest 1Y MCLR+0.90% spread, principal is bullet repayment	Hypothecation of book debts and Letter of Comfort from India Infoline Finance Limited.



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Standard Chartered Bank Limited	-	11,25,00,000	04-03-2021	03-03-2022	03-03-2022	Rate of Interest 1Y MCLR+0.90% spread, principal in bullet repayment	Hypothecation of book debts and Letter of Comfort from India Infoline Finance Limited.
Standard Chartered Bank Limited	12,50,00,000	-	06-05-2021	06-05-2022	06-05-2022	Rate of Interest - 1Y MCLR principal repayable on maturity.	Hypothecation of book debts
Standard Chartered Bank Limited	5,87,72,000	-	29-12-2021	29-12-2022	29-12-2022	Rate of Interest - 1Y MCLR principal repayable on maturity.	Hypothecation of book debts
Standard Chartered Bank Limited	40,00,00,000	-	26-05-2021	26-05-2022	26-05-2022	Rate of Interest - 1Y MCLR principal repayable on maturity.	Hypothecation of book debts
State Bank (Mauritius) Limited	-	8,00,00,000	14-01-2020	13-04-2020	13-04-2022	Rate of Interest - 12 M MCLR (i.e. 11.25%), loan repayable in 8 quarterly installments of Rs 2,00,00,000/-	Hypothecation of book debts.
State Bank (Mauritius) Limited	7,31,25,000	17,06,25,000	03-11-2020	03-02-2021	03-11-2022	Rate of Interest 1Y MCLR, loan repayable in 8 quarterly installments of Rs 2,43,75,000/-	Hypothecation of book debts.
State Bank (Mauritius) Limited	22,50,00,000	-	28-04-2021	28-10-2021	28-07-2023	Rate of Interest 1Y MCLR loan repayable in 8 quarterly installments of Rs. 3,75,00,000/-	Hypothecation of book debts.
State Bank (Mauritius) Limited	20,00,00,000	-	30-12-2021	30-06-2022	30-03-2024	Rate of Interest 1Y MCLR loan repayable in 8 quarterly installments of Rs. 2,50,00,000/-	Hypothecation of book debts.
State Bank (Mauritius) Limited	30,00,00,000	-	24-03-2022	24-07-2022	24-04-2024	Rate of Interest 1Y MCLR loan repayable in 8 quarterly installments of Rs. 3,75,00,000/-	Hypothecation of book debts.
State Bank Of India	-	31,99,91,557	05-03-2020	20-05-2020	05-03-2023	Rate of Interest 1Y MCLR+2.10% spread, loan repayable in 32 monthly installments of Rs 1,50,00,000/- and last installment of RS 2,00,00,000 /-	Hypothecation of book debts and cash collateral.
State Bank Of India	27,99,83,111	31,99,91,557	13-03-2020	20-05-2020	05-03-2023	Rate of Interest 1Y MCLR+2.10% spread, loan repayable in 32 monthly installments of Rs 1,50,00,000/- and last installment of RS 2,00,00,000 /-	Hypothecation of book debts and cash collateral
State Bank of India	-	2,77,92,732	09-09-2018	30-11-2018	31-07-2021	Rate of Interest - 1Y MCLR+1.60% spread, loan repayable in 32 monthly installments of Rs 1,50,00,000 and last instalment of Rs 2,00,00,000 /-	Hypothecation of book debts.
State Bank Of India	1,90,00,00,000	1,50,00,00,000	28-10-2020	27-04-2021	27-09-2023	Rate of Interest 6 M MCLR+2.05% spread, loan repayable in 30 monthly installments of Rs 5,00,00,000 /-	Hypothecation of book debts and cash collateral.
State Bank Of India	-	1,50,00,00,000	21-12-2020	27-04-2021	27-09-2023	Rate of Interest 6 M MCLR+2.05% spread, loan repayable in 30 monthly installments of Rs 5,00,00,000 /-	Hypothecation of book debts and cash collateral.
State Bank Of India	3,00,00,00,000	-	11-02-2022	30-06-2022	31-01-2025	Rate of Interest 1Y MCLR+ 2.60% spread, loan repayable in 32 monthly installments of Rs. 9,37,50,000/-	Hypothecation of book debts and cash collateral.
Suryoday Small Finance Bank Limited	17,00,55,222	-	26-10-2021	05-12-2021	05-11-2023	Rate of Interest - RR+6.65% spread, loan repayable in 24 equal monthly installments.	Hypothecation of book debts.
UCO Bank	-	3,94,829	02-03-2017	26-05-2017	25-05-2021	Rate of Interest MCLR+3.15% spread, loan repayable in 45 monthly installments	Hypothecation of book debts and cash collateral.
UCO Bank	50,00,00,000	-	07-02-2022	30-06-2022	31-03-2025	Rate of Interest 1Y MCLR+ 2.15% spread, loan repayable in 12 quarterly installments of Rs. 4,16,66,666.67/-	Hypothecation of book debts and cash collateral.
Union Bank	6,24,47,437	14,57,80,770	30-09-2019	31-01-2020	31-01-2023	Rate of Interest - 1Y MCLR+1.90%+0.25% (T.P) spread loan repayable in 36 monthly installments of Rs.69,44,444 /-	Hypothecation of book debts and cash collateral.
Union Bank	-	3,53,56,524	16-11-2018	28-02-2019	31-12-2019	Rate of Interest 1Y MCLR+1.40% spread, loan repayable in 11 quarterly installments of Rs 1,81,81,818 /-	Hypothecation of book debts.
Union Bank	13,93,93,900	20,00,00,000	26-02-2021	26-05-2021	26-01-2024	Rate of Interest 1Y MCLR+1.85% spread, loan repayable in 33 monthly installments of Rs 60,60,606 /-	Hypothecation of book debts and cash collateral.



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Union Bank	45,00,00,000	-	24-03-2022	24-09-2022	31-03-2025	Rate of Interest 1Y MCLR+ 1.90% spread, loan repayable in 10 quarterly installments of Rs. 4,09,00,000/- and last installment of Rs. 4,10,00,000/-	Hypothecation of book debts.
Utkarsh Small Finance Bank	23,75,00,000	-	29-10-2021	29-11-2021	25-10-2023	Rate of Interest (364 Treasury bill) + 6.30% spread, loan repayable in 24 monthly installments of Rs. 1,25,00,000/-	Hypothecation of book debts and cash collateral.
Woori Bank	-	10,00,00,000	19-07-2019	19-10-2019	19-07-2021	Rate of Interest 1Y MCLR+2.35% spread, loan repayable in 8 quarterly installments of Rs 5,00,00,000/-	Hypothecation of book debts and cash collateral.
Woori Bank	-	1,66,66,666	19-06-2018	30-09-2018	30-06-2021	Rate of Interest 1Y MCLR+0.90% spread, loan repayable in 12 quarterly installments of Rs 1,66,66,667/-	Hypothecation of book debts and cash collateral.
Woori Bank	11,42,85,714	34,28,57,143	29-09-2020	26-03-2021	29-09-2022	Rate of Interest 1Y MCLR+1.65% spread, loan repayable in 7 quarterly installments of Rs 5,71,42,857/-	Hypothecation of book debts and cash collateral.
Woori Bank	33,04,34,783	-	24-12-2021	31-01-2021	30-11-2023	Rate of Interest 1Y MCLR+ 1.10% Spread, loan repayable in 23 Monthly Installments of Rs. 1,65,21,739.13/-	Hypothecation of book debts and cash collateral.
YES Bank Limited	-	5,00,00,000	29-03-2019	29-04-2019	29-03-2021	Rate of Interest 1Y MCLR+1.3% spread, loan repayable in 24 monthly installments of Rs 1,66,66,667/-	Hypothecation of book debts and cash collateral and Letter of Comfort from India Infoline Finance Limited.
YES Bank Limited	-	3,43,75,000	21-05-2019	21-06-2019	21-05-2021	Rate of Interest 1Y MCLR+1.3% spread, loan repayable in 24 monthly installments of Rs 68,75,000/-	Hypothecation of book debts and cash collateral and Letter of Comfort from India Infoline Finance Limited.
YES Bank Limited	-	2,37,50,000	28-06-2019	28-07-2019	28-06-2021	Rate of Interest 1Y MCLR+1.3% spread, loan repayable in 24 monthly installments of Rs 39,58,333/-	Hypothecation of book debts and cash collateral and Letter of Comfort from India Infoline Finance Limited.
YES Bank Limited	27,50,00,000	57,50,00,000	01-02-2021	01-03-2021	01-02-2023	Rate of Interest 1Y MCLR+1.9% spread, loan repayable in 24 monthly installments of Rs 2,50,00,000/-	Hypothecation of book debts and cash collateral.
Total	34,76,23,36,631	17,71,61,97,898					



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17.6 Loan from others

Particulars	March 31, 2022	March 31, 2021	Start date	Repayment date	Maturity date	Terms of repayment	Security Offered
Aditya Birla Finance Limited	3,33,33,340	10,00,00,000	31-03-2021	01-05-2021	01-10-2022	Rate of Interest - LTRR(-6.85%), loan repayable in 18 Monthly instalments of Rs 55,55,555.56	Hypothecation of book debts.
Aditya Birla Finance Limited	26,00,00,000	-	30-03-2022	01-05-2022	01-04-2024	Rate of Interest - LTRR(-7.85%), loan repayable in 24 Monthly instalments of Rs 1,08,33,333.33	Hypothecation of book debts.
Bajaj Finance Limited	-	9,37,49,494	30-12-2019	30-12-2019	30-12-2021	Rate of Interest - HDFC 1Year MCLR +2.50%, loan repayable in 24 equal monthly instalments of Rs 1,04,16,666.67	Hypothecation of book debts and cash collateral.
Bajaj Finance Limited	25,00,00,000	-	28-10-2021	02-12-2021	28-10-2023	HDFC's 1Y MCLR+ 2.05% , loan repayable in 24 Monthly instalments of Rs 1,25,00,000/-	Hypothecation of book debts.
Hero Fin Corp Limited	-	4,08,34,611	16-04-2019	03-03-2019	03-05-2021	Rate of Interest - Herofinacorp PLR(-0.85%)spread loan repayable in 21 equated monthly instalment of Rs 1,32,75,146	Hypothecation of book debts
Hero Fin Corp Limited	23,06,767	13,06,19,869	13-02-2020	03-07-2020	03-05-2022	Rate of Interest - Herofinacorp PLR(-1.40%)spread loan repayable in 21 equated monthly instalment of Rs.1,05,68,961	Hypothecation of book debts
Finance Private Limited	33,33,20,000	50,00,00,000	26-03-2021	26-06-2021	26-03-2024	Rate of Interest - 11%, loan repayable in 12 Quarterly instalments of Rs 4,16,66,666.67	Hypothecation of book debts
MAS Financial Services Ltd.	12,50,00,012	-	01-07-2021	23-07-2021	01-07-2023	Rate of Interest - PLR (-4.75%) , loan repayable in 24 Monthly instalments of Rs 83,33,332/-	Hypothecation of book debts
MAS Financial Services Ltd.	13,12,50,000	-	31-12-2021	23-01-2022	25-12-2023	Rate of Interest - PLR (-4.75%) , loan repayable in 24 Monthly instalments of Rs 62,50,000	Hypothecation of book debts
Nabkisan Finance Limited	5,96,82,681	14,00,00,000	19-09-2019	01-02-2020	01-08-2022	Rate of Interest - 12.00%, loan repayable in 11 Quarterly instalments of Rs 2,00,00,000	Hypothecation of book debts
Nabkisan Finance Limited	13,33,33,333	20,00,00,000	01-03-2021	01-06-2021	01-03-2024	Rate of Interest - 10.40%, loan repayable in 12 Quarterly instalments of Rs 1,66,66,666.67	Hypothecation of book debts
Nabkisan Finance Limited	25,00,00,000	-	25-02-2022	01-05-2022	01-02-2025	Rate of Interest - 9.90%, loan repayable in 12 Quarterly instalments of Rs 2,08,33,333.33	Hypothecation of book debts
Nabsamrudhi Finance Limited	-	7,49,84,589	31-10-2019	31-01-2020	31-10-2021	Rate of Interest - 11.25%, loan repayable in 8 Quarterly instalments of Rs 2,50,00,000	Hypothecation of book debts
Nabsamrudhi Finance Limited	10,12,82,215	14,64,70,797	09-02-2021	31-03-2021	29-02-2024	Rate of Interest - 10.65%, loan repayable in 36 Monthly instalments of Rs 55,55,555.56	Hypothecation of book debts
Northern Arc	50,00,00,000	-	21-03-2024	25-04-2022	25-03-2024	Rate of Interest - 7.35% (3M FBLR) , loan repayable in 24 Monthly instalments.	Hypothecation of book debts
Northern Arc	50,00,00,000	-	25-03-2024	25-04-2022	25-03-2024	Rate of Interest - 7.35% (3M FBLR) , loan repayable in 24 Monthly instalments.	Hypothecation of book debts
NABARD	75,00,00,000	1,05,00,00,000	31-10-2019	31-01-2020	31-01-2025	Rate of Interest - 11.50%, loan repayable in 10 Half instalments of Rs 15,00,00,000	Hypothecation of book debts
NABARD	32,50,00,000	97,50,00,000	08-06-2020	30-04-2021	30-04-2022	Rate of Interest -7% upto 30-04-2021 % 8.10% post that, loan repayable in 4 Half yearly instalments of Rs 32,50,00,000	Hypothecation of book debts and cash collateral.
NABARD	30,00,00,000	1,00,00,00,000	18-02-2021	31-01-2022	31-08-2022	Rate of Interest -7% upto 30-04-2021 % 10.85% post that, loan repayable in 1st instalments of Rs 70,00,00,000 and 2nd instalment of Rs 30,00,00,000.	Hypothecation of book debts and cash collateral.
NABARD	1,08,00,00,000	1,50,00,00,000	18-02-2021	30-06-2021	31-03-2026	Rate of Interest - 8.70%, loan repayable in 11 quarterly instalments of Rs 10,50,00,000 and 8 quarterly instalments of Rs 3,00,00,000	Hypothecation of book debts



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NABARD	1,00,00,00,000	-	11-08-2021	31-05-2022	31-01-2023	Rate of Interest - 7.05% Till 31-05-2022 post that 9.25%, loan repayable in 2 instalments of Rs 70,00,00,000 and Rs 30,00,00,000 respectively.	Hypothecation of book debts and cash collateral.
NABARD	60,00,00,000	-	17-12-2021	30-11-2022	30-06-2023	Rate of Interest - 7.10% Till 30-11-2022 post that 9.35%, loan repayable in 2 instalments of Rs 42,00,00,000 and Rs 18,00,00,000 respectively.	Hypothecation of book debts and cash collateral.
NABARD	2,00,00,00,000	-	29-03-2022	30-06-2022	31-12-2026	Rate of Interest - 9.80%, loan repayable in 5 quarterly instalments of Rs 16,00,00,000 and 6 quarterly instalments of Rs 12,00,00,000 and 8 quarterly instalments of Rs 6,00,00,000	Hypothecation of book debts
Hinduja Leyland Finance Limited	65,23,052	4,31,01,016	31-05-2019	30-06-2019	28-05-2022	Rate of Interest - 11.30% HBLR+0.45%, loan repayable in 36 equal monthly instalments of Rs 33,09,503	Hypothecation of book debts and letter of comfort from Indian Infoline Finance Limited
Hinduja Leyland Finance Limited	-	9,90,67,096	22-12-2018	27-01-2019	27-12-2021	HBLR +0.2%, loan repayable in 36 equal monthly instalments of Rs 1,15,41,602	Hypothecation of book debts and letter of comfort from Indian Infoline Finance
SIDBI	13,33,33,348	33,33,33,340	10-12-2019	10-12-2019	10-11-2022	Rate of Interest 12.00%+loan repayable in 30 Monthly instalments of Rs 1,66,66,666	Hypothecation of book debts and cash collateral
SIDBI	-	15,62,50,000	17-07-2020	10-09-2020	10-04-2021	Rate of Interest RBI Repo rate+ 2.38%, loan repayable in 8 Monthly instalments of Rs 15,62,50,000	Hypothecation of book debts and cash collateral
SIDBI	-	12,50,00,000	25-09-2020	10-11-2020	10-04-2021	Rate of Interest RBI Repo rate+ 2.38%+loan repayable in 6 Monthly instalments of Rs 12,50,00,000	Hypothecation of book debts and cash collateral
SIDBI	60,00,00,000	75,00,00,000	31-03-2021	10-10-2021	10-03-2024	Rate of Interest 10.50%+loan repayable in 30 Monthly instalments of Rs 2,50,00,000	Hypothecation of book debts and cash collateral
SIDBI	35,00,00,000	-	12-11-2021	10-01-2022	10-10-2022	Rate of Interest 6%+loan repayable in 10 Monthly instalments of Rs 5,00,00,000	Hypothecation of book debts
SIDBI	1,50,00,00,000	-	12-11-2021	10-05-2022	10-10-2024	Rate of Interest 9.50 %+loan repayable in 30 Monthly instalments of Rs 5,00,00,000	Hypothecation of book debts and cash collateral
Total	11,32,43,64,748	7,45,84,10,812					



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Note 18. Subordinated Liabilities:

Particulars	As at March 31, 2022		As at March 31, 2021	
	At Amortised Cost	Total	At Amortised Cost	Total
Unsecured Non convertible debentures	1,05,00,00,000	1,05,00,00,000	1,05,00,00,000	1,05,00,00,000
Less : Derivative Financial Liability	(4,31,60,885)	(4,31,60,885)	(4,31,60,885)	(4,31,60,885)
Less : Debenture Issue Expenses	(72,39,115)	(72,39,115)	(1,07,62,318)	(1,07,62,318)
Interest Accrued on Subordinated Liabilities	40,76,04,341	40,76,04,341	28,24,85,913	28,24,85,913
Total	1,40,72,04,341	1,40,72,04,341	1,27,85,62,710	1,27,85,62,710
Subordinated Liabilities in India	1,40,72,04,341	1,40,72,04,341	1,27,85,62,710	1,27,85,62,710
Subordinated Liabilities outside India	-	-	-	-
Total	1,40,72,04,341	1,40,72,04,341	1,27,85,62,710	1,27,85,62,710

18.1 Unsecured Non convertible Debentures includes debentures amounting to Rs.11,00,00,000 /- P.Y. (Rs.11,00,00,000 /-) in respect of which the company is having a call option at the end of the 5th year from 20-07-2018.

