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

GENERAL INFORMATION DOCUMENT

Reference No.: IKF/GID/2023-2024/1

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

A public limited company incorporated under the Companies Act, 1956 and validly existing under the Companies Act, 2013.
General Information Document for issue of Non-Convertible Securities on a private placement basis dated: 04th August 2023

ISSUE OF SENIOR / UNSUBORDINATED / SUBORDINATED, SECURED / UNSECURED, RATED, LISTED, PRINCIPAL PROTECTED OR NOT, MARKET LINKED OR NOT, GREEN DEBT SECURITIES OR NOT, NON-CONVERTIBLE SECURITIES AGGREGATING FOR AN AMOUNT AS SHALL BE MORE PARTICULARLY SET OUT IN THE KEY INFORMATION DOCUMENT, IN MULTIPLE TRANCHES / ISSUANCES, FOR CASH, AT PAR OR AT PREMIUM OR AT DISCOUNT, EITHER FULLY PAID ISSUANCE OR PARTLY PAID ISSUANCE, IN A DEMATERIALISED FORM ON A PRIVATE PLACEMENT BASIS (THE "ISSUE") BY IKF FINANCE LIMITED (THE "COMPANY") OR ("ISSUER").

PART A: DISCLOSURES AS PER SEBI NCS Regulations:

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

Please see below the disclosures as required under the terms of the SEBI NCS Regulations (as defined below): The below disclosures as set out in this General Information Document shall be valid and applicable unless otherwise modified in the respective Key Information Document as shall be issued by the Issuer from time to time.

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

S. No.	Particulars	Relevant Disclosure
1.	**Corporate Identity Number of the Issuer**:	U65992AP1991PLC012736
2.	**Permanent Account Number of the Issuer**:	AAACI4784J
3.	**Date and place of Incorporation of the Issuer**:	Date of incorporation: May 30,1991 Place of incorporation: Vijayawada, India
4.	**Latest registration / identification number issued by any regulatory authority which regulates the Issuer (in this case the RBI**):	B-09.00172
5.	**Registered Office address of the Issuer**:	40-1-144, 3rd Floor, Corporate Centre, M.G. Road, Vijayawada - 520010
6.	**Corporate Office address of the Issuer**:	Plot Nos: 30/A, Survey No: 83/1, 11th Floor, Myhome Twitza, APIIC Hyderabad Knowledge City, Raidurg (Panmaqtha) Village, Serilingampally Mandal, Rangareddy District, Hyderabad-500081, Telangana, India.

S. No.	Particulars	Relevant Disclosure
7.	**Telephone No of the Issuer**:	0866-2474644
8.	**Details of Compliance officer of the Issuer:**	Name: Ch Sreenivasa Rao Telephone Number: 0866-2474644 Email address: sreenivas@ikffinfance.com
9.	**Details of Company Secretary of the Issuer**:	Name: Ch Sreenivasa Rao Telephone Number: 0866-2474644 Email address: sreenivas@ikffinfance.com
10.	**Details of Chief Financial Officer of the Issuer**:	Name: Mr. Ch Sreenivasa Rao Telephone Number: 0866-2474644 Email address: sreenivas@ikffinfance.com
11.	**Details of Promoters of the Issuer:**	(a) Name: Mr. Vupputuri Gopala Kishan Prasad Telephone Number: 0866-2474644 Email address: prasadvgk@ikffinance.com (b) Name: Vupputuri Indira Devi Telephone Number: 0866-2474644 Email address: prasadvgk@yahoo.com (c) Name: Koganti Vasumathi Devi Telephone Number: 040-23412081 Email address: vasumathi@ikffinance.com
12.	**Website address of the Issuer**:	www.ikffinance.com
13.	**Email address of the Issuer**:	sreenivas@ikffinfance.com
14.	**Details of debenture trustee for the Issue:**	Name: Vardhman Trusteeship Private Limited Address: Unit No 15, Turner Morrison, 6 Lyons Range, Kolkata, West Bengal - 700001 and branch office at The Capital, A Wing, 412A, Bandra Kurla Complex, Bandra (East), Mumbai, Maharashtra - 400051 Logo: Telephone Number: +91 22 4264 8335 Email address: rushabh@vardhmantrustee.com Contact person: Rushabh Desai Or such other Debenture Trustee as shall be set out in the respective Key Information Document.
15.	**Details of credit Rating Agent for the Issue:**	Name: CARE Ratings Limited Address: 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai - 400 022