18.2 The funds received through above borrowings have been utilised for the purpose, it is generated.

18.3 All the charges against the receivable has been registered with the ROC and there are no charges which are to be registered as on March 31, 2022.



HFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

18.4 Loan from Other Parties- Unsecured NCD

Particulars	March 31, 2022	March 31, 2021	Borrowing Date	Maturity date	Terms of repayment	Security Offered
INE413U08010 - NCD	5,00,00,000	5,00,00,000	29-06-2016	30-06-2022	Rate of Interest - 16.90% , principal repayable on maturity.	Nil
INE413U08036 - NCD*	21,85,00,000	21,85,00,000	20-07-2018	19-04-2024	Rate of Interest - 10.24% p.a. calculated on a XIRR basis, principal repayable on maturity.	Nil
INE413U08036 - NCD*	67,15,00,000	67,15,00,000	20-07-2018	19-04-2024	Rate of Interest - 10.15% p.a. calculated on a XIRR basis, principal repayable on maturity.	Nil
INE413U08028 - NCD*	11,00,00,000	11,00,00,000	20-07-2018	19-04-2024	Rate of Interest - 9.05% p.a. calculated on a XIRR basis, principal repayable on maturity.	Nil
Total	1,05,00,00,000	1,05,00,00,000				

* Represents Market Linked Debenture invested by various Parties



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 19. Lease Liability

(Amount in ₹)

Particulars	As at March 31, 2022	As at March 31, 2021
Lease Liability	7,41,82,995	6,17,65,249
Total	7,41,82,995	6,17,65,249

Note 20. Other Financial Liabilities

(Amount in ₹)

Particulars	As at March 31, 2022	As at March 31, 2021
Interest accrued but not due	-	-
Employee payables	5,15,31,464	5,40,44,436
Payable to assignee	79,39,24,876	1,49,67,05,940
Money held under trust	21,97,580	21,78,944
Payable / Refundable to Borrowers	6,59,30,272	1,90,05,517
Insurance payable	-	2,76,24,892
Total	91,35,84,192	1,59,95,59,729

Note 21. Current tax liabilities (net)

(Amount in ₹)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Taxation	80,49,81,269	63,59,92,803
Advance Tax	(70,70,39,690)	(59,56,90,504)
TDS Receivable	(4,28,25,567)	(2,87,20,344)
Total	5,51,16,012	1,15,81,955

Note 22. Provisions:

(Amount in ₹)

Particulars	As at March 31, 2022	As at March 31, 2021
Leave encashment	3,71,18,078	2,38,35,376
Gratuity	4,74,67,610	3,05,01,017
Total	8,45,85,688	5,43,36,393

Note 23. Other Non Financial Liabilities:

(Amount in ₹)

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory Dues Payable	5,57,55,501	3,78,79,578
Total	5,57,55,501	3,78,79,578



IFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 24. Equity Share Capital

Equity Share Capital:

(a) The Authorised, Issued, Subscribed and fully paid up share capital comprises of equity shares having a par value of ₹ 10/- as follows:

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount in ₹	No. of shares	Amount in ₹
Authorised Share Capital				
(a) Equity Shares of ₹10 each	59,80,00,000	5,98,00,00,000	39,80,00,000	3,98,00,00,000
(b) Preference Shares of ₹10 each (Out of 20,00,000 shares 1,45,000 are Redeemable Non Convertible Preference Shares of ₹10 each)	20,00,000	2,00,00,000	20,00,000	2,00,00,000
Issued, Subscribed and Paid Up:				
Equity Shares of ₹10 each fully paid	49,82,23,190	4,98,22,31,900	32,08,13,336	3,20,81,33,360

(b) Reconciliation of the Equity Shares outstanding at the beginning and at the end of the reporting period.

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount in ₹	No. of shares	Amount in ₹
At the beginning of the year	32,08,13,336	3,20,81,33,360	26,42,45,140	2,64,24,51,400
Add: Issued during the year	17,74,09,854	1,77,40,98,540	5,65,68,196	56,56,81,960
Outstanding at the end of the year	49,82,23,190	4,98,22,31,900	32,08,13,336	3,20,81,33,360

(c) Terms/rights attached to equity shares:

The Company has only one class of equity shares having at face value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. However, no such preferential amount exists currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

(d) Details of Equity Shareholders holding more than 5% shares and details of shares held by the Holding Company:

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	% of holding	No. of shares	% of holding
Equity shares of ₹10 each fully paid				
IFL Finance Limited	37,07,40,413	74.41%	23,76,83,022	74.09%
IFL Home Finance Limited	12,45,55,797	25.00%	8,02,03,334	25.00%

(e) Details of Equity Shares held by promoters at the end of the year

As at 31 March 2022

Promoter Name	No. of shares at the beginning of the year	Changes during the year	No. of shares at the end of the year	% of Total shares	% change during the year
IFL Finance Limited	23,76,83,022	13,30,57,391	37,07,40,413	74.41%	55.98%
Narayanaswamy Venkatesh	13,35,840	-	13,35,840	0.27%	0.00%
Shivaprakash Deviah	3,45,000	-	3,45,000	0.07%	0.00%

As at 31 March 2021

Promoter Name	No. of shares at the beginning of the year	Changes during the year	No. of shares at the end of the year	% of Total shares	% change during the year
IFL Finance Limited	26,13,18,160	2,36,35,138	28,49,53,298	88.82%	9.04%
Narayanaswamy Venkatesh	13,35,840	-	13,35,840	0.42%	0.00%
Shivaprakash Deviah	3,45,000	-	3,45,000	0.11%	0.00%

(f) During the period of 5 years immediately preceding the Balance Sheet date, the Company had allotted equity shares by converting its Optionally Convertible Preference Shares at a Face Value of Rs. 10 and at a premium of Rs. 1.43 on January 20, 2017.

(g) The Company's capital management is intended to create value for shareholders. The assessment of Capital level and requirements are assessed having regard to long-and short term strategies of the Company and its constituent entities.



(b) Statement of changes in equity share capital

(Amount in ₹)

Particulars	Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
As at March 31, 2022	3,20,81,33,360	1,77,40,98,540	4,98,22,31,900
As at March 31, 2021	2,64,24,51,400	56,56,81,960	3,20,81,33,360

Note 25. Other Equity

(Amount in ₹)

Particulars	Attributable to the Owners					Total
	Securities Premium	Special Reserve Pursuant to Section 45 IC of Reserve Bank of India Act, 1934*	Capital Reserve	Retained Earnings	Re-measurement of Actuarial Gains and Losses	
Balance at the beginning of the 01-04-2021	1,31,68,08,944	46,72,04,977	25,01,556	1,51,22,89,261	(1,18,68,805)	3,28,69,35,933
Total Comprehensive Income for the year	-	-	-	50,60,44,363	(82,81,436)	49,77,62,927
Additions	1,22,59,01,416	10,12,09,000	-	(10,12,09,000)	-	1,22,59,01,416
Sub Total	2,54,27,10,360	56,84,13,977	25,01,556	1,91,71,24,624	(2,01,50,241)	5,01,06,00,276
Interim Dividend	-	-	-	-	-	-
Balance at the end of the 31-03-2022	2,54,27,10,360	56,84,13,977	25,01,556	1,91,71,24,624	(2,01,50,241)	5,01,06,00,276

Particulars	Attributable to the Owners					Total
	Securities Premium	Special Reserve Pursuant to Section 45 IC of Reserve Bank of India Act, 1934*	Capital Reserve	Retained Earnings	Re-measurement of Actuarial Gains and Losses	
Balance at the beginning of the 01-04-2020	98,24,90,906	33,39,57,977	25,01,556	1,13,97,11,009	(95,58,954)	2,44,91,02,494
Total Comprehensive Income for the year	-	-	-	66,62,31,919	(23,09,851)	66,39,22,068
Additions	33,43,18,038	13,32,47,000	-	(13,32,47,000)	-	33,43,18,038
Sub Total	1,31,68,08,944	46,72,04,977	25,01,556	1,67,26,95,928	(1,18,68,805)	3,44,73,42,600
Interim Dividend	-	-	-	(16,04,06,667)	-	(16,04,06,667)
Dividend Distribution Tax	-	-	-	-	-	-
Balance at the end of the 31-03-2021	1,31,68,08,944	46,72,04,977	25,01,556	1,51,22,89,261	(1,18,68,805)	3,28,69,35,933

*As per section 45-IC of the Reserve Bank of India Act, 1934, the company is required to create a reserve fund at a rate of 20% of the net profit after tax of the company every year. Considering the profit after tax for the year ended 31st March 2022, ₹ 10,12,09,000 /- (P.Y. ₹ 13,32,47,000) being 20% of the profit after taxes for the year has been transferred from the Statement of Profit and Loss to Special Reserve.

The Board of Directors have recommended a final dividend of ₹ 0.10 per equity share amounting to Rs. 4,98,22,319/- for the financial year 2021-22 on 23rd April, 2022 which is subject to the approval of shareholders in the Annual General Meeting (AGM) of the Company to be held for the financial year 2021-22.

Accompanying notes are an integral part of these financial statements
As per our attached report of even date
For Brahmaya & Co.,
Chartered Accountants
Firm No. 000515S


G. Srinivas
Partner
M. No. 086761

Place: Bengaluru
Date: 23-04-2022

For and on behalf of the Board of Directors
of IIFL Samasta Finance Limited


N. Venkatesh
Managing Director
DIN : 01018821


D. Shivaprakash
Whole-Time Director
DIN : 02216802


Anant Kumar
Chief Financial Officer


Manoranjan Biswal
Company Secretary



Place: Bengaluru
Date: 23-04-2022



HFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 26. Interest Income

(Amount in ₹)

Particulars	Year Ended March 31,2022			Year Ended March 31,2021		
	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at fair value through profit or loss	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at fair value through profit or loss
Interest on Loans	-	9,73,58,61,863	-	-	6,80,36,05,012	-
Interest on deposits with Banks	-	10,64,62,829	-	-	8,23,18,551	-
Total	-	9,84,23,24,692	-	-	6,88,59,23,563	-



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 27. Fee and Commission Income

(Amount in ₹)

Particulars	Year ended March 31 2022	Year ended March 31 2021
	On Financial Assets measured at Amortised Cost	On Financial Assets measured at Amortised Cost
Income from Referral Fee	9,82,50,226	5,66,79,333
Income from Business Correspondents	7,21,33,412	-
Commission Income	8,24,89,451	4,31,38,910
Documentation Charges	80,31,451	30,46,028
Total	26,09,04,540	10,28,64,271

Note 28. Net gain on derecognition of financial instruments under amortised cost category :

Particulars	Year ended March 31 2022	Year ended March 31 2021
Bad debts recovered	2,46,39,020	7,23,314
Total	2,46,39,020	7,23,314



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 29. Other Income

Particulars	(Amount in ₹)	
	Year Ended 31, 2022	Year Ended March 31, 2021
Interest on Income tax refund	-	12,17,574
Profit on sale of investments	7,01,55,716	3,05,96,802
Miscellaneous Income	12,51,789	6,96,026
Total	7,14,07,505	3,25,10,402



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 30. Finance Cost

(Amount in ₹)

Particulars	Year Ended March 31, 2022		Year Ended March 31, 2021	
	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost
Interest on Debt Securities	5,83,559	78,28,14,638.21	15,19,872	61,66,08,561
Interest on subordinated liabilities	29,99,083	13,36,87,957	27,50,204	12,21,89,167
Interest on Borrowings	-	2,77,59,35,734	-	1,57,29,61,381
Discount on Commercial Paper	-	1,18,50,416	-	4,13,88,750
Interest Expense on Other borrowings	-	7,55,60,657	-	8,72,76,439
Amortisation of Processing Fees	-	13,76,33,725	-	6,19,51,972
Interest on Lease Liability	-	68,11,339	-	61,60,885
Documentation Charges	-	25,75,188	-	20,93,997
Amortisation of Debenture Issue Expenses	-	2,00,16,730	-	2,95,33,142
Other Borrowing Cost	-	5,56,162	-	12,06,153
Total	35,82,642	3,94,74,42,545	42,70,076	2,54,13,70,446

Note 31. Net loss on derecognition of financial instruments under amortised cost category

(Amount in ₹)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Amortisation of Interest only strip	6,73,96,545	12,42,51,401
Bad Debts Written off	1,31,83,73,735	42,86,99,909
Total	1,38,57,70,281	55,29,51,309

Note 32. Impairment On Financial Instruments:-

(Amount in ₹)

Particulars	Year Ended March 31, 2022		Year Ended March 31, 2021	
	On Financial instruments measured at fair value through OCI	On Financial instruments measured at Amortised Cost	On Financial instruments measured at fair value through OCI	On Financial instruments measured at Amortised Cost
Loans - Expected Credit Loss	-	98,72,54,224	-	85,29,14,313
Total	-	98,72,54,224	-	85,29,14,313



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 33. Employee Benefit Expenses

(Amount in ₹)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Salaries and bonus	2,06,99,91,345	1,38,58,20,443
Contribution to provident and other funds	18,27,87,449	12,05,75,193
Leave Encashment	3,94,42,128	2,24,29,864
Gratuity	1,51,11,968	1,49,96,527
Staff Welfare Expenses	5,91,70,077	3,15,32,841
Total	2,36,65,02,967	1,57,53,54,868

Note 34. Other Expenses

(Amount in ₹)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Rent Expenses	12,78,26,690	9,42,87,858
Rates and Taxes	73,55,672	50,00,768
Exchange and statutory Charges	-	33,69,000
Marketing Expense	2,25,922	1,99,519
Bank Charges	9,51,80,081	7,47,31,307
Repairs and maintenance	1,11,23,897	86,00,528
Electricity	1,54,53,246	1,11,64,120
Communication Costs	3,94,74,478	2,69,74,156
Printing and stationery	2,81,72,317	1,80,62,963
Postage and courier	1,53,30,831	76,17,754
Advertisement and publicity	5,23,012	2,26,173
Payment to Auditors		
(i) As Auditors	9,00,000	8,00,000
(ii) For taxation matters	-	1,00,000
(iii) For Certification Works	1,00,000	1,00,000
(iv) Out of pocket expenses	1,70,317	1,51,164
Legal and Professional charges	9,50,61,211	7,19,29,530
Software Charges/ Technology Cost	10,57,09,275	8,77,75,026
Travelling and conveyance	22,21,45,380	14,83,49,679
Miscellaneous Expenses *	7,59,18,968	5,09,62,249
Total	84,06,71,298	61,04,01,795

*Under this head, there is no expenditure which is in excess of 1% of revenue from operations or ₹10 lakhs, whichever is higher.



33.1 Gratuity Abridged Disclosure Statement as per Indian Accounting Standard - 19 "Employee Benefits" for the period 01/04/2021 - 31/03/2022

Details of defined benefit plan of gratuity are given below:

Particulars	(Amount in ₹)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
i) Changes in the Present Value of Obligation (PVO)		
PVO as at the beginning of the period	4,17,60,219	2,66,92,489
Interest Cost	21,63,179	14,54,741
Current service cost	1,35,32,016	1,24,99,395
Past service cost - (non vested benefits)	-	-
Past service cost - (vested benefits)	-	-
Liability Transferred In/ Acquisitions	-	-
Benefits paid	(6,54,772)	(6,47,079)
The Effect Of Changes in Foreign Exchange Rates	-	-
Actuarial loss/(gain) on obligation -Due to Change in Demographic Assumptions	39,854	(40,50,563)
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	-65,97,578	34,20,437
Actuarial (Gains)/Losses on Obligations - Due to Experience	1,64,72,360	23,90,799
PVO as at the end of the year	6,67,15,288	4,17,60,219

ii) Changes in the Fair Value of Plan Assets

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
Fair value of plan assets as at the beginning of the period	1,12,59,202	1,05,56,969
Interest Income	5,83,227	5,75,355
Contributions by the Employer	92,12,079	21,00,000
Benefits paid from the Fund	(6,54,772)	(6,47,079)
Return on Plan Assets, Excluding Interest Income	(11,52,058)	(13,26,043)
Fair value of plan assets as at the end of the period	1,92,47,678	1,12,59,202
iii) Amount recognized in the Balance Sheet and Related Analysis		
Present Value of Benefit Obligation at the end of the Period	(6,67,15,288)	(4,17,60,219)
Fair Value of Plan Assets at the end of the Period	1,92,47,678	1,12,59,202
Funded Status - Deficit	(4,74,67,610)	(3,05,01,017)
Net Liability recognized in the balance sheet	(4,74,67,610)	(3,05,01,017)
iv) Net Interest Cost for Current Period		
Present Value of Benefit Obligation at the Beginning of the Period	4,17,60,219	2,66,92,489
Fair Value of Plan Assets at the Beginning of the Period	(1,12,59,202)	(1,05,56,969)
Net Liability at the Beginning	3,05,01,017	1,61,35,520
Interest Cost	21,63,179	14,54,741
Interest Income	(5,83,227)	(5,75,355)
Net Interest Cost for the Period	15,79,952	8,79,386
v) Expenses recognized in the Statement of Profit or Loss for Current Period		
Current service cost	1,35,32,016	1,24,99,395
Net Interest Cost	15,79,952	8,79,386
Past Service Cost	-	-
Expected Contributions by the Employees	-	-
(Gains)/Losses on Curtailments And Settlements	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
Expenses recognized in the statement of profit and loss	1,51,11,968	1,33,78,781
vi) Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period		
Actuarial (Gains)/Losses on Obligation For the Period	99,14,646	17,60,673
Return on Plan Assets, Excluding Interest Income	11,52,058	13,26,043
Change in Asset Ceiling	-	-
Net Expense For the Period Recognized in OCI	1,10,66,704	30,86,716
vii) Principal Actuarial Assumptions (Expressed as weighted averages)		
Discount Rate	5.66%	5.18%
Salary escalation rate	8.00%	8.50%
Attrition rate	For service 4 years and below: 35% p.a For service 5 years and above: 10% p.a	For service 4 years and below: 35% p.a For service 5 years and above: 10% p.a
Mortality Rate	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2006-08) Ultimate
Expected rate of return on Plan Assets	5.66%	5.18%



Sensitivity Analysis

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Projected Benefit Obligation on Current Assumptions	6,67,15,288	4,17,60,219
Delta Effect of +1% Change in Rate of Discounting	(58,75,264)	(39,93,606)
Delta Effect of -1% Change in Rate of Discounting	68,59,955	47,44,404
Delta Effect of +1% Change in Rate of Salary Increase	66,32,113	45,40,822
Delta Effect of -1% Change in Rate of Salary Increase	(57,57,856)	(39,14,268)
Delta Effect of +1% Change in Rate of Employee Turnover	(19,35,452)	(17,36,939)
Delta Effect of -1% Change in Rate of Employee Turnover	21,40,285	19,46,541

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the Defined Benefit Obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the Defined Benefit Obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Notes

Gratuity is payable as per company's scheme as detailed in the report.

Actuarial gains/losses are recognized in the period of occurrence under Other Comprehensive Income (OCI). All above reported figures of OCI are gross of taxation.

Salary escalation & attrition rate are considered as advised by the entity; they appear to be in line with the industry practice considering promotion and demand & supply of the employees.

Maturity Analysis of Benefit Payments is undiscounted cashflows considering future salary, attrition & death in respective year for members as mentioned above.

Average Expected Future Service represents Estimated Term of Post - Employment Benefit Obligation.

Defined Benefit Plan

The company's contribution to defined contribution plan via provident fund of Rs. 18,24,00,308 (FY: Rs 12,05,75,192) has been recognised in the Statement of Profit and Loss.

33.2 Leave Encashment

Particulars	FY 21-22	FY 20-21
Projected Benefit obligation	3,73,55,671	2,38,35,376
Expense recognised in the Statement of P&L	3,94,42,128	2,24,29,864
Discount rate	5.66%	5.18%
Salary Escalation rate	8.00%	8.50%
Attrition rate	For service 4 years and below: 35% p.a. For service 5 years and above: 10% p.a.	For service 4 years and below: 35% p.a. For service 5 years and above: 10% p.a.
Mortality rate During the Employment	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2006-08) Ultimate

33.3 Defined Contribution Plans:

The Company has recognised the following amounts as an expense and included in the Employee Benefit Expenses.

Particulars	FY 21-22	FY 20-21
Contribution to Provident fund	14,30,51,931	9,21,77,267
Contribution to ESIC	3,93,48,377	2,82,00,280
Contribution to Labour Welfare Fund	3,87,141	1,97,645
Total	18,27,87,449	12,05,75,192



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 35. Income taxes

Amounts recognised in profit or loss

(Amount in ₹)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Current tax expense		
Current year	36,76,90,322	43,49,98,351
Changes in estimates related to prior years	(19,47,155)	8,69,253
Deferred tax expense		
Origination and reversal of temporary differences	(28,23,37,634)	(28,05,63,971)

Amounts recognised in OCI

(Amount in ₹)

Particulars	Year Ended March 31, 2022			Year Ended March 31, 2021		
	Before tax	Tax expense	Net of tax	Before tax	Tax expense	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of defined benefit liability (asset)	(1,10,66,704)	27,85,268	(82,81,436)	(30,86,716)	7,76,865	(23,09,851)

Reconciliation of Effective Tax Rate:

(Amount in ₹)

Particulars	Year Ended March 31, 2022 (Rate)	Year Ended March 31, 2022 (Amount)	Year Ended March 31, 2022	Year Ended March 31, 2021 (Rate)	Year Ended March 31, 2021 (Amount)	Year Ended March 31, 2021
Profit before tax			58,94,49,896			82,15,35,552
Tax using the Bank's domestic tax rate	25.17%		14,83,52,750	25.17%		20,67,64,068
Tax effect of:						
Non-deductible		1,62,68,143	40,94,366		1,05,57,643	26,57,148
Tax-exempt income		-	-		-	-
Changes in the Estimates Taxes to previous year		-	(19,47,155)		-	8,69,253
Interest for deferment of advance tax		10,53,806	2,65,222		1,21,76,074	30,64,474
Deductible Income		(27,06,56,096)	(6,81,18,726)		(24,38,26,257)	(6,13,66,192)
Changes in the Deferred Tax Assets/ Liabilities		30,16,041	7,59,077		1,31,71,021	33,14,883
Total income tax expense			8,34,05,534			15,53,03,633



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 36. Capital, Other Commitments and Contingent Liabilities at Balance Sheet date:

Particulars	Year Ended March 31,2022	Year Ended March 31,2021
Contingent Liabilities and Commitments(to the extent not provided for)		
Claims against the company not acknowledged as debt*	16,953	-
Guarantee excluding finance guarantee	-	-
Other money for which a company is contingently liable	-	-
Total	16,953	-
Commitments:		
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
Other Commitments	-	-
Total	-	-

*Income Tax Demand

- 36.1 The Company has not been declared as wilful defaulter by any bank or financial institution or other lender.
- 36.2 As per the information available with us, the Company is not having any relationship with struck off Companies during the year.
- 36.3 During the year, the Company has not entered into any merger/amalgamations. Accordingly, Compliance with approved mergers is not applicable for the Company.
- 36.4 The Company does not have any undisclosed income that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961
- 36.5 During the year, the Company has not invested / traded in crypto currency or in virtual currency.



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 37. Earnings Per Share:

Basic and Diluted Earnings Per Share ["EPS"] computed in accordance with Indian Accounting Standard - 33 "Earnings per share".

Particulars		Year Ended March 31,2022	Year Ended March 31,2021
Face value of equity shares in ₹ fully paid up		4,98,22,31,900	3,20,81,33,360
BASIC			
Profit after tax as per Statement of Profit and Loss (Total operations)	A	50,60,44,363	66,62,31,919
Profit after tax (after minority)as per Statement of Profit and Loss from Continuing Operations	B	50,60,44,363	66,62,31,919
Weighted Average Number of Equity Shares Outstanding	C	41,37,40,803	27,98,98,257
Basic EPS (In ₹) (i) Total operations	A/C	1.22	2.38
(ii)Continuing operations	B/C	1.22	2.38
DILUTED			
Weighted Average Number of Equity Shares for computation of basic EPS		41,37,40,803	27,98,98,257
Add: Potential Equity Shares on Account conversion of Employees Stock Options.		-	-
Weighted Average Number of Equity shares for computation of diluted EPS	D	41,37,40,803	27,98,98,257
Diluted EPS (In ₹) (i)Total operations	A/D	1.22	2.38
(ii)Continuing operations	B/D	1.22	2.38



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 38. Related Party Disclosures as per Indian Accounting Standard – 24 “Related Party Disclosure” for the year ended March 31, 2022

(a) Name of the related parties with whom transactions have been entered during the year and description of relationship:

Nature of Relationship	Name of the Related Party
Holding Company	IIFL Finance Limited
Group company	IIFL Home Finance Limited
Others	IIFL Management Services Limited
	IIFL Investment Adviser And Trustee Services Limited
	IIFL Facilities Services Limited
	IIFL Wealth Management Limited
	IIFL Alternate Asset Advisors Limited
Key Management Personnel	IIFL Wealth Prime Limited (Erstwhile IIFL Wealth Finance Limited)
	Mr. N. Venkatesh, Managing Director
	Mr. D. Shivaprakash, Whole-time Director
	Mr. Anantha Kumar T, Chief Financial Officer
	Mr. Manoranjan Biswal, Company Secretary wef 21/07/21
Non Executive Director	Mr. Pramod Kulkarni, Company Secretary upto 21/07/21
	Mr. Shreyas D, Company Secretary upto 14/08/20
Independent Directors	Mr. Sumit Bali, Non Executive Director upto 23/06/20
	Mr. Monu Ratra, Non Executive Director wef 24/06/20
	Mr. A. Vikraman, Independent Director
	Mr. A. Ramanathan, Independent Director
	Ms. Malini B Eden, Women Director
	Mr. Badrinarayan Seshadri, Independent Director

(b) Disclosure of Transactions and Outstanding Balances with Related Parties

Nature of Transaction	(Amount in ₹)	
	FY 21-22	FY 20-21
Service Fee on Business Correspondence- Income		
IIFL Finance Limited	7,21,33,412	-
Interest Expense		
IIFL Finance Limited	7,45,06,849	6,76,97,260
IIFL Home Finance Limited	-	1,95,61,644
IIFL Facilities Services Limited	6,260	-
IIFL Wealth Prime Limited (Erstwhile IIFL Wealth Finance Limited)	1,96,65,418	-
Interest Income		
IIFL Finance Limited	-	4,36,50,000
IIFL Facilities Services Limited	-	20,13,699
Dividend Paid		
IIFL Finance Limited	-	11,88,41,511
IIFL Home Finance Limited	-	4,01,01,667
Arranger Fee Expenses		
IIFL Wealth Management Limited	67,54,853	82,78,290
Reimbursement of Expenses		
IIFL Finance Limited	65,71,715	-
Loans and Advances Received		
Inter Corporate Deposit Received from IIFL Finance Limited	5,50,00,00,000	9,48,00,00,000
Inter Corporate Deposit Repaid to IIFL Finance Limited	5,50,00,00,000	9,48,00,00,000
Inter Corporate Deposit Received from IIFL Home Finance Limited	-	1,00,00,00,000
Inter Corporate Deposit Repaid to IIFL Home Finance Limited	-	1,00,00,00,000



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

Loans and Advances Given		
Inter Corporate Deposit Given to IIFL Finance Limited	-	3,45,00,00,000
Inter Corporate Deposit Repaid by IIFL Finance Limited	-	3,95,00,00,000
Inter Corporate Deposit Given to IIFL Facilities Services Limited	-	1,00,00,00,000
Inter Corporate Deposit Repaid by IIFL Facilities Services Limited	-	1,00,00,00,000
Share Capital and Securities Premium		
Equity Share Capital Received		
IIFL Finance Limited	1,33,05,73,910	42,42,61,470
IIFL Home Finance Limited	44,35,24,630	14,14,20,490
Securities Premium		
IIFL Finance Limited	91,94,26,065	25,07,38,529
IIFL Home Finance Limited	30,64,75,350	8,35,79,510
Remuneration to Key Managerial Personnel		
Sitting Fees paid	10,42,668	5,43,546
Short term Employee benefit	2,78,31,433	2,00,35,987
Outstanding Balance as on March 31, 2022		
IIFL Wealth Management Limited	-	91,47,510
Sundry Receivable - IIFL Finance Limited (after TDS deduction)	2,50,30,552	
Market Linked Debentures		
IIFL Wealth Prime Limited (Erstwhile IIFL Wealth Finance Limited)	26,70,00,000	-
ICD / Loan Portfolio outstanding (Payable) / Receivable		
IIFL Wealth Prime Limited (Erstwhile IIFL Wealth Finance Limited)	1,96,65,418	-

Disclosures of Transactions Pursuant to Regulation 34(3) of SEBI (LODR) Regulations, 2015:

Name of the Entity	As at March 31, 2022	
	Outstanding Amount	Maximum Amount outstanding during the year
IIFL Finance Limited	-	3,50,00,00,000

Name of the Entity	As at March 31, 2021	
	Outstanding Amount	Maximum Amount outstanding during the year
IIFL Finance Limited	-	3,70,00,00,000
IIFL Home Finance Limited	-	1,00,00,00,000



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 39. Maturity Analysis of assets and liabilities as at March 31, 2022

Particulars	March 31, 2022	Current	Non Current
ASSETS			
1 Financial Assets			
(a) Cash and cash equivalents	4,55,08,08,859	4,55,08,08,859	-
(b) Bank Balance other than (a) above	2,55,56,28,994	1,23,65,30,101	1,31,90,98,894
(c) Derivative financial instruments	9,86,93,322	-	9,86,93,322
(d) Receivables			
Trade Receivables	8,48,45,567	8,48,45,567	-
(e) Loans	55,18,62,67,844	35,12,95,58,597	20,05,67,09,247
(f) Investments	5,00,000	-	5,00,000
(g) Other Financial assets	51,96,30,247	14,76,61,706	37,19,68,541
2 Non-financial Assets			
(a) Other non-financial assets	14,10,58,538	13,63,20,714	47,37,824
(b) Current tax assets (Net)	1,63,74,019	1,63,74,019	-
(c) Deferred tax Assets (Net)	63,12,41,303	-	63,12,41,303
(d) Investment Property	5,04,836	-	5,04,836
(e) Property, Plant and Equipment	9,12,37,772	-	9,12,37,772
(f) Right to Use	6,73,77,250	-	6,73,77,250
(g) Capital work-in-progress	-	-	-
(h) Other Intangible assets	1,32,391	-	1,32,391
Total Assets	63,94,43,00,942	41,30,20,99,563	22,64,22,01,379
LIABILITIES AND EQUITY			
LIABILITIES			
1 Financial Liabilities			
(a) Derivative financial instruments	9,86,93,322	-	9,86,93,322
(b) Payables			
(I) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	8,06,03,416	8,06,03,416	-
(c) Debt Securities	5,14,80,83,770	1,69,73,47,299	3,45,07,36,471
(d) Borrowings (Other than Debt Securities)	46,03,36,59,529	25,35,14,05,934	20,68,22,53,595
(e) Subordinated Liabilities	1,40,72,04,341	4,64,76,797	1,36,07,27,545
(f) Lease Liability	7,41,82,995	1,13,62,205	6,28,20,790
(g) Other financial liabilities	91,35,84,192	91,35,84,192	-
2 Non-Financial Liabilities			
(a) Current tax liabilities (Net)	5,51,16,012	5,51,16,012	-
(b) Provisions	8,45,85,688	6,52,03,599	1,93,82,089
(c) Other non-financial liabilities	5,57,55,501	5,57,55,501	-
3 Equity			
(a) Equity Share capital	4,98,22,31,900	-	4,98,22,31,900
(b) Other Equity	5,01,06,00,276	-	5,01,06,00,276
Total Liabilities and Equity	63,94,43,00,942	28,27,68,54,955	35,66,74,45,988



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

Maturity Analysis of assets and liabilities as at March 31, 2021

Particulars	March 31, 2021	Current	Non Current
ASSETS			
1 Financial Assets			
(a) Cash and cash equivalents	1,78,70,10,465	1,78,70,10,465	-
(b) Bank Balance other than (a) above	1,54,44,11,947	60,36,36,953	94,07,74,994
(c) Derivative financial instruments	8,69,85,006	-	8,69,85,006
(d) Receivables			
Trade Receivables	3,05,99,607	3,05,99,607	-
(e) Loans	39,63,02,60,944	23,50,53,65,178	16,12,48,95,766
(f) Investments	5,00,000	-	5,00,000
(g) Other Financial assets	50,77,89,958	42,34,00,176	8,43,89,782
2 Non-financial Assets			
(a) Other non-financial assets	1,18,40,015	1,16,29,668	2,10,347
(b) Current tax assets (Net)	1,61,26,237	1,61,26,237	-
(c) Deferred tax Assets (Net)	34,61,18,403	-	34,61,18,403
(d) Investment Property	5,31,516	-	5,31,516
(e) Property, Plant and Equipment	6,26,47,738	-	6,26,47,738
(f) Right to Use	5,62,88,979	-	5,62,88,979
(g) Capital work-in-progress	-	-	-
(h) Other Intangible assets	10,37,287	-	10,37,287
Total Assets	44,08,21,48,102	26,37,77,68,285	17,70,43,79,818
LIABILITIES AND EQUITY			
LIABILITIES			
1 Financial Liabilities			
(a) Derivative financial instruments	8,69,85,006	-	8,69,85,006
(b) Payables			
(i) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	8,60,14,864	8,60,14,864	-
(c) Debt Securities	8,82,92,74,954	5,41,68,14,266	3,41,24,60,688
(d) Borrowings (Other than Debt Securities)	25,54,11,18,371	14,08,33,74,325	11,45,77,44,046
(e) Subordinated Liabilities	1,27,85,62,710	-	1,27,85,62,710
(f) Lease Liability	6,17,65,249	93,43,814	5,24,21,435
(g) Other financial liabilities	1,59,95,59,729	1,59,95,59,729	-
2 Non-Financial Liabilities			
(a) Current tax liabilities (Net)	1,15,81,955	1,15,81,955	-
(b) Provisions	5,43,36,393	3,58,38,801	1,84,97,592
(c) Other non-financial liabilities	3,78,79,578	3,78,79,578	-
3 Equity			
(a) Equity Share capital	3,20,81,33,360	-	3,20,81,33,360
(b) Other Equity	3,28,69,35,933	-	3,28,69,35,933
Total Liabilities and Equity	44,08,21,48,102	21,28,04,07,332	22,80,17,40,770



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 40. Financial Risk Management

a) Credit Risk

Credit Risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. The company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The exposure is continuously monitored.

Trade Receivables and Other financial assets

Credit risk with respect to trade receivables and other financial assets are extremely low. Trade receivables are primarily from other services provided, historically company has not suffered any defaults. Based on the credit assessment the historical trend of low default is expected to continue. No provision for expected credit loss has been Trade Receivables and Other financial assets.

Loans

The following table sets out information about credit quality of loan assets measured at amortised cost based on Number of Days past due information. The amount represents gross carrying amount.

Particulars	As at March 31, 2022	As at March 31, 2021
Gross Carrying value of loan Assets		
Stage-1 (Less than 30 Days)	52,30,64,90,123	38,85,05,96,071
Stage-2 (30-90 Days)	3,64,62,44,127	1,56,93,54,027
Stage-3 (More than 90 Days)	1,77,44,66,385	74,78,19,368
Total Gross Carrying value on Reporting Date	57,72,72,00,635	41,16,77,69,466

Credit Quality

Financial services business has a comprehensive framework for monitoring credit quality of its retail and other loans based on days past due monitoring. Repayment by individual customers and portfolio is tracked regularly and required steps for recovery is taken through follow ups and legal recourse.

Inputs considered in the ECL model

In assessing the impairment of loans assets under Expected Credit Loss (ECL) Model, the loan assets have been segmented into three stages.

The three stages reflect the general pattern of credit deterioration of a financial instrument. The differences in accounting between stages relate to the recognition of expected credit losses and the calculation and presentation of interest revenue.

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

- i) Stage I: 30 Days Past Due
- ii) 31-90 Days Past Due
- iii) More than 90 Days Past Due

Exposure at default (EAD) is the maximum exposure as on the date of provision which includes both principal outstanding and interest. Interest is the total of interest outstanding and interest accrued but not due.

Loss given default (LGD) estimates the normalized loss which company incurs post customer default. It is computed through recovery observed in delinquent accounts over a period of time. It is always expressed as % of outstanding amount and not in count. LGD is common for all three stages and is based on loss in past portfolio.

Effective Interest rate (EIR) is the rate that discounts estimated future cash flows through the expected life of financial instrument.



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

Estimation Technique

Probability of default (PD) is the likelihood that customer will default on loan in time horizon. It is computed on count basis. The reason is customer defaulting on loan is captured by its count and there is no relationship with his outstanding dues. Calculated PD is on Stage 1 and Stage 2 on portfolio basis and for Stage 3 PD is 100%.

Assessment of significant increase in credit risk

When determining whether the risk of default has increased significantly since initial recognition, the financial services business considers both quantitative and qualitative information and analysis based on the business historical experience, including forward-looking information. The financial services business considers reasonable and supportable information that is relevant and available without undue cost and effort.

The financial services business uses the number of days past due to classify a financial instrument in low credit risk category and to determine significant increase in credit risk in retail. As a backstop, the financial services business considers that a significant increase in credit risk occurs no later than when an asset is more than 30 days past due.

Impairment loss

The expected credit loss allowance provision is determined as follows:

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross Balance as at 31-03-2022	52,30,64,90,123	3,64,62,44,127	1,77,44,66,385	57,72,72,00,635
Expected Credit Loss	1,08,85,98,877	15,81,02,375	1,30,12,60,240	2,54,79,61,492
Expected Credit Loss Rate	2.08%	4.34%	73.33%	4.41%
Net of Impairment Provision	51,21,78,91,246	3,48,81,41,751	47,32,06,145	55,17,92,39,142

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross Balance as at 31-03-2021	38,85,05,96,071	1,56,93,54,027	74,78,19,368	41,16,77,69,466
Expected Credit Loss	74,06,60,848	6,59,59,220	74,78,19,368	1,55,44,39,436
Expected Credit Loss Rate	1.91%	4.20%	100.00%	3.78%
Net of Impairment Provision	38,10,99,35,222	1,50,33,94,807	-	39,61,33,30,029

The following tables show reconciliations from the opening to the closing balance of the loss allowance by class of financial instrument.

Reconciliation of loss allowance	Financial Assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Others
Opening ECL 01-04-2021	73,53,00,056	53,60,793	6,29,05,844	30,53,377	74,78,19,369	-	1,54,60,25,268	84,14,169
Incremental loans disbursed in FY 21-22	87,69,79,317	52,46,465	7,63,93,229	31,59,584	72,77,74,231		1,68,11,46,777	84,06,049
Loans closed/written off during the year	(30,81,09,391)	(21,48,093)	(3,14,93,717)	(17,98,907)	(59,34,90,302)		(93,30,93,411)	(39,47,000)
Stage same in both years- change in provisioning	(17,55,99,431)	(13,93,263)	(3,87,703)	(49,004)	(4,31,37,077)		(21,91,24,210)	(14,42,267)
Movement of stages due to asset reclassification	(4,67,09,334)	(3,28,242)	4,53,54,481	9,65,193	46,22,94,020		46,09,39,167	6,36,951
Closing ECL 31-03-2022	1,08,18,61,217	67,37,660	15,27,72,134	53,30,242	1,30,12,60,240	-	2,53,58,93,592	1,20,67,902



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

Reconciliation of loss allowance	Financial Assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Others
Opening ECL 01-04-2020	34,65,90,505	37,67,853	78,13,957	82,548	34,31,20,550	-	69,75,25,012	38,50,402
Incremental loans disbursed in FY 20-21	61,66,11,395	42,57,970	2,56,24,740	13,01,046	10,47,71,888	-	74,70,08,023	55,59,016
Loans closed/written off during the year	(16,39,22,106)	(14,84,512)	(25,90,740)	(11,198)	(32,60,79,204)	-	(49,25,92,050)	(14,95,710)
Stage same in both years- change in provisioning	(3,86,53,722)	(8,78,449)	(48,285)	3,638	(9,68,776)	-	(3,96,70,783)	(8,74,811)
Movement of stages due to asset reclassification	(2,53,26,016)	(3,02,068)	3,21,06,171	16,77,342	62,69,74,910	-	63,37,55,065	13,75,274
Closing ECL 31-03-2021	73,53,00,056	53,60,793	6,29,05,844	30,53,377	74,78,19,369	-	1,54,60,25,267	84,14,170

The following tables show reconciliations from the opening to the closing balance of the exposure at default (EAD) (Principal & Interest) by class of financial instrument.

Reconciliation of Exposure at default	Financial Assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Others
Opening EAD 01-04-2021	38,85,05,96,071	27,37,58,782	1,56,93,54,027	7,49,74,739	74,78,19,368	-	41,16,77,69,466	34,87,33,521
Incremental loans disbursed in FY 21-22	42,38,66,76,514	27,73,98,901	1,82,32,93,007	7,78,10,102	99,24,30,929	-	45,20,24,00,450	35,52,09,003
Loans closed/written off during the year	(16,26,04,28,182)	(10,96,96,316)	(78,56,94,771)	(4,41,71,624)	(59,34,90,302)	-	(17,63,96,13,255)	(15,38,67,940)
Stage same in both years- change in provisioning	(10,14,31,29,917)	(6,86,26,158)	(1,48,06,604)	(11,89,866)	(87,14,466)	-	(10,16,66,50,987)	(6,98,16,023)
Movement of stages due to asset reclassification	(2,52,72,24,363)	(1,65,91,603)	1,05,40,98,467	2,38,42,885	63,64,20,856	-	(83,67,05,039)	72,51,282
Closing EAD 31-03-2022	52,30,64,90,123	35,62,43,606	3,64,62,44,127	13,12,66,237	1,77,44,66,385	-	57,72,72,00,635	48,75,09,843



IFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

Reconciliation of Exposure at default	Financial Assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Others
Opening EAD 01-04-2020	22,93,13,82,448	24,23,57,475	23,15,59,667	24,28,949	34,31,20,550	-	23,50,60,62,665	24,47,86,424
Incremental loans disbursed in FY 20-21	32,62,88,81,799	21,91,77,217	63,24,25,459	3,15,96,903	10,47,71,888	-	33,36,60,79,145	25,07,74,120
Loans closed/written off during the year	(10,85,18,03,625)	(9,79,33,214)	(7,69,83,178)	(3,24,274)	(32,60,79,204)	-	(11,25,48,66,007)	(9,82,57,487)
Stage same in both years- change in provisioning	(4,20,27,74,069)	(7,02,86,294)	(23,28,506)	70,823	(9,68,776)	-	(4,20,60,71,350)	(7,02,15,471)
Movement of stages due to asset reclassification	(1,65,50,90,484)	(1,95,56,402)	78,46,80,586	4,12,02,337	62,69,74,910	-	(24,34,34,987)	2,16,45,935
Closing EAD 31-03-2021	38,85,05,96,071	27,37,58,782	1,56,93,54,027	7,49,74,739	74,78,19,368	-	41,16,77,69,466	34,87,33,521

b) Liquidity risk

(i) Financing arrangements

The company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	Year Ended March 31,2022	Year Ended March 31,2021
Floating rate		
Expiring within one year	3,27,62,28,000	86,50,00,000
Expiring beyond one year	-	-
Total	3,27,62,28,000	86,50,00,000



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

(ii) Maturities of financial liabilities

The tables below analyse the company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

1. all non-derivative financial liabilities, and
2. net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities - 31-03-2022	Less than 3 months	3 to 6 months	6 months to 1 year	Between 1 and 5 years	More than 5 years
Non-derivatives					
Borrowings	7,21,55,86,318	6,90,14,06,398	12,90,35,42,693	25,09,30,80,727	-
-Term Loans - Banks	4,79,90,27,673	5,01,88,00,893	9,38,98,49,387	15,55,46,58,677	-
-Term Loans - Others	2,01,16,43,888	1,49,86,05,505	2,61,36,93,306	5,20,04,22,050	-
-Commercial Paper	-	25,90,00,000	-	-	-
-NCD-Secured	32,50,00,000	12,50,00,000	90,00,00,000	3,33,80,00,000	-
-NCD-Unsecured	5,00,00,000	-	-	1,00,00,00,000	-
-Cash Credit/Overdraft	2,99,14,757	-	-	-	-
-Securitization	-	-	-	-	-
Trade payables	8,36,03,416	-	(30,00,000)	-	-
Other financial liabilities	88,18,90,929	3,16,93,263	-	-	-
Lease Liability	28,44,656	28,01,807	57,15,742	5,20,20,720	1,08,00,070
Total non-derivative liabilities	8,18,39,25,320	6,93,59,01,467	12,90,62,58,434	25,14,51,01,447	1,08,00,070
Derivative liabilities					
Embedded Derivative	-	-	-	9,86,93,322	-
Total derivative liabilities	-	-	-	9,86,93,322	-



HFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

Contractual maturities of financial liabilities - 31-03-2021	Less than 3 months	3 to 6 months	6 months to 1 year	Between 1 and 5 years	More than 5 years
Non-derivatives					
Borrowings	4,75,87,92,671	2,75,91,57,733	11,31,72,77,225	15,64,99,72,320	-
-Term Loans - Banks	3,28,73,92,831	2,09,38,96,221	5,04,94,28,646	7,28,54,80,198	-
-Term Loans - Others	1,02,58,08,600	54,02,61,512	2,01,78,48,579	3,87,44,92,121	-
-Commercial Paper	-	-	-	-	-
-NCD-Secured	12,50,00,000	12,50,00,000	4,25,00,00,000	3,44,00,00,000	-
-NCD-Unsecured	-	-	-	1,05,00,00,000	-
-Cash Credit/Overdraft	32,05,91,239	-	-	-	-
-Secutization	-	-	-	-	-
Trade payables	2,38,14,469	-	6,22,00,395	-	-
Other financial liabilities	1,59,73,80,785	-	21,78,944	-	-
Lease Liability	22,44,783	23,24,603	47,74,428	3,21,62,313	2,02,59,122
Total non-derivative liabilities	6,38,22,32,707	2,76,14,82,336	11,38,64,30,992	15,68,21,34,633	2,02,59,122
Derivative liabilities					
Embedded Derivative	-	-	1,81,31,010	6,88,53,996	-
Total derivative liabilities	-	-	1,81,31,010	6,88,53,996	-



Note 40. Financial Risk Management

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity, and other market changes. The Company is exposed to two types of market risk as follows:

c) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	31-Mar-22	31-Mar-21
Variable rate borrowings	31,70,93,72,363	14,35,88,06,598
Fixed Rate of Borrowings	20,40,42,43,773	20,12,63,93,350
Total	52,11,36,16,136	34,48,51,99,948

As at the end of the reporting period, the Company had the following variable rate borrowings outstanding:

Particulars	31-Mar-22			31-Mar-21		
	Weighted Average Interest Rate	Balance	% of total loans	Weighted Average Interest Rate	Balance	% of total loans
Bank Loans	9.52%	31,70,93,72,363	60.85%	9.09%	14,35,88,06,598	41.64%

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. Other components of equity change as a result of an increase/decrease in the fair value of the cash flow hedges related to borrowings.

Particulars	Impact on profit after tax		Impact on other components of equity	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Interest rates – increase by 30 basis points	(8,16,67,751)	(3,49,33,224)	Nil	Nil
Interest rates – decrease by 30 basis points	8,16,67,751	3,49,33,224	Nil	Nil

d) Price Risk

Exposure

The Company's exposure to assets having price risk is as under

Particulars	Equity Shares (Other than Subsidiary)	Mutual Funds
Market Value as on 31.03.2022	5,00,000	-
Market Value as on 31.03.2021	5,00,000	-

To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

Sensitivity

The table below summarises the impact of increases/decreases of the index on the Company's equity and profit for the period. The analysis is based on the assumption that the equity index had increased by 5% or decreased by 5% with all other variables held constant, and that all the Company's equity instruments moved in line with the index.

Particulars	Impact on profit after tax		Impact on other components of equity	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Increase by 5%	21,463	20,274	Nil	Nil
Decrease by 5%	(21,463)	(20,274)	Nil	Nil

e) Foreign Currency Risk Exposure

The Company is not exposed to foreign currency fluctuation risk for its External Commercial Borrowings (ECB).



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 41. Corporate Social Responsibility

During the year, the Company incurred an aggregate amount of ₹ 1,42,67,543/- P.Y. (₹ 71,86,540/-) towards corporate social responsibility in compliance of Section 135 of Companies Act 2013 read with relevant schedule and rules made thereunder. The details of CSR Spend are given below:

Particulars	Year Ended March 31,2022	Year Ended March 31,2021
(1) Gross amount required to be spent by the company during the Year	1,96,60,925	1,44,75,992
(2) Amount spent by the company during the Year	1,42,67,543	71,86,540
The unspent amount transferred to the CSR Account during the year	53,93,382	72,89,452

Particulars	Amount	Remarks
Where the company covered under section 135 of the Companies Act, the following shall be disclosed with regard to CSR activities:-		
(i) amount required to be spent by the company during the year,	1,96,60,925	
(ii) amount of expenditure incurred,	69,78,091	This amount is reduced by unspent amount of FY 20-21 amounting to Rs. 72,89,452/-
(iii) shortfall at the end of the year,	1,26,82,834	
(iv) total of previous years shortfall,		
(v) reason for shortfall,	-	Due to covid crises we couldnt take up new CSR project. This unspent amount will be utilised for the ongoing project in the FY 22-23
(vi) nature of CSR activities,		All the CSR activities of IIFL Samasta Finance are aligned towards improving the quality of life of the community. However, Our CSR activities focuses on Livestock Development, Women empowerment, education, health and skill development .
(vii) 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,		
(viii) 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.		

Note 42. Additional Information

a) Asset Classification & Provisioning:

As per MCA press release no 11/10/2009 CL - V dated 18th Jan 2016, the company adopted Ind AS notified under Sec 133 of CA 2013, from 01st April 2018. Pursuant to which the company has made provision for loss as per ECL under Ind As 109, Financial Instruments. Consequently the provision for loss is not on the basis of the Prudential Norms of the Reserve Bank of India.

b) Disclosure Pursuant to Reserve Bank of India Notification DNBS.200/CGM (PK)-2008 dated 1st August 2008

i) Capital to risk Assets ratio (CRAR) (computed as per the method prescribed by RBI)

Particulars	As on 31.03.2022	As on 31.03.2021
	₹	₹
Tier I Capital	8,69,17,21,333	5,98,52,83,039
Tier II Capital	1,08,55,11,795	1,35,06,60,849
Total Capital Funds	9,77,72,33,128	7,33,59,43,888
Total Risk Weighted Assets	54,84,09,43,594	39,52,02,57,212
CRAR - Tier I Capital (%)	15.85%	15.14%
CRAR - Tier II Capital (%)	1.98%	3.42%
CRAR (%)	17.83%	18.56%



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Notes forming part of Financial Statements for the year ended March 31, 2022

- ii) Exposure to Real Estate Sector (Direct & Indirect Exposure) – Nil (PY: Nil)
- iii) Amount of Subordinated Debt raised as Tier II Capital – Nil (PY: Nil)
- iv) Exposure to Capital Markets – Nil

v) Ratings assigned during the year	As on 31.03.2022	As on 31.03.2021
a) MFI Grading	CRISIL MIC1	CRISIL MIC1
b) Bank loan rating	CRISIL AA-/Stable	CRISIL A+/Stable
c) NCD rating-	CRISIL AA-/Stable	CRISIL A+/Stable
d) MLD rating	CRISIL PP- MLD AA-/Stable	CRISIL PP- MLD A+/Stable
e) CP rating-	CRISIL A1+	CRISIL A1+

vi) Maturity Pattern of Assets and Liabilities

Maturity pattern of certain items of assets and liabilities as on March 31 2022 (Amount in ₹)

Particulars	Liabilities				Assets			
	Borrowings from Banks	Borrowings from NBFC/FI	NCD-Secured / Commercial Paper	NCD-Unsecured	Cash Credit/Overdraft	Advances (Loan portfolio outstanding)	FD with Banks (Free of Lien)	Investments
Up to one month	1,24,02,71,315	48,78,77,896	-	-	2,99,14,757	2,62,26,12,074	1,15,13,66,509	-
Over one month to 2 months	1,59,91,41,636	97,36,26,614	-	-	-	2,86,71,05,245	-	-
Over 2 months up to 3 months	1,95,96,14,723	55,01,39,378	32,50,00,000	5,00,00,000	-	2,90,11,06,899	-	-
Over 3 months up to 6 months	5,01,88,00,893	1,49,86,05,505	38,40,00,000	-	-	8,64,22,44,587	-	-
Over 6 months to 1 year	9,38,98,49,387	2,61,36,93,306	90,00,00,000	-	-	17,69,97,36,367	-	-
Over 1 year to 3 years	15,47,13,25,344	4,66,04,22,050	3,33,80,00,000	1,00,00,00,000	-	22,55,44,20,811	-	9,86,93,322
Over 3 years to 5 years	8,33,33,333	54,00,00,000	-	-	-	20,08,79,699	-	-
Over 5 years	-	-	-	-	-	3,90,94,953	-	-
	34,76,23,36,631	11,32,43,64,748	4,94,70,00,000	1,05,00,00,000	2,99,14,757	57,72,72,00,636	1,15,13,66,509	9,86,93,322

c) Disclosure as required under DNBS (PD) CC. No. 300/03.10.038/2012-13 dated August 3 2012

The cap on margins (as defined by Malegam Committee) and in compliance with RBI circular RBI/2012-13/161 DNBS (PD) CC.No.300 /03.10.038/2012-13 03rd August 2012 is 9.39% as at 31st March 2022 (9.39% as at 31st March 2021)

d) Details of average interest paid on borrowings and charged on loans given to JLGs :

Particulars	2021-22	2020-21
	Rate of Interest in % for Microfinance loan	Rate of Interest in % for Microfinance loan
Average Rate of Interest on Borrowings	10.71%	11.94%
Average Rate of Interest on Loans given	19.47%	21.33%
Net Interest Margin	8.75%	9.39%



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 43. Disclosure Pursuant to Reserve Bank of India Notification DNBS.193DG (VL) 2007 dated 22nd February 2007:

Sl No.	Particulars	As at March 31, 2022		As at March 31, 2021	
		Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
	Liabilities	(₹)	(₹)	(₹)	(₹)
1	Loan and Advances availed by the NBFC inclusive of Interest accrued thereon but not paid:				
A	Debentures	-	-	-	-
	- Secured	4,92,18,03,554	-	8,89,97,86,032	-
	- Unsecured	1,45,76,04,341	-	1,33,24,85,913	-
	(Other than falling the meaning of Public Deposits)	-	-	-	-
B	Deferred Credits	-	-	-	-
C	Term Loan	46,25,06,44,673	-	25,30,29,10,225	-
D	Inter-corporate Loans & Borrowings	-	-	-	-
E	Commercial Paper	-	-	-	-
Sl No.	Particulars	As at March 31, 2022		As at March 31, 2021	
		Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
	Liabilities	(₹)	(₹)	(₹)	(₹)
F	Public Deposits	-	-	-	-
G	Other Loans – Vehicle Loan	-	-	-	-
	Other Loans – Non Convertible Debentures	-	-	-	-

Sl No.	Particulars	Amount Outstanding	Amount Outstanding
		March 31, 2022	March 31, 2021
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 Deposit	-	-
	Assets		



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

3	Break-up of Loans & Advances including Bills Receivables [Other than those included in (4) below]		
	(a) Secured	65,66,64,987	58,03,11,238
	(b) Unsecured	57,07,75,64,350	40,60,43,89,142
4	Breakup of Leased and Stock on Hire and other Assets counting towards AFC activities		
(i)	Lease assets including Lease rentals under sundry debtors:		
	(a) Finance Lease	-	-
	(b) Operating Lease	-	-
(ii)	Stock on Hire including Hire Charges under sundry debtors:		
	(a) Assets on Hire	-	-
	(b) Repossessed Assets	-	-
(iii)	Other Loans counting towards AFC Activities		
	(a) Loans where assets have been repossessed	-	-
	(b) Loans other than (a) above	-	-

Sl No.	Particulars	Amount Outstanding	Amount Outstanding
		March 31, 2022	March 31, 2021
5	Break-up of Investments		
	Current Investments		
	I Quoted:		
(i)	Shares: (a) Equity	-	-
	(b) Preference	-	-
(ii)	Debentures and Bonds	-	-
(iii)	Units of Mutual Funds	-	-
(iv)	Government Securities	-	-
(v)	Others	-	-
	II Unquoted:		
(i)	Shares: (a) Equity	-	-
	(b) Preference	-	-
(ii)	Debentures and Bonds	-	-
(iii)	Units of Mutual Funds	-	-
(iv)	Government Securities	-	-
(v)	Others	-	-



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

Long term Investments			
I Quoted:			
(i) Shares: (a) Equity		-	-
(b) Preference		-	-
(ii) Debentures and Bonds		-	-
(iii) Units of Mutual Funds		-	-
(iv) Government Securities		-	-
(v) Others	9,86,93,322		8,69,85,006
II Unquoted:			
(i) Shares: (a) Equity	5,00,000		5,00,000
(b) Preference			
(ii) Debentures and Bonds			
(iii) Units of Mutual Funds			
(iv) Government Securities			
(v) Others			

6. Borrower Group wise classification of Assets Financed as in (3) and (4) above

Sl No.	Particulars	As at 31 st March 2022		
		Amount in (₹) (Gross of Provisions)		
		Secured	Unsecured	Total
1	Related Parties			
	(a)Subsidiaries	-	-	-
	(b) Companies in the same group	-	-	-
	(c) Other Related Parties	-	-	-
2	Other than related parties	65,66,64,987	57,07,05,35,649	57,72,72,00,636
	Total	65,66,64,987	57,07,05,35,649	57,72,72,00,636

Sl No.	Particulars	As at 31 st March 2021		
		Amount in (₹) (Gross of Provisions)		
		Secured	Unsecured	Total
1	Related Parties			
	(a)Subsidiaries	-	-	-
	(b) Companies in the same group	-	-	-
	(c) Other Related Parties	-	-	-
2	Other than related parties	58,03,11,238	40,58,74,58,228	41,16,77,69,466
	Total	58,03,11,238	40,58,74,58,228	41,16,77,69,466

7. Investor Group-wise classification of all investments (Current and Long Term) in Share and Securities (both Quoted and Unquoted):

Sl No.	Category	Market Value / Breakup value or Fair Value or Net Assets Value	Book Value (₹)
1	Related Parties		
	(a)Subsidiaries	-	-
	(b) Companies in the same group	-	-
	(c) Other Related Parties	-	-
2	Other than related parties	9,91,93,322	9,91,93,322
	Total	9,91,93,322	9,91,93,322



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

8. Other Information

	Particulars	As on	As on
		March 31, 2022	March 31, 2021
		Amount	Amount
(i)	Gross Non - Performing Assets		
	(a) Related Parties	-	-
	(b) Other than Related Parties	1,30,12,60,240	74,78,19,368
(ii)	Net Non - Performing Assets		
	(a) Related Parties	-	-
	(b) Other than Related Parties	-	-
(iii)	Assets acquired in Satisfaction of Debt	-	-

Note 44. The Company has not disbursed any loan against security of gold.

Note 45. Securitization / Assignment of Loans

During the year the Company has sold loans through direct Securitization / assignments. The information on direct assignment activity of the Company as an Originator / Assignor is as shown below:

Particulars	Year ended	Year ended
	March 31 2022	March 31 2021
		(₹.)
Total number of loans securitized / assigned		
a. Through Direct assignment	2,46,415	2,88,021
b. Through Pass through Certificates	-	-
Total	2,46,415	2,88,021
Total book value of loans securitized / assigned		
a. Through Direct assignment	5,55,55,55,578	5,55,55,55,707
b. Through Pass through Certificates	-	-
Total	5,55,55,55,578	5,55,55,55,707
Sale consideration received for loans securitized / assigned		
a. Through Direct assignment	5,00,00,00,000	5,00,00,00,000
b. Through Pass through Certificates	-	-
Total	5,00,00,00,000	5,00,00,00,000
MFI Loans Subordinated as Credit Enhancement on Assets Derecognised		
a. Through Direct assignment	-	-
b. Through Pass through Certificates	-	-
Total		
Income recognized in the statement of profit and loss		
a. Through Direct assignment	61,67,04,806	87,79,81,788
b. Through Pass through Certificates	-	-
Total	61,67,04,806	87,79,81,788



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Notes forming part of Financial Statements for the year ended March 31, 2022

Income deferred on securitised transactions		
a. Through Direct assignment	6,73,96,545	12,42,51,401
b. Through Pass through Certificates	-	-
Total	6,73,96,545	12,42,51,401
Balance of loans assigned / securitized as at the balance sheet date		
a. Through Direct assignment	4,97,23,97,895	7,53,57,74,062
b. Through Pass through Certificates	-	-
Total	4,97,23,97,895	7,53,57,74,062
Cash collateral provided and outstanding as at the balance sheet date		
a. Through Direct assignment	-	-
b. Through Pass through Certificates	-	-
Total	-	-

Disclosure to be made under Securitization guidelines issued by Reserve Bank of India vide policy no. DNBS. PD. No. 301/3.10.01/2012-13 dated August 21 2012.

Sl No.	Particulars	As on 31.03.2022	As on 31.03.2021
		(₹)	(₹)
1	No. of SPVs sponsored by the NBFC for Securitization transactions		
	a. Through Direct assignment	2	2
	b. Through Pass through Certificates	-	-
	Total	2	2
2	Total amount of securitized as. ets as per the books of the SPVs sponsored by the Company		
	a. Through Direct assignment	5,55,55,55,578	5,55,55,55,707
	b. Through Pass through Certificates	-	-
	Total	5,55,55,55,578	5,55,55,55,707



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

3	Total amount of exposures retained by the Company to comply with MRR as on the date of balance sheet	-	-
	i) Off-Balance Sheet exposures		
	a) First Loss	-	-
	b) Others	-	-
	ii) On-Balance Sheet exposures		
	a) First Loss (in the form of Fixed Deposit)	-	0
	b) Others	-	-
4	Amount of exposures to securitization transactions other than MRR		
Sl No.	Particulars	As on 31.03.2022	As on 31.03.2021
		(₹)	(₹)
	i) Off-Balance Sheet exposures	-	-
	a) Exposure to own securitization		
	First Loss	-	-
	Others	-	-
	b) Exposure to third party securitization transaction		
	First Loss	-	-
	Others	-	-
	ii) On-Balance Sheet exposures		
	a) Exposure to own securitization		
	First Loss	-	-
	Others	-	-
	b) Exposure to third party securitization transaction		
	First Loss	-	-
	Others	-	-



Note 46. Disclosure Pursuant to Reserve Bank of India Notification DOR (NBFC)/CC.PD.No.109/22.10.106/2019-20 dated 13th March 2020:

Asset Classification as per RBI Norms for the year ended 31st March 2022						
MFI loan book						
Asset Classification as per RBI Norms	Asset Classification as per IND AS 109	Gross Carrying Amount as per IND AS 109	Loss Allowances (Provisions) as required under IND AS 109	Net Carrying Amount	Provisions required as per IRACP Norms	Difference between IND AS 109 provisions & IRACP Norms
1	2	3	4	5	6	7= 4-6
Performing Assets						
Standard	Stage 1	48,68,61,14,191	1,07,72,31,207	47,65,88,82,983	1,06,03,35,978	(3,11,04,771)
	Stage 2	3,43,17,74,771	14,95,76,451	3,28,21,98,320	7,47,40,700	7,48,35,751
Subtotal		52,11,78,88,961	1,17,68,07,658	50,94,10,81,303	1,13,50,76,678	4,17,30,880
Non Performing Assets (NPA)						
Substandard	Stage 3	1,32,76,18,029	97,55,43,461	35,20,74,568	2,89,14,223	94,66,79,138
Doubtful- upto 1 Year	Stage 3	28,50,74,060	20,80,06,895	7,50,69,165	61,65,076	20,19,39,818
1 to 3 Years	Stage 3	78,63,372	57,78,063	20,85,309	1,71,257	56,06,607
More than 3 Years	Stage 3	-	-	-	-	-
Subtotal for Doubtful		1,61,85,55,461	1,18,93,76,419	47,92,29,042	3,52,50,556	1,15,40,75,863
Loss		-	-	-	-	-
Subtotal for NPA		-	-	-	-	-
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, Provisioning (IRACP) norms						
Subtotal	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Total		53,73,64,44,422	2,36,61,34,077	51,37,03,10,345	1,17,03,27,234	1,29,58,06,843

Non - MFI loan book						
Asset Classification as per RBI Norms	Asset Classification as per IND AS 109	Gross Carrying Amount as per IND AS 109	Loss Allowances (Provisions) as required under IND AS 109	Net Carrying Amount	Provisions required as per IRACP Norms	Difference between IND AS 109 provisions & IRACP Norms
1	2	3	4	5	6	7= 4-6
Performing Assets						
Standard	Stage 1	3,62,03,75,932	6,13,67,669	3,55,90,08,263	7,88,48,249	(1,74,80,580)
	Stage 2	21,44,69,356	85,25,924	20,59,43,432	46,70,913	18,54,991
Subtotal		3,83,48,45,288	6,98,93,594	3,76,49,51,695	8,35,19,182	(1,36,25,588)
Non Performing Assets (NPA)						
Substandard	Stage 3	15,21,94,933	10,92,61,984	4,29,28,950	33,14,657	10,59,51,327
Doubtful- upto 1 Year	Stage 3	36,62,178	26,29,294	10,32,974	79,759	25,49,445
1 to 3 Years	Stage 3	53,813	18,674	15,179	1,172	37,462
More than 3 Years	Stage 3	-	-	-	-	-
Subtotal for Doubtful		15,59,10,924	11,19,33,872	4,30,77,103	33,95,588	10,85,38,234
Loss		-	-	-	-	-
Subtotal for NPA		-	-	-	-	-
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, Provisioning (IRACP) norms						
Subtotal	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Total		3,99,07,56,213	18,18,27,465	3,80,89,28,797	8,69,14,769	9,88,12,646



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Asset Classification as per RBI Norms for the year ended 31st March 2021						
MFI loan Book						
Asset Classification as per RBI Norms	Asset Classification as per IND AS 109	Gross Carrying Amount as per INDAS 109	Loss Allowances (Provision) as required under IND AS 109	Net Carrying Amount	Provision required as per IRACP Norms	Difference between IND AS 109 provisions & IRACP Norms
1	2	3	4	5	6	7= 4-6
Performing Assets						
Standard	Stage 1	35,50,51,04,167	68,66,12,173	34,81,84,91,994	49,70,71,458	18,95,40,715
	Stage 2	1,47,08,76,854	6,25,70,891	1,35,83,05,963	1,98,92,276	4,26,78,615
Subtotal		36,97,49,81,022	74,91,83,065	36,17,67,97,957	51,69,63,734	23,22,19,330
Non Performing Assets (NPA)						
Substandard	Stage 3	69,97,67,430	69,97,67,430	-	97,96,744	68,99,76,684
Doubtful- upto 1 Year	Stage 3	1,12,75,553	1,12,75,553	-	1,57,858	1,11,17,695
	1 to 3 Years	10,30,435	10,30,435	-	14,280	10,06,149
More than 3 Years	Stage 3	-	-	-	-	-
Subtotal for Doubtful		71,20,63,418	71,20,63,418	-	99,68,888	70,20,94,530
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		-	-	-	-	-
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, Provisioning (IRACP) norms						
	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total		35,50,51,04,167	68,66,12,173	34,81,84,91,994	49,70,71,458	18,95,40,715
		1,47,08,76,854	6,25,70,891	1,35,83,05,963	1,98,92,276	4,26,78,615
		71,20,63,418	71,20,63,418	-	99,68,888	70,20,94,530
Total		37,63,80,44,439	1,46,12,46,483	36,17,67,97,957	52,69,32,622	93,43,13,860
NON MFI loan Book						
Asset Classification as per RBI Norms	Asset Classification as per IND AS 109	Gross Carrying Amount as per IND AS 109	Loss Allowances (Provision) as required under IND AS 109	Net Carrying Amount	Provision required as per IRACP Norms	Difference between IND AS 109 provisions & IRACP Norms
1	2	3	4	5	6	7= 4-6
Performing Assets						
Standard	Stage 1	3,34,54,91,903	5,40,48,675	3,29,14,43,229	4,68,16,887	72,11,788
	Stage 2	14,94,77,173	33,88,329	14,50,88,844	20,78,640	13,09,648
Subtotal		3,49,39,69,076	5,74,37,004	3,43,65,32,072	4,89,15,567	85,21,436
Non Performing Assets (NPA)						
Substandard	Stage 3	3,35,88,556	3,29,88,858	-	4,60,444	3,24,28,414
Doubtful- upto 1 Year	Stage 3	26,88,915	26,88,915	-	37,645	26,51,290
	1 to 3 Years	1,78,157	1,78,157	-	2,494	1,75,663
More than 3 Years	Stage 3	-	-	-	-	-
Subtotal for Doubtful		3,57,55,940	3,57,55,940	-	4,00,583	3,52,55,367
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		-	-	-	-	-
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, Provisioning (IRACP) norms						
	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total		3,34,54,91,903	5,40,48,675	3,29,14,43,229	4,68,16,887	72,11,788
		14,94,77,173	33,88,329	14,50,88,844	20,78,640	13,09,648
		3,57,55,940	3,57,55,940	-	4,00,583	3,52,55,367
Total		3,52,97,25,026	9,31,97,954	3,43,65,32,072	4,94,16,150	4,27,76,803



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Note 47. Disclosures in terms of RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated 04 November 2019:

(i) Funding concentration based on significant counterparty (both deposits and borrowings):

As at March 31, 2022

Number of Significant Counterparties	Amount	% of Total Deposits	"% of Total Liabilities"
23	43,82,51,53,861	Not Applicable	81.23%

As at March 31, 2021

Number of Significant Counterparties	Amount	% of Total Deposits	"% of Total Liabilities"
25	31,71,61,47,937	Not Applicable	84.38%

(ii) Top 20 large deposits (amount in lakhs and % of total deposits) - Not applicable

(iii) Top 10 borrowings

Particulars	As at 31 March 2022		As at 31 March 2021	
	Amount	% of total Borrowings	Amount	% of total Borrowings
Top 10 Borrowings	31,44,15,36,895	60.33%	22158113557	64.25%

(iv) Funding concentration based on significant instrument / product

Name of the instrument/product	As at 31 March 2022		As at 31 March 2021	
	Amount	% of total Liabilities	Amount	% of total Liabilities
Borrowings (other than debt securities)	46,11,66,13,129	85.48%	25,49,51,99,943	67.83%
Debt securities	4,68,80,00,000	9.17%	7,94,00,00,000	21.12%
Subordinated liabilities	1,30,90,00,000	1.95%	1,05,00,00,000	2.79%

Notes: A "significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.

Total Liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus and computed basis extant regulatory ALM guidelines

(v) Stock Ratio

Particulars	31st March 2022	31st March 2021
Commercial papers as a % of total liabilities	0.48%	0.00%
Commercial papers as a % of total assets	0.41%	0.00%
Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	0.00%	0.00%
Non-convertible debentures (original maturity of less than one year) as a % of total assets	0.00%	0.00%
Other short-term liabilities as a % of total liabilities	51.93%	57.30%
Other short-term liabilities as a % of total assets	43.82%	48.86%



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Notes forming part of Financial Statements for the year ended March 31, 2022

(vi) Institutional set-up for Liquidity Risk Management

The Board of Directors of the Company has an overall responsibility and oversight for the management of all the risks, including liquidity risk, to which the Company is exposed to in the course of conducting its business. The Board approves the governance structure, policies, strategy and the risk limits for the management of liquidity risk. The Board of Directors approves the constitution of the Risk Management Committee (RMC) for the effective supervision, evaluation, monitoring and review of various aspects and types of risks, including liquidity risk, faced by the Company. The meetings of RMC are held at quarterly interval. Further, the Board of Directors also approves constitution of Asset Liability Committee (ALCO), which functions as the strategic decision making body for the asset-liability management of the Company from risk-return perspective and within the risk appetite and guard-rails approved by the Board. The main objective of ALCO is to assist the Board and RMC in effective discharge of the responsibilities of asset liability management, market risk management, liquidity and interest rate risk management and also to ensure adherence to risk tolerance/limits set up by the Board. ALCO provides guidance and directions in terms of interest rate, liquidity, funding sources, and investment of surplus funds. ALCO meetings are held once in a month or more frequently as warranted from time to time. The minutes of ALCO meetings are placed before the RMC and the Board of Directors in its next meeting for its perusal/ approval/ ratification.

Note 48. High Quality Liquid Assets disclosure pursuant to RBI/2019-20/88 DOR.NBFC (PD) CC. No.10203.10.001/2019-20 dated 04 November 2019

Particulars	As at 31 March 2022		As at 31 March 2021	
	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets				
Cash and bank balances	2,65,15,92,999	2,65,15,92,999	1,45,29,75,805	1,45,29,75,805
Unencumbered fixed deposits	1,15,13,66,509	1,15,13,66,509	2,50,00,000	2,50,00,000
Total	3,80,29,59,508	3,80,29,59,508	1,47,79,75,805	1,47,79,75,805
Cash Outflows				
Unsecured wholesale funding	-	-	-	-
Secured wholesale funding	-	-	-	-
Additional requirements, of which	-	-	-	-
Outflows related to derivative exposures and other collateral requirements	-	-	-	-
Outflows related to loss of funding of debt products	-	-	-	-
Credit and liquidity facilities	-	-	-	-
Other contractual funding obligations	2,92,84,69,578	3,36,77,40,015	3,54,79,76,324	4,08,01,72,773
Other contingent funding obligations	-	-	-	-
Total	2,92,84,69,578	3,36,77,40,015	3,54,79,76,324	4,08,01,72,773
Cash Inflows				
Secured lending	-	-	-	-
Inflows from fully performing exposures	2,62,26,12,074	1,96,69,59,056	1,82,83,49,560	1,37,12,62,170
Other cash inflows	1,55,73,65,681	1,16,80,24,261	47,89,58,840	35,92,19,130
Total	4,17,99,77,755	3,13,49,83,316	2,30,73,08,400	1,73,04,81,300



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

Liquidity coverage ratio

Particulars	As at	As at
	31 March 2022	31 March 2021
Total high quality liquid assets (a)	3,80,29,59,508	1,47,79,75,805
Total net cash outflows (b) (Refer, note below)	84,19,35,004	2,34,96,91,472
Liquidity coverage ratio (a)/(b)	451.69%	62.90%

Note Total net cash outflows over the next 30 days = Stressed Outflows - Minimum of (Stressed Inflows; 75% of Stressed Outflows).

Qualitative disclosures

The Reserve Bank of India has prescribed monitoring of sufficiency of NBFC's liquid assets pursuant to RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated 04 November 2019. The Liquidity Coverage Ratio (LCR) is aimed at measuring and promoting short-term resilience of NBFCs to potential liquidity disruptions by ensuring maintenance of sufficient high quality liquid assets (HQLAs) to survive an acute stress scenario lasting for 30 days.

Liquidity of the Company is managed by the Asset Liability Management Committee (ALCO) under the supervision of Borrowings committee. The ratio comprises of high quality liquid assets (HQLAs) as numerator and net cash outflows in 30 days as denominator. Cash outflows are calculated by multiplying the outstanding balances of various categories or types of liabilities by 1.15 times and cash inflows are calculated by multiplying the outstanding balances of various categories of contractual receivables by 0.75 times.

The weighted cash outflows are primarily driven by secured and unsecured from loans from banks, financial institutions, non-convertible debentures and securitization/direct assignment transactions. Borrowings contributed 52.20% and 43.07% of the total weighted cash outflows as at 31 March 2022 and 31 March 2021 respectively. The weighted cash inflows are primarily driven by unsecured micro loans and secured loans to MSME and individuals.

The Company has implemented the LCR framework and has consistently maintained LCR well above the regulatory threshold. The average LCR for the quarter ended 31 March 2022 was 451.69% which is above the regulatory requirement of 50.00%.



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 49. Leases

The Company has adopted Ind AS 116 'Leases' with the date of initial application being April 1, 2019. Ind AS 116 replaces Ind AS 17 – Leases and related interpretation and guidance. The Company did not have contract qualifying as Lease as on April 1, 2019 except short term leases which are exempted from the application of Ind AS 116.

Impact of adoption of Ind AS 116 on the statement of profit and loss

Particulars	Amount ₹	
	Year Ended March 31, 2022	Year Ended March 31, 2021
Interest on lease liabilities	68,11,339	61,60,885
Income recognised- Security deposit	5,62,342	3,42,332
Depreciation on Right to Use	1,26,34,351	98,27,348
Total cash outflow for leases	1,60,07,652	1,18,25,727
Lease expense on Low Value Assets / Short term assets	12,88,61,189	9,24,39,836

Impact of adoption of Ind AS 116 on the Balance Sheet

Particulars	As at	
	March 31, 2022	March 31, 2021
Right to Use Asset	6,73,77,250	5,62,88,979
Lease Liability	7,41,82,995	6,17,65,249

The company has discounted lease payments at weighted average borrowing rate which is 10.56%.

Maturity analysis of Lease Liabilities (valued on undiscounted basis)

Particulars	As at	
	March 31, 2022	March 31, 2021
Year 1	1,85,56,327	1,33,20,722
Year 2	1,80,80,805	1,26,20,152
Year 3	1,72,07,183	1,19,33,621
Year 4	1,68,37,482	1,13,99,335
Year 5	1,57,90,372	1,16,76,795
More than 5 years	1,13,83,247	1,16,53,118



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 50. Fair value measurements

Particulars	Carrying Value		Fair Value	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Financial assets				
Derivative Financial Instruments	9,86,93,322	8,69,85,006	9,86,93,322	8,69,85,006
Investments	5,00,000	5,00,000	5,00,000	5,00,000
Loans	55,18,62,67,844	39,63,02,60,944	55,18,62,67,844	39,63,02,60,944
Accrued interest on Fixed Deposits	4,57,13,478	2,34,61,796	4,57,13,478	2,34,61,796
Staff Loans	16,51,888	9,39,651	16,51,888	9,39,651
Security Deposits	6,35,52,775	4,92,76,326	6,35,52,775	4,92,76,326
Interest Strip Asset on Assignment	36,67,15,640	43,41,12,185	36,67,15,640	43,41,12,185
Other Receivable	4,19,96,467	-	4,19,96,467	-
TDS Receivable	-	-	-	-
Trade Receivables	8,48,45,567	3,05,99,607	8,48,45,567	3,05,99,607
Cash and cash equivalents	4,55,08,08,859	1,78,70,10,465	4,55,08,08,859	1,78,70,10,465
Bank Balance	2,55,56,28,994	1,54,44,11,947	2,55,56,28,994	1,54,44,11,947
Total Financial Assets	62,99,63,74,833	43,58,75,57,926	62,99,63,74,833	43,58,75,57,926
Financial liabilities				
Derivative Financial Instruments	9,86,93,322	8,69,85,006	9,86,93,322	8,69,85,006
Debt Securities	5,14,80,83,770	8,82,92,74,954	5,14,80,83,770	8,82,92,74,954
Borrowings	46,03,36,59,529	25,54,11,18,371	46,03,36,59,529	25,54,11,18,371
Subordinated Liabilities	1,40,72,04,341	1,27,85,62,710	1,40,72,04,341	1,27,85,62,710
Lease Liability	7,41,82,995	6,17,65,249	7,41,82,995	6,17,65,249
Trade payables	8,06,03,416	8,60,14,864	8,06,03,416	8,60,14,864
Other financial liabilities	91,35,84,192	1,59,95,59,729	91,35,84,192	1,59,95,59,729
Total Financial Liabilities	53,75,60,11,565	37,48,32,80,883	53,75,60,11,565	37,48,32,80,883

Fair value hierarchy

Ind AS 113, 'Fair Value Measurement' requires classification of the valuation method of financial instruments measured at fair value in the Statement of Balance sheet, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurements). The hierarchy gives the highest priority to un-adjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to un-observable inputs (Level 3 measurements). Fair value of derivative financial assets and liabilities are estimated by discounting expected future contractual cash flows using prevailing market interest rate curves. The three levels of the fair-value-hierarchy under Ind AS 113 are described below.

Financial assets and liabilities measured at fair value - recurring fair value measurements -As at March 31, 2022	Level 1	Level 2	Level 3	Total	Carrying cost
Financial assets					
Derivative Financial Instruments	-	9,86,93,322	-	9,86,93,322	9,86,93,322
Investments	-	-	-	-	-
(i) Mutual Funds	-	-	-	-	-
(ii) Government Securities	-	-	-	-	-
(iii) Debt Securities	-	-	-	-	-
(iv) Equity	-	-	-	-	-
Total financial assets	-	9,86,93,322	-	9,86,93,322	9,86,93,322
Financial liabilities					
Derivative Financial Instruments	-	9,86,93,322	-	9,86,93,322	9,86,93,322
Total financial liabilities	-	9,86,93,322	-	9,86,93,322	9,86,93,322



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Notes forming part of Financial Statements for the year ended March 31, 2022

Financial assets and liabilities measured at fair value - recurring fair value measurements - As at March 31, 2021	Level 1	Level 2	Level 3	Total	Carrying cost
Financial assets					
Derivative Financial Instruments	-	8,69,85,006	-	8,69,85,006	8,69,85,006
Investments	-	-	-	-	-
(i) Mutual Funds	-	-	-	-	-
(ii) Government Securities	-	-	-	-	-
(iii) Debt Securities	-	-	-	-	-
(iv) Equity	-	-	-	-	-
Total financial assets	-	8,69,85,006	-	8,69,85,006	8,69,85,006
Financial liabilities					
Derivative Financial Instruments	-	8,69,85,006	-	8,69,85,006	8,69,85,006
Total financial liabilities	-	8,69,85,006	-	8,69,85,006	8,69,85,006

Assets and liabilities which are measured at amortised cost for which fair values are disclosed - As at March 31, 2022	Level 1	Level 2	Level 3	Total	Carrying cost
Financial assets					
Cash and cash equivalents	-	-	-	-	4,55,08,08,859
Bank Balance other than included above	-	-	-	-	2,55,56,28,994
Receivables	-	-	-	-	-
(i) Trade Receivables	-	-	8,48,45,567	8,48,45,567	8,48,45,567
Loans	-	-	55,18,62,67,844	55,18,62,67,844	55,18,62,67,844
Investment in Equity	-	-	5,00,000	5,00,000	5,00,000
Other Financial assets	-	-	51,96,30,247	51,96,30,247	51,96,30,247
Total financial assets	-	-	55,79,12,43,658	55,79,12,43,658	62,89,76,81,511
Financial Liabilities					
Trade Payables	-	-	8,06,03,416	8,06,03,416	8,06,03,416
Debt Securities	-	-	-	-	5,14,80,83,770
Borrowings (Other than Debt Securities)	-	-	46,03,36,59,529	46,03,36,59,529	46,03,36,59,529
Subordinated Liabilities	-	-	-	-	1,40,72,04,341
Lease Liability	-	-	7,41,82,995	7,41,82,995	7,41,82,995
Other financial liabilities	-	-	91,35,84,192	91,35,84,192	91,35,84,192
Total financial liabilities	-	-	47,10,20,30,132	47,10,20,30,132	53,65,73,18,243

Assets and liabilities which are measured at amortised cost for which fair values are disclosed - As at March 31, 2021	Level 1	Level 2	Level 3	Total	Carrying cost
Financial assets					
Cash and cash equivalents	-	-	-	-	1,78,70,10,465
Bank Balance other than included above	-	-	-	-	1,54,44,11,947
Receivables	-	-	-	-	-
(i) Trade Receivables	-	-	3,05,99,607	3,05,99,607	3,05,99,607
Loans	-	-	39,63,02,60,944	39,63,02,60,944	39,63,02,60,944
Investment in Equity	-	-	5,00,000	5,00,000	5,00,000
Other Financial assets	-	-	50,77,89,958	50,77,89,958	50,77,89,958
Total financial assets	-	-	40,16,91,50,508	40,16,91,50,508	43,50,05,72,920
Financial Liabilities					
Trade Payables	-	-	8,60,14,864	8,60,14,864	8,60,14,864
Debt Securities	-	-	8,82,92,74,954	8,82,92,74,954	8,82,92,74,954
Borrowings (Other than Debt Securities)	-	-	25,54,11,18,371	25,54,11,18,371	25,54,11,18,371
Subordinated Liabilities	-	-	96,99,09,077	96,99,09,077	1,27,85,62,710
Lease Liability	-	-	6,17,65,249	6,17,65,249	6,17,65,249
Other financial liabilities	-	-	1,59,95,59,729	1,59,95,59,729	1,59,95,59,729
Total financial liabilities	-	-	37,08,76,42,244	37,08,76,42,244	37,39,62,95,877



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022
Note 51. Movement of Non Performing Assets (NPA)

(Amount in ₹)

Sl.No	Particulars	March 31, 2022	March 31, 2021
(i)	Net NPAs to Net Advances (%)		
	Movement of NPAs (Gross)		
	a) Opening balance	74,78,19,368	34,31,20,550
(ii)	b) Addition during the year	1,64,71,18,155	73,27,59,587
	c) Reduction during the year	62,04,71,138	32,80,60,769
	d) Closing balance	1,77,44,66,385	74,78,19,368
	Movement of Net NPAs		
	a) Opening balance	-	-
(iii)	b) Addition during the year	43,92,45,533	-
	c) Reduction during the year	(3,39,60,612)	-
	d) Closing balance	47,32,06,145	-
	Movement of provision for NPAs (excluding provision on standard assets)		
(iv)	a) Opening balance	74,78,19,368	34,31,20,550
	b) Provision made during the year	1,20,78,72,622	73,27,59,587
	c) Write off / write-back of excess provisions	65,44,31,750	32,80,60,769
	d) Closing balance	1,30,12,60,240	74,78,19,368



Note 52. Details of terms of repayment - Term loans from banks and others

As at 31st March 2022

Amount in ₹ Cr

Type of instrument / institution	Frequency of Repayment	Original maturity of loan	Interest Range	Due within 1 year		Due within 1-2 year		Due within 2-3 year		Due within 3-4 year		Due within 4-5 year		Over 5 years	
				No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount
CP	Bullet	Up to 1 Year	7.00%-8.00%	1	25.90	-	-	-	-	-	-	-	-	-	-
Debentures	Quarterly	1-3 years	7.00%-8.00%	4	50.00	-	-	-	-	-	-	-	-	-	-
			9.00%-10.00%	1	50.00	-	-	-	-	-	-	-	-	-	-
	Bullet	1-3 years	9.00%-10.00%	2	30.00	-	-	-	-	-	-	-	-	-	-
			11.00%-12.00%	-	-	6	200.00	-	-	-	-	-	-	-	-
			9.00%-10.00%	-	-	-	-	2	144.80	-	-	-	-	-	-
			10.00%-11.00%	-	-	-	-	1	89.00	-	-	-	-	-	-
			15.00%-16.00%	1	5.00	-	-	-	-	-	-	-	-	-	-
Above 3 Years	16.00%-17.00%	1	5.00	-	-	-	-	-	-	-	-	-	-		
Term Loans-Banks	Monthly	1-3 years	8.00%-9.00%	81	272.12	67	213.43	9	17.71	-	-	-	-	-	-
			9.00%-10.00%	312	817.33	155	464.94	21	107.99	-	-	-	-	-	
			10.00%-11.00%	110	188.48	32	21.76	-	-	-	-	-	-	-	
			11.00%-12.00%	24	3.26	-	-	-	-	-	-	-	-	-	
			Above 3 Years	10.00%-11.00%	1	0.14	-	-	-	-	-	-	-	-	
			8.00%-9.00%	3	6.84	4	9.12	4	9.04	-	-	-	-	-	
	Quarterly	1-3 years	9.00%-10.00%	48	359.75	47	376.61	9	101.94	-	-	-	-	-	
			10.00%-11.00%	23	139.53	8	72.73	8	72.73	-	-	-	-		
			9.00%-10.00%	14	58.26	9	37.50	8	33.33	2	8.33	-	-		
			10.00%-11.00%	4	16.67	2	8.32	-	-	-	-	-	-		
	Bullet	1-3 years	9.00%-10.00%	3	58.38	-	-	-	-	-	-	-	-		
	Term Loans-Financial Institutions	Monthly	1-3 years	5.00%-6.00%	7	35.00	-	-	-	-	-	-	-	-	
				9.00%-10.00%	34	81.92	32	83.00	8	36.08	-	-	-	-	
10.00%-11.00%				78	103.13	59	95.96	-	-	-	-	-	-		
11.00%-12.00%				11	14.22	-	-	-	-	-	-	-	-		
Quarterly		1-3 years	9.00%-10.00%	4	8.33	4	8.33	4	8.33	-	-	-	-		
			10.00%-11.00%	8	23.33	8	23.33	-	-	-	-	-	-		
			11.00%-12.00%	3	5.97	-	-	-	-	-	-	-	-		
			8.00%-9.00%	4	42.00	4	42.00	4	12.00	4	12.00	-	-		
			9.00%-10.00%	4	64.00	4	52.00	4	42.00	4	24.00	3	18.00		
Half-yearly		1-3 years	10.00%-11.00%	1	32.50	-	-	-	-	-	-	-			
			11.00%-12.00%	2	30.00	2	30.00	2	15.00	-	-	-			
Yearly		1-3 years	7.00%-8.00%	2	112.00	-	-	-	-	-	-	-			
			8.00%-9.00%	1	30.00	-	-	-	-	-	-	-			
	9.00%-10.00%		1	30.00	1	18.00	-	-	-	-	-				
				793	2,699	444	1,757	84	690	10	44	3	18		



HFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

As at 31st March 2021

Amount in ₹ Cr

Type of instrument / institution	Frequency of Repayment	Original maturity of loan	Interest Range	Due within 1 year		Due within 1-2 year		Due within 2-3 year		Due within 3-4 year		Due within 4-5 year		Over 5 years		
				No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	
Debentures	Quarterly	1-3 years	10.00%-11.00%	4	50.00	4	50.00	-	-	-	-	-	-	-	-	
		9.00%-10.00%	3	100.00	2	30.00	-	-	-	-	-	-	-	-	-	
	Bullet	1-3 years	11.00%-12.00%	-	-	-	-	6	200.00	-	-	-	-	-	-	
		Above 3 Years	8.00%-9.00%	1	14.00	-	-	-	-	1	59.00	-	-	-	-	
			9.00%-10.00%	1	286.00	-	-	-	-	1	11.00	-	-	-	-	
			10.00%-11.00%	-	-	-	-	-	-	2	89.00	-	-	-	-	
			15.00%-16.00%	-	-	1	5.00	-	-	-	-	-	-	-	-	
16.00%-17.00%	-	-	1	5.00	-	-	-	-	-	-	-	-	-			
Term Loans-Bank	Monthly	1-3 years	9.00%-10.00%	112	250.78	96	246.38	22	66.06	-	-	-	-	-	-	
			10.00%-11.00%	163	315.44	117	206.21	25	16.91	1	0.49	-	-	-	-	
			11.00%-12.00%	27	19.10	24	3.26	-	-	-	-	-	-	-	-	
		Above 3 Years	9.00%-10.00%	12	2.43	1	0.21	-	-	-	-	-	-	-	-	
	11.00%-12.00%		1	0.04	-	-	-	-	-	-	-	-	-	-		
	Quarterly	1-3 years	9.00%-10.00%	10	38.99	6	29.61	4	18.18	-	-	-	-	-	-	
			10.00%-11.00%	21	93.82	8	78.74	-	-	-	-	-	-	-	-	
			11.00%-12.00%	4	57.14	-	-	-	-	-	-	-	-	-	-	
		Above 3 Years	9.00%-10.00%	2	4.17	-	-	-	-	-	-	-	-	-	-	
	10.00%-11.00%		20	66.65	12	49.99	3	12.50	-	-	-	-	-	-		
	Bullet	1-3 years	3.00%-4.00%	1	112.00	-	-	-	-	-	-	-	-	-	-	
			9.00%-10.00%	4	82.50	-	-	-	-	-	-	-	-	-	-	
	Term Loans-Financial Institutions	Monthly	1-3 years	6.00%-7.00%	2	28.13	-	-	-	-	-	-	-	-	-	-
10.00%-11.00%				38	35.00	31	38.91	23	35.10	-	-	-	-	-	-	
11.00%-12.00%				45	45.35	12	15.27	-	-	-	-	-	-	-	-	
12.00%-13.00%				4	4.08	-	-	-	-	-	-	-	-	-	-	
Quarterly		1-3 years	10.00%-11.00%	8	23.33	8	23.33	8	23.33	-	-	-	-	-	-	
			11.00%-12.00%	7	15.50	3	6.00	-	-	-	-	-	-	-	-	
Above 3 Years		8.00%-9.00%	4	42.00	4	42.00	4	42.00	4	42.00	4	12.00	4	12.00	-	-
		6.00%-7.00%	1	32.50	-	-	-	-	-	-	-	-	-	-	-	
Half-yearly		1-3 years	10.00%-11.00%	1	32.50	1	32.50	-	-	-	-	-	-	-	-	
			11.00%-12.00%	2	30.00	2	30.00	2	30.00	2	15.00	-	-	-	-	
Yearly		1-3 years	7.00%-8.00%	1	70.00	-	-	-	-	-	-	-	-	-	-	
			8.00%-9.00%	-	-	1	30.00	-	-	-	-	-	-	-	-	
				499	1,851.46	334	922.42	97	444.09	11	186.49	4	12.00	-	-	



Note 53. Asset Liability Management

Maturity Pattern of certain items of Assets and Liabilities as at 31 March 2022:

Particulars	1 to 7 days	8 days to 14 days	15 days to 31 days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
Liabilities											
Borrowings from Banks, Financial institution and NBFCs	27,88,57,286	39,85,73,975	1,08,05,99,374	2,57,27,34,917	2,50,97,20,767	6,51,73,06,398	12,00,33,42,693	20,13,21,47,394	62,33,33,333	-	46,11,66,16,136
Market Borrowings	-	-	-	-	37,50,00,000	38,40,00,000	90,00,00,000	4,33,80,00,000	-	-	5,99,70,00,000
Securitisation	-	-	-	-	-	-	-	-	-	-	-
Total	27,88,57,286	39,85,73,975	1,08,05,99,374	2,57,27,34,917	2,88,47,20,767	6,90,13,06,398	12,90,33,42,693	24,47,01,47,394	62,33,33,333	-	52,11,36,16,136
Assets											
Advances	52,45,22,415	1,57,35,67,245	52,45,22,415	2,86,71,05,245	2,90,11,06,899	8,84,22,44,587	17,69,97,36,367	22,55,44,20,811	20,08,79,699	3,90,94,953	57,72,72,00,636
Investments	-	-	-	-	-	-	-	-	-	5,00,000	5,00,000
Total	52,45,22,415	1,57,35,67,245	52,45,22,415	2,86,71,05,245	2,90,11,06,899	8,84,22,44,587	17,69,97,36,367	22,55,44,20,811	20,08,79,699	3,95,94,953	57,72,77,00,636

Maturity Pattern of certain items of Assets and Liabilities as at 31 March 2021:

Particulars	1 to 7 days	8 days to 14 days	15 days to 31 days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
Liabilities											
Borrowings from Banks, Financial institution and NBFCs	37,50,98,509	37,47,34,848	1,00,73,28,705	1,74,53,53,606	1,13,12,76,997	2,63,41,57,733	7,03,60,27,225	10,79,63,26,770	39,48,95,549	-	25,49,51,99,943
Market Borrowings	-	-	-	-	12,50,00,000	12,50,00,000	4,25,00,00,000	2,90,00,00,000	1,59,00,00,000	-	8,99,00,00,000
Securitisation	-	-	-	-	-	-	-	-	-	-	-
Total	37,50,98,509	37,47,34,848	1,00,73,28,705	1,74,53,53,606	1,25,62,76,997	2,75,91,57,733	11,28,60,27,225	13,69,63,26,770	1,98,48,95,549	-	34,48,51,99,943
Assets											
Advances	42,66,14,897	42,66,14,897	97,51,19,766	1,85,64,66,466	1,96,13,11,837	5,95,16,56,398	12,36,72,31,041	16,93,04,66,574	25,09,64,728	2,13,22,862	41,16,77,69,466
Investments	-	-	-	-	-	-	-	-	-	5,00,000	5,00,000
Total	42,66,14,897	42,66,14,897	97,51,19,766	1,85,64,66,466	1,96,13,11,837	5,95,16,56,398	12,36,72,31,041	16,93,04,66,574	25,09,64,728	2,18,22,862	41,16,82,69,466

Capital Management

The Company manages capital risk in order to maximize shareholders' profit by maintaining sound/optimal capital structure. For the purpose of the Company's capital management, capital includes equity share capital and other equity. Debt includes term loans from banks, NBFC and debentures net of cash and bank balances. The Company monitors capital on the basis of the following gearing ratio. There is no change in the overall capital risk management strategy of the Company compared to last year.

Particulars	As at Mar'22	As at Mar'21
Borrowings	52,11,36,16,136	34,48,51,99,943
Cash and bank balance	7,10,64,37,853	3,33,14,22,412
Net Debt (A)	45,00,71,78,283	31,15,37,77,531
Equity share capital	4,98,22,31,900	3,20,81,33,360
Other equity	4,75,29,87,775	2,92,96,90,787
Total Equity (B)	9,73,52,19,675	6,13,78,24,147
Net Debt to Equity Ratio	4.62	5.08



Note 54 : Restructure details

(i) Details of resolution plan implemented under the Resolution Framework for COVID-19 related stress as per RBI circular dated August 6, 2020 are given below (Resolution Framework 1.0):

Type of Borrower	Number of accounts where resolution plan has been implemented under this window (A)	exposure to accounts mentioned at (A) before implementation of the plan (B)	Of (B), aggregate amount of debt that was converted into other securities (C)	Additional funding sanctioned, if any, including between invocation of the plan and implementation (D)	Increase in provisions on account of the implementation of the resolution plan (E)
Microfinance Loans	-	-	-	-	-
Dairy Cattle Loans	-	-	-	-	-
Individual Loans	-	-	-	-	-
Total	-	-	-	-	-

Type of Borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year (B)	Of (A) amount written off during the half-year (C)	Of (A) amount paid by the borrowers during the half-year (D)	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year (E)
Microfinance Loans	-	-	-	-	-
Dairy Cattle Loans	-	-	-	-	-
Individual Loans	-	-	-	-	-
Total	-	-	-	-	-

(ii) Information as required by Reserve Bank of India Circular on resolution framework 2.0: Resolution of Covid - 19 related stress of individuals and small businesses dated 5 May 2021

S.No.	Description	Microfinance Loans	Dairy Cattle Loans	Individual Loans
(A)	Number of requests received for invoking resolution process	2,25,662	4,955	445
(B)	Number of accounts where resolution plan has been implemented under this window	2,25,662	4,955	445
(C)	Exposure to accounts mentioned at (B) before implementation of the plan	4,69,60,40,603	14,65,40,017	6,28,67,011
(D)	Of (C) aggregate amount of debt that was converted into other securities	-	-	-
(E)	Additional funding sanctioned, if any, including between invocation of the plan and implementation	-	-	-
(F)	Increase in provisions on account of the implementation of the resolution plan	52,37,81,559	3,57,22,535	2,37,21,914
(G)	Exposure to accounts mentioned at (B) as on March 31, 2022.	4,83,24,85,246	7,27,63,443	5,80,80,508

(ii) Requests from 61,439 customers received for relief under restructuring plan 2.0 were not reported in earlier quarters due to delay by the branches in sending the necessary documents to Head office for compilation and reporting purposes. However the company has provided the necessary provision as per circular.



Note 55. Financial ratios

Ratio	Numerator	Denominator	As at	As at	% Change	Reason for variance
			31 March 2022	31 March 2021		
			Ratio	Ratio		
Current ratio	Current assets	Current liabilities	1.46	1.24	17.84%	
Debt-equity ratio	Total debt [Non-current borrowings + Current borrowings]	Total equity	5.37	5.45	(1.30%)	
Debt service coverage ratio	Earnings before depreciation and amortisation and interest [Earnings = Profit after tax + Depreciation and amortisation expense + Finance costs (excluding interest on lease liabilities)]	Interest expense (including capitalised) + Principal repayment (including prepayments)	NA	NA	NA	
Return on equity ratio	Profit after tax	Average of total equity	0.06	0.12	(46.49%)	Due to decrease in profitability by 24% YoY
Inventory turnover ratio	Costs of materials consumed	Average inventories	NA	NA	NA	
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	NA	NA	NA	
Trade payables turnover ratio	Purchases	Average trade payables	NA	NA	NA	
Net capital turnover ratio	Revenue from operations	Working capital [Current assets - Current liabilities]	0.78	1.37	(43.29%)	Due to increase in revenue from operations by 46% YoY and Capital employed increased by 156% YoY.
Net profit ratio	Profit after tax	Revenue from operations	0.05	0.10	(47.95%)	Due to increase in revenue from operations by 46% YoY, PAT got declined by 24% YoY and due to writeoff's being on higher side by 208% YoY.
Return on capital employed	Earnings before depreciation and amortisation, interest and tax [Earnings = Profit after tax + Tax expense + Depreciation and amortisation expense + Finance costs (excluding interest on lease liabilities)]	Capital employed [Total assets - Current liabilities + Current borrowings]	0.07	0.11	(31.17%)	Due to decrease in profitability by 24% YoY
Return on investment	Profit after tax	Equity share capital + Instruments entirely equity in nature + Securities premium	0.07	0.15	(54.33%)	Due to decrease in profitability by 24% YoY



IIFL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 56. Disclosures of frauds reported during the year vide DNBS PD.CC.No. 256 / 03.10.042 / 2011-12 dated 02nd March 2012 :

Particulars	Less than ₹ 1 Lakh		₹ 1 - 5 Lakhs		₹ 5 - 25 Lakhs		Total	
	No. of Accounts	Value ₹	No. of Accounts	Value ₹	No. of Accounts	Value ₹	No. of Accounts	Value ₹
A) Person involved								
Staff	122	26,12,332	3	6,36,921	3	31,48,467	128	63,97,720
Customer	-	-	-	-	-	-	-	-
Staff and Customer	-	-	-	-	-	-	-	-
Total	122	26,12,332	3	6,36,921	3	31,48,467	128	63,97,720
B) Type of fraud								
Misappropriation and criminal breach of trust	122	26,12,332	2	3,04,320	1	14,08,322	125	43,24,974
Fraudulent encashment : Manipulation of books of Accounts	-	-	-	-	-	-	-	-
Unauthorized credit facility extended	-	-	-	-	-	-	-	-
Clearing and forgery	-	-	1	3,32,601	2	17,40,145	3	20,72,746
Total	122	26,12,332	3	6,36,921	3	31,48,467	128	63,97,720



HFPL Samasta Finance Limited (Erstwhile Samasta Microfinance Limited)
Notes forming part of Financial Statements for the year ended March 31, 2022

Note 57. Disclosure pursuant to Master Direction DNBR, PD. 008/03.10.119/2016-17 issued by Reserve Bank of India
Customer complaints

Particulars	As at 31 March 2022	As at 31 March 2021
No. of complaints pending as at beginning of the year	38	-
No. of complaints received during the year	667	494
No. of complaints redressed during the year	701	456
No. of complaints pending as at end of the year	4	38

Details of registration with financial regulators

Regulator	Registration No
Ministry of Company Affairs	U65191KA1995PLC057884
Reserve Bank of India	B-02.00250

Disclosure of penalties imposed by RBI and other regulators : There are no penalty imposed by Reserve Bank of India and other regulators during the financial year.

Note 58. Covid-19 Pandemic

The outbreak of the COVID-19 pandemic had led to a nation wide lockdown in April - June 2020. This was followed by localised lockdowns in areas with a significant number of COVID-19 cases. Following the easing of lockdown measures, there was an improvement in economic activity in the second half of fiscal 2021. Since then India experienced two waves of the COVID-19 pandemic following the discovery of mutant coronavirus variants, leading to the reimposition of regional lockdowns which were subsequently lifted.

The impact of COVID-19, including changes in customer behaviour and pandemic fears, as well as restrictions on business and individual activities, led to significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. The disruptions following the outbreak, impacted loan originations, and the efficiency in collection efforts resulting in increase in customer defaults and consequent increase in provisions and write off there against.

India is emerging from the COVID-19 pandemic. The extent to which any new wave of COVID-19 will impact the Company's results will depend on ongoing as well as future developments, including, among other things, any new information concerning the severity of the COVID-19 pandemic, and any action to contain its spread or mitigate its impact whether government-mandated or elected by us.

Note 59. Previous year Figures

Previous year's figures have been reclassified to conform with the current year's classification / presentation wherever applicable.

Accompanying notes are an integral part of these financial statements

As per our attached report of even date

For Brahmayya & Co.,

Chartered Accountants

Firm No. 000515S



G. Srinivas

Partner

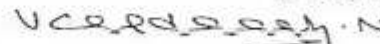
M. No. 086761

Place: Bengaluru

Date: 23-04-2022



For and on behalf of the Board of Directors
of HFPL Samasta Finance Limited



N. Venkatesh

Managing Director

DIN : 01018821



Anantha Kumar

Chief Financial Officer

Place: Bengaluru

Date: 23-04-2022



D. Shivaprakash

Whole-Time Director

DIN : 02216802



Manoranjan Biswas

Company Secretary



ANNEXURE D – ILLUSTRATIVE CASHFLOWS

ILLUSTRATION FOR GUIDANCE IN RESPECT OF THE DAY COUNT CONVENTION AND EFFECT OF HOLIDAYS ON PAYMENTS

SERIES I

Company	IIFL Samasta Finance Limited
	Particulars
Face Value per NCD (₹)	1,000.00
Number of NCDs held (assumed)	1
Date of Allotment	Friday, 21 June, 2024
Tenor	24 months
Coupon Rate for all Categories	9.20%
Redemption Date/Maturity Date	Sunday, 21 June, 2026
Coupon Frequency	Monthly
Frequency of the interest payment with specified dates	First Interest on August 01, 2024 and subsequently on the 1st day of every month
Day Count Convention	Actual / Actual

Cash Flows	Due Date	Date of Payment	No of days in coupon period	Coupon For All Categories (in ₹)	Days
Deemed Date of Allotment	Friday, 21 June, 2024	Friday, 21 June, 2024	-	-1,000	
1st Coupon	Thursday, 1 August, 2024	Thursday, 1 August, 2024	41	10.3	365
2nd Coupon	Sunday, 1 September, 2024	Monday, 2 September, 2024	31	7.8	365
3rd Coupon	Tuesday, 1 October, 2024	Tuesday, 1 October, 2024	30	7.6	365
4th Coupon	Friday, 1 November, 2024	Friday, 1 November, 2024	31	7.8	365
5th Coupon	Sunday, 1 December, 2024	Monday, 2 December, 2024	30	7.6	365
6th Coupon	Wednesday, 1 January, 2025	Wednesday, 1 January, 2025	31	7.8	365
7th Coupon	Saturday, 1 February, 2025	Monday, 3 February, 2025	31	7.8	365
8th Coupon	Saturday, 1 March, 2025	Monday, 3 March, 2025	28	7.1	365
9th Coupon	Tuesday, 1 April, 2025	Tuesday, 1 April, 2025	31	7.8	365
10th Coupon	Thursday, 1 May, 2025	Friday, 2 May, 2025	30	7.6	365
11th Coupon	Sunday, 1 June, 2025	Monday, 2 June, 2025	31	7.8	365
12th Coupon	Tuesday, 1 July, 2025	Tuesday, 1 July, 2025	30	7.6	365
13th Coupon	Friday, 1 August, 2025	Friday, 1 August, 2025	31	7.8	365
14th Coupon	Monday, 1 September, 2025	Monday, 1 September, 2025	31	7.8	365
15th Coupon	Wednesday, 1 October, 2025	Wednesday, 1 October, 2025	30	7.6	365
16th Coupon	Saturday, 1 November, 2025	Monday, 3 November, 2025	31	7.8	365

Cash Flows	Due Date	Date of Payment	No of days in coupon period	Coupon For All Categories (in ₹)	Days
17th Coupon	Monday, 1 December, 2025	Monday, 1 December, 2025	30	7.6	365
18th Coupon	Thursday, 1 January, 2026	Thursday, 1 January, 2026	31	7.8	365
19th Coupon	Sunday, 1 February, 2026	Monday, 2 February, 2026	31	7.8	365
20th Coupon	Sunday, 1 March, 2026	Monday, 2 March, 2026	28	7.1	365
21st Coupon	Wednesday, 1 April, 2026	Wednesday, 1 April, 2026	31	7.8	365
22nd Coupon	Friday, 1 May, 2026	Monday, 4 May, 2026	30	7.6	365
23rd Coupon	Monday, 1 June, 2026	Monday, 1 June, 2026	31	7.8	365
24th Coupon	Sunday, 21 June, 2026	Friday, 19 June, 2026	20	5.0	365
Principal / Maturity Value	Sunday, 21 June, 2026	Friday, 19 June, 2026	-	1,000	

SERIES II

Company	IIFL Samasta Finance Limited
	Particulars
Face Value per NCD (₹)	1,000.00
Number of NCDs held (assumed)	1
Date of Allotment	Friday, 21 June, 2024
Tenor	24 months
Coupon Frequency	Annual
Coupon Rate for all Categories	9.60%
Redemption Date/Maturity Date	Sunday, 21 June, 2026
Frequency of the interest payment with specified dates	First Interest on June 21, 2025 and subsequently on June 21, 2026
Day Count Convention	Actual / Actual

Cash Flows	Due Date	Date of Payment	No of days in coupon period	Coupon For All Categories (in ₹)
Deemed Date of Allotment	Friday, 21 June, 2024	Friday, 21 June, 2024	-	-1,000.00
1st Coupon	Saturday, 21 June, 2025	Monday, 23 June, 2025	365	96.00
2nd Coupon	Sunday, 21 June, 2026	Friday, 19 June, 2026	365	96.00
Principal / Maturity Value	Sunday, 21 June, 2026	Friday, 19 June, 2026	-	1,000.00

SERIES III

Company	IIFL Samasta Finance Limited
	Particulars
Face Value per NCD (₹)	1,000.00
Number of NCDs held (assumed)	1
Date of Allotment (assumed)*	Friday, 21 June, 2024
Tenor	36 months
Coupon Rate for all Categories	9.57%

Redemption Date/Maturity Date (assumed)	Monday, 21 June, 2027
Coupon Frequency	Monthly
Frequency of the interest payment with specified dates	First Interest on August 01, 2024 and subsequently on the 1st day of every month
Day Count Convention	Actual / Actual

Cash Flows	Due Date	Date of Payment	No of days in coupon period	Coupon For All Categories (in ₹)	Days
Deemed Date of Allotment	Friday, 21 June, 2024	Friday, 21 June, 2024		-1,000.00	
1st Coupon	Thursday, 1 August, 2024	Thursday, 1 August, 2024	41	10.7	365
2nd Coupon	Sunday, 1 September, 2024	Monday, 2 September, 2024	31	8.1	365
3rd Coupon	Tuesday, 1 October, 2024	Tuesday, 1 October, 2024	30	7.9	365
4th Coupon	Friday, 1 November, 2024	Friday, 1 November, 2024	31	8.1	365
5th Coupon	Sunday, 1 December, 2024	Monday, 2 December, 2024	30	7.9	365
6th Coupon	Wednesday, 1 January, 2025	Wednesday, 1 January, 2025	31	8.1	365
7th Coupon	Saturday, 1 February, 2025	Monday, 3 February, 2025	31	8.1	365
8th Coupon	Saturday, 1 March, 2025	Monday, 3 March, 2025	28	7.3	365
9th Coupon	Tuesday, 1 April, 2025	Tuesday, 1 April, 2025	31	8.1	365
10th Coupon	Thursday, 1 May, 2025	Friday, 2 May, 2025	30	7.9	365
11th Coupon	Sunday, 1 June, 2025	Monday, 2 June, 2025	31	8.1	365
12th Coupon	Tuesday, 1 July, 2025	Tuesday, 1 July, 2025	30	7.9	365
13th Coupon	Friday, 1 August, 2025	Friday, 1 August, 2025	31	8.1	365
14th Coupon	Monday, 1 September, 2025	Monday, 1 September, 2025	31	8.1	365
15th Coupon	Wednesday, 1 October, 2025	Wednesday, 1 October, 2025	30	7.9	365
16th Coupon	Saturday, 1 November, 2025	Monday, 3 November, 2025	31	8.1	365
17th Coupon	Monday, 1 December, 2025	Monday, 1 December, 2025	30	7.9	365
18th Coupon	Thursday, 1 January, 2026	Thursday, 1 January, 2026	31	8.1	365
19th Coupon	Sunday, 1 February, 2026	Monday, 2 February, 2026	31	8.1	365
20th Coupon	Sunday, 1 March, 2026	Monday, 2 March, 2026	28	7.3	365
21st Coupon	Wednesday, 1 April, 2026	Wednesday, 1 April, 2026	31	8.1	365
22nd Coupon	Friday, 1 May, 2026	Monday, 4 May, 2026	30	7.9	365
23rd Coupon	Monday, 1 June, 2026	Monday, 1 June, 2026	31	8.1	365
24th Coupon	Wednesday, 1 July, 2026	Wednesday, 1 July, 2026	30	7.9	365
25th Coupon	Saturday, 1 August, 2026	Monday, 3 August, 2026	31	8.1	365
26th Coupon	Tuesday, 1 September, 2026	Tuesday, 1 September, 2026	31	8.1	365
27th Coupon	Thursday, 1 October, 2026	Thursday, 1 October, 2026	30	7.9	365
28th Coupon	Sunday, 1 November, 2026	Monday, 2 November, 2026	31	8.1	365
29th Coupon	Tuesday, 1 December, 2026	Tuesday, 1 December, 2026	30	7.9	365
30th Coupon	Friday, 1 January, 2027	Friday, 1 January, 2027	31	8.1	365
31st Coupon	Monday, 1 February, 2027	Monday, 1 February, 2027	31	8.1	365
32nd Coupon	Monday, 1 March, 2027	Monday, 1 March, 2027	28	7.3	365

Cash Flows	Due Date	Date of Payment	No of days in coupon period	Coupon For All Categories (in ₹)	Days
33rd Coupon	Thursday, 1 April, 2027	Thursday, 1 April, 2027	31	8.1	365
34th Coupon	Saturday, 1 May, 2027	Monday, 3 May, 2027	30	7.9	365
35th Coupon	Tuesday, 1 June, 2027	Tuesday, 1 June, 2027	31	8.1	365
36th Coupon	Monday, 21 June, 2027	Monday, 21 June, 2027	20	5.2	365
Principal / Maturity Value	Monday, 21 June, 2027	Monday, 21 June, 2027		1,000.00	

SERIES IV

Company	IIFL Samasta Finance Limited
	Particulars
Face Value per NCD (₹)	1,000.00
Number of NCDs held (assumed)	1
Date of Allotment (assumed)*	Friday, 21 June, 2024
Tenor	36 months
Coupon Frequency	Annual
Coupon Rate for all Categories	10.00%
Redemption Date/Maturity Date (assumed)	Monday, 21 June, 2027
Frequency of the interest payment with specified dates	First Interest on June 21, 2025 and subsequently on June 21, 2026 and June 21, 2027
Day Count Convention	Actual / Actual

Cash Flows	Due Date	Date of Payment	No of days in coupon period	Coupon For All Categories Rs
Deemed Date of Allotment	Friday, 21 June, 2024	Friday, 21 June, 2024		-1,000
1st Coupon	Saturday, 21 June, 2025	Monday, 23 June, 2025	365	100
2nd Coupon	Sunday, 21 June, 2026	Monday, 22 June, 2026	365	100
3rd Coupon	Monday, 21 June, 2027	Monday, 21 June, 2027	365	100
Principal / Maturity Value	Monday, 21 June, 2027	Monday, 21 June, 2027		1,000

SERIES V

Company	IIFL Samasta Finance Limited
	Particulars
Face Value per NCD (₹)	1,000.00
Number of NCDs held (assumed)	1
Date of Allotment (assumed)*	Friday, 21 June, 2024
Tenor	60 months
Coupon Rate for all Categories	10.03%
Redemption Date/Maturity Date (assumed)	Thursday, 21 June, 2029
Coupon Frequency	Monthly
Frequency of the interest payment with specified dates	First interest on August 1, 2024 and subsequently on the 1st day of every month
Day Count Convention	Actual / Actual

Cash Flows	Due Date	Date of Payment	No of days in coupon period	Coupon For All Categories Rs	Days
Deemed Date of Allotment	Friday, 21 June, 2024	Friday, 21 June, 2024		-1,000	
1st Coupon	Thursday, 1 August, 2024	Thursday, 1 August, 2024	41	11.27	365.00
2nd Coupon	Sunday, 1 September, 2024	Monday, 2 September, 2024	31	8.52	365.00
3rd Coupon	Tuesday, 1 October, 2024	Tuesday, 1 October, 2024	30	8.24	365.00
4th Coupon	Friday, 1 November, 2024	Friday, 1 November, 2024	31	8.52	365.00
5th Coupon	Sunday, 1 December, 2024	Monday, 2 December, 2024	30	8.24	365.00
6th Coupon	Wednesday, 1 January, 2025	Wednesday, 1 January, 2025	31	8.52	365.00
7th Coupon	Saturday, 1 February, 2025	Monday, 3 February, 2025	31	8.52	365.00
8th Coupon	Saturday, 1 March, 2025	Monday, 3 March, 2025	28	7.69	365.00
9th Coupon	Tuesday, 1 April, 2025	Tuesday, 1 April, 2025	31	8.52	365.00
10th Coupon	Thursday, 1 May, 2025	Friday, 2 May, 2025	30	8.24	365.00
11th Coupon	Sunday, 1 June, 2025	Monday, 2 June, 2025	31	8.52	365.00
12th Coupon	Tuesday, 1 July, 2025	Tuesday, 1 July, 2025	30	8.24	365.00
13th Coupon	Friday, 1 August, 2025	Friday, 1 August, 2025	31	8.52	365.00
14th Coupon	Monday, 1 September, 2025	Monday, 1 September, 2025	31	8.52	365.00
15th Coupon	Wednesday, 1 October, 2025	Wednesday, 1 October, 2025	30	8.24	365.00
16th Coupon	Saturday, 1 November, 2025	Monday, 3 November, 2025	31	8.52	365.00
17th Coupon	Monday, 1 December, 2025	Monday, 1 December, 2025	30	8.24	365.00
18th Coupon	Thursday, 1 January, 2026	Thursday, 1 January, 2026	31	8.52	365.00
19th Coupon	Sunday, 1 February, 2026	Monday, 2 February, 2026	31	8.52	365.00
20th Coupon	Sunday, 1 March, 2026	Monday, 2 March, 2026	28	7.69	365.00
21st Coupon	Wednesday, 1 April, 2026	Wednesday, 1 April, 2026	31	8.52	365.00
22nd Coupon	Friday, 1 May, 2026	Monday, 4 May, 2026	30	8.24	365.00
23rd Coupon	Monday, 1 June, 2026	Monday, 1 June, 2026	31	8.52	365.00
24th Coupon	Wednesday, 1 July, 2026	Wednesday, 1 July, 2026	30	8.24	365.00
25th Coupon	Saturday, 1 August, 2026	Monday, 3 August, 2026	31	8.52	365.00
26th Coupon	Tuesday, 1 September, 2026	Tuesday, 1 September, 2026	31	8.52	365.00
27th Coupon	Thursday, 1 October, 2026	Thursday, 1 October, 2026	30	8.24	365.00
28th Coupon	Sunday, 1 November, 2026	Monday, 2 November, 2026	31	8.52	365.00
29th Coupon	Tuesday, 1 December, 2026	Tuesday, 1 December, 2026	30	8.24	365.00
30th Coupon	Friday, 1 January, 2027	Friday, 1 January, 2027	31	8.52	365.00
31st Coupon	Monday, 1 February, 2027	Monday, 1 February, 2027	31	8.52	365.00
32nd Coupon	Monday, 1 March, 2027	Monday, 1 March, 2027	28	7.69	365.00
33rd Coupon	Thursday, 1 April, 2027	Thursday, 1 April, 2027	31	8.52	365.00
34th Coupon	Saturday, 1 May, 2027	Monday, 3 May, 2027	30	8.24	365.00
35th Coupon	Tuesday, 1 June, 2027	Tuesday, 1 June, 2027	31	8.52	365.00
36th Coupon	Thursday, 1 July, 2027	Thursday, 1 July, 2027	30	8.24	365.00
37th Coupon	Sunday, 1 August, 2027	Monday, 2 August, 2027	31	8.52	365.00
38th Coupon	Wednesday, 1 September, 2027	Wednesday, 1 September, 2027	31	8.52	365.00
39th Coupon	Friday, 1 October, 2027	Friday, 1 October, 2027	30	8.24	365.00
40th Coupon	Monday, 1 November, 2027	Monday, 1 November, 2027	31	8.52	365.00
41st Coupon	Wednesday, 1 December, 2027	Wednesday, 1 December, 2027	30	8.24	365.00
42nd Coupon	Saturday, 1 January, 2028	Monday, 3 January, 2028	31	8.50	366.00
43rd Coupon	Tuesday, 1 February, 2028	Tuesday, 1 February, 2028	31	8.50	366.00
44th Coupon	Wednesday, 1 March, 2028	Wednesday, 1 March, 2028	29	7.95	366.00

Cash Flows	Due Date	Date of Payment	No of days in coupon period	Coupon For All Categories Rs	Days
45th Coupon	Saturday, 1 April, 2028	Monday, 3 April, 2028	31	8.50	366.00
46th Coupon	Monday, 1 May, 2028	Tuesday, 2 May, 2028	30	8.22	366.00
47th Coupon	Thursday, 1 June, 2028	Thursday, 1 June, 2028	31	8.50	366.00
48th Coupon	Saturday, 1 July, 2028	Monday, 3 July, 2028	30	8.22	366.00
49th Coupon	Tuesday, 1 August, 2028	Tuesday, 1 August, 2028	31	8.50	366.00
50th Coupon	Friday, 1 September, 2028	Friday, 1 September, 2028	31	8.50	366.00
51st Coupon	Sunday, 1 October, 2028	Tuesday, 3 October, 2028	30	8.22	366.00
52nd Coupon	Wednesday, 1 November, 2028	Wednesday, 1 November, 2028	31	8.50	366.00
53rd Coupon	Friday, 1 December, 2028	Friday, 1 December, 2028	30	8.22	366.00
54th Coupon	Monday, 1 January, 2029	Monday, 1 January, 2029	31	8.52	365.00
55th Coupon	Thursday, 1 February, 2029	Thursday, 1 February, 2029	31	8.52	365.00
56th Coupon	Thursday, 1 March, 2029	Thursday, 1 March, 2029	28	7.69	365.00
57th Coupon	Sunday, 1 April, 2029	Monday, 2 April, 2029	31	8.52	365.00
58th Coupon	Tuesday, 1 May, 2029	Wednesday, 2 May, 2029	30	8.24	365.00
59th Coupon	Friday, 1 June, 2029	Friday, 1 June, 2029	31	8.52	365.00
60th Coupon	Thursday, 21 June, 2029	Thursday, 21 June, 2029	20	5.50	365.00
Principal / Maturity Value	Thursday, 21 June, 2029	Thursday, 21 June, 2029		1,000	

SERIES VI

Company	IIFL Samasta Finance Limited
	Particulars
Face Value per NCD (₹)	1,000.00
Number of NCDs held (assumed)	1
Date of Allotment (assumed)*	Friday, 21 June, 2024
Tenor	60 months
Coupon Rate for all Categories	10.50%
Redemption Date/Maturity Date (assumed)	Thursday, 21 June, 2029
Coupon Frequency	Annual
Frequency of the interest payment with specified dates	First Interest on June 21, 2025 and subsequently on 21st day of June every year
Day Count Convention	Actual / Actual

Cash Flows	Due Date	Date of Payment	No of days in coupon period	Coupon For All Categories (in ₹)
Deemed Date of Allotment	Friday, 21 June, 2024	Friday, 21 June, 2024		-1,000.00
1st Coupon	Saturday, 21 June, 2025	Monday, 23 June, 2025	365	105.00
2nd Coupon	Sunday, 21 June, 2026	Monday, 22 June, 2026	365	105.00
3rd Coupon	Monday, 21 June, 2027	Monday, 21 June, 2027	365	105.00
4th Coupon	Wednesday, 21 June, 2028	Wednesday, 21 June, 2028	366	105.00
5th Coupon	Thursday, 21 June, 2029	Thursday, 21 June, 2029	365	105.00
Principal / Maturity Value	Thursday, 21 June, 2029	Thursday, 21 June, 2029		1,000.00

Assumptions:

- (i) The Deemed Date of Allotment is assumed to be Friday, June 21, 2024. If the Deemed Date of Allotment undergoes a change, the coupon payments dates, redemption dates, redemption amount and other cash flow working shall be changed accordingly.*
- (ii) In case of the leap year (February 29, 2028) interest payment have been calculated for 366 days.*
- (iii) In the event, the interest / pay-out of total coupon / redemption amount is a fraction and not an integer, such amount will be rounded off to the nearest integer.*
- (iv) Saturdays and Sundays are considered holidays in the above calculation.*