S. No.	Particulars	Relevant Disclosure
		Logo: Telephone Number: +91-22- 6754 3456 Email address: care@careratings.com Contact person: Mr. Ravi Or such other Rating Agent as shall be set out in the respective Key Information Document.
16.	**Disclosure of filing**	Given this is a private placement of non-convertible securities, there shall be no requirement of filing the same with the Registrar of Companies pursuant to the Section 26(4) of the Act.
17.	**Date of General Information Document**	04th August 2023 This General Information Document is valid for a period of 1 (one) year from the first issue opening date.
18.	**Type of General Information Document**	This General Information Document is being issued in relation to the private placement basis of Non-Convertible Securities.
19.	**The nature, number, price and amount of securities offered and issue size (base issue or green shoe), as may be applicable**	**Base Issue:** Kindly refer to the respective Key Information Document **Green Shoe:** Kindly refer to the respective Key Information Document
20.	**The aggregate amount proposed to be raised through all the stages of offers of non-convertible securities made through the General Information Document (applicable only in case of public issuance)**	Not applicable.
21.	**Details of Registrar to the Issue:**	Name: Bigshare Services Private Limited Address: E-2, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai 400 072 Logo: Telephone Number: +022 2847 0652 Website: https://www.bigshareonline.com/ Email address: mohan@bigshareonline.com Contact Person: Mr. N. V. K. Mohan Or such other Registrar as shall be set out in the respective Key Information Document.

S. No.	Particulars	Relevant Disclosure
22.	**Legal Counsel**	Name: Juris Corp, Advocates & Solicitors Logo: Juris Corp advocates & solicitors Contact Person: Partner, Securities Address: 302, Century Bhavan, 3rd Floor, Dr Annie Besant Road, Worli, Mumbai – 400 030, India Email: securities@jclex.com Tel: 022 6720 5555 Website: www.jclex.com Or such other Legal Counsel as shall be set out in the respective Key Information Document.
23.	**Statutory Auditor**	Logo: SGCO & Co.LLP Chartered Accountants Name: M/s. SGCO & Co., L.L.P., Chartered Accountants Address: 4A, Kaledonia, 2nd Floor, Sahar Road, Near Andheri Station, Andheri (East), Mumbai- 400 069 Website: www.sgco.co.in Email address: ammit.vira@sgco.co.in Telephone Number: +91 22 6625 6363 Contact Person: Ammit Vira Peer review certificate no.: 014642 (A copy of the same is attached in Annexure XI of this General Information Document) Or such other Statutory Auditor as shall be set out in the respective Key Information Document.
24.	**Issue Schedule**	**Date of opening of the Issue:** As set out in the respective Key Information Document **Date of closing of the Issue:** As set out in the respective Key Information Document **Date of earliest closing of the Issue (if any):** As set out in the respective Key Information Document This General Information Document shall be issued as on 04th August 2023 and shall be valid for a period of 1 (one) year from the first issue opening date under this General Information Document.
25.	**Credit Rating of the Issue**	The Rating Agent has vide its letter dated July 25,2023 and rating rationale and its press release dated July 06,2023 assigned a rating of "Care A; Stable" (pronounced as "Single A, Outlook: Stable") in respect of the Debentures. Please refer to **Annexure**

S. No.	Particulars	Relevant Disclosure
		II of this General Information Document for the credit rating letter and rating rationale received from the Rating Agent assigning the credit rating abovementioned and the press release by the Rating Agent in this respect. Link for the press release: https://www.careratings.com/upload/CompanyFiles/PR/202307120718_IKF_Finance_Limited.pdf Or such other rating as shall be assigned from time to time and as shall be set out in the respective Key Information Document.
26.	**All the ratings obtained for the private placement of Issue**	Please refer to S.no 25 (*Credit Rating of the Issue*) above.
27.	**The name(s) of the stock exchanges where the securities are proposed to be listed, subject to change**	The Non-Convertible Securities are proposed to be listed on the wholesale debt market of the BSE Limited ("**BSE**"). Please refer to **Annexure VI** (*In-Principle approval received from BSE*) of this General Information Document for the in-principle approval for listing obtained from BSE). BSE shall be the 'Designated Stock Exchange' for the purpose of maintenance of the recovery expense fund prescribed by SEBI under the SEBI Debenture Trustees Circular, as may be amended from time to time.
28.	**The details about eligible investors;**	As shall be more particularly set out in the respective Key Information Document.
29.	**Coupon rate, coupon payment frequency, redemption date, redemption amount and details of debenture trustee**	As specified in the respective Key Information Document. The details of Debenture Trustee are provided under S. No. 14 of this table above.
30.	**Nature and issue size, base issue and green shoe option, if any, shelf or tranche size, each as may be applicable**	Issue Size - Kindly refer to the respective Key Information Document Base Issue Size - As set out in the respective Key Information Document. Green shoe option - As set out in the respective Key Information Document.
31.	**Details about underwriting of the issue including the amount undertaken to be underwritten by the underwriters:**	Kindly refer to the respective Key Information Document
32.	**Inclusion of a compliance clause in relation to electronic book mechanism and details pertaining to the uploading the General Information Document on the Electronic Book Provider Platform, if applicable.**	The final subscription to the Non-Convertible Securities shall be made by the Eligible Investors through the electronic book mechanism as prescribed by SEBI under the EBP Guidelines by placing bids on the electronic book platform during the Issue period. In case the Eligible Investors are not registered on the EBP, they will have to register themselves as investor on the said platform (as a one-time exercise) and also complete the mandatory KYC verification process. The Eligible Investors should also refer to the operational guidelines of the EBP in this respect. The disclosures required pursuant to the EBP Guidelines are set out hereinbelow:

S. No.	Particulars	Relevant Disclosure	
		Details of size of the Issue including green shoe option, if any	Total Issue size of Issue: Kindly refer to the respective Key Information Document
		Bid opening and closing date	Bid opening date: Kindly refer to the respective Key Information Document Bid closing date: Kindly refer to the respective Key Information Document
		Minimum Bid lot	Kindly refer to the respective Key Information Document
		Manner of bidding in the Issue	Closed Bidding
		Manner of allotment in the Issue	The allotment will be done on Uniform Yield basis in accordance with EBP Guidelines.
		Manner of settlement in the Issue	Pay-in of funds through ICCL and the account details are given in the Clause 8.9 (*Issue Procedure*) of this General Information Document.
		Settlement cycle	T+1, where T refers to the date of bid opening date / issue opening date
33.	**Specific declaration requested by BSE: non-equity regulatory capital**	Kindly refer to the respective Key Information Document	

Background

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

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

THIS GENERAL INFORMATION DOCUMENT IS PREPARED AND ISSUED IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021, ISSUED VIDE NOTIFICATION NUMBER SEBI/LAD-NRO/GN/2021/39 DATED 09TH AUGUST 2021, AS AMENDED FROM TIME TO TIME, READ WITH THE CIRCULARS ISSUED THEREUNDER; THE MASTER CIRCULAR FOR ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES, SECURITISED DEBT INSTRUMENTS, SECURITY RECEIPTS, MUNICIPAL DEBT SECURITIES AND COMMERCIAL PAPER ISSUED BY SECURITIES AND EXCHANGE BOARD OF INDIA, ISSUED VIDE CIRCULAR NO. SEBI/HO/DDHS/PoD1/P/CIR/2023/119 DATED 10TH AUGUST, 2021, AS AMENDED FROM TIME TO TIME, THE PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER PURSUANT TO SECTION 42 OF THE COMPANIES ACT, 2013 READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014 AND PURSUANT TO SECTION 71 OF THE COMPANIES ACT, 2013 READ WITH RULE 18 OF THE COMPANIES (SHARE CAPITAL AND DEBENTURES) RULES, 2014 (AS APPLICABLE) FOR ISSUE OF NON-CONVERTIBLE SECURITIES ON A PRIVATE PLACEMENT BASIS.

Wilful Defaulters

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

Issuer's Absolute Responsibility

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

Particulars	Date
Validity period of the General Information Document	From 04th August 2023 to 03rd August 2024
Issue Opening Date	Kindly refer to the respective Key Information Document
Issue Closing Date	Kindly refer to the respective Key Information Document
Pay In Date	Kindly refer to the respective Key Information Document
Deemed Date of Allotment	Kindly refer to the respective Key Information Document

GENERAL RISK

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

NON-CONVERTIBLE SECURITIES.

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

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

Listing

The Non-Convertible Securities are proposed to be listed on the wholesale debt market of the BSE. The Issuer has obtained an in-principle approval from the Stock Exchange(s), a copy of which is attached herewith in Annexure VI.

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

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SECTION 1: DEFINITIONS AND ABBREVIATIONS

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

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

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

	performance of the reference index etc.) as more particularly set out in the Key Information Document and shall be collectively referred to as the Secured Debentures or Unsecured Debentures (as applicable).
Deed of Guarantee	shall mean each of the deed of corporate guarantee dated on or around the date of the issuance of Tranche / Issuance of the Debentures (if applicable) to be executed by the Guarantor in favor of the Debenture Trustee for the relevant Tranche/Issuance of the Debentures, to the extent applicable.
Deed of Hypothecation	shall mean each of the deed of hypothecation dated on or around the date of the relevant Tranche / Issuance of the Debentures (if applicable) to create a charge over the Hypothecated Assets for the respective Tranche/Issuance of Debentures, to be executed between the Issuer and the Debenture Trustee to secure the Secured Obligations in relation to the respective Tranche/Issuance of the Secured Debentures.
Deemed Date of Allotment	shall mean the date on which the Debentures shall have been deemed to be allotted to the Debenture Holders – as mentioned in detail in the respective Key Information Document.
Demat	means dematerialized securities which are securities that are in electronic form, and not in physical form, with the entries noted by the Depository.
Depositories	means the depositories with which the Issuer has made arrangements for dematerialising the Non-Convertible Securities, being NSDL and CDSL.
Depositories Act	The Depositories Act, 1996, as amended from time to time
Depository Participant / DP	A depository participant as defined under the Depositories Act
Designated Stock Exchange	The stock exchange designated by the Issuer under the General Information Document being BSE for the purposes of maintaining the recovery expense fund in terms of Regulation 11 of the SEBI NCS Regulations read with SEBI Debenture Trustees Circular.
Director(s)	Director(s) of the Issuer.
DP ID	Depository Participant Identification Number.
DRR	has the meaning given to it in Section 5.36(a)
Due Date	means the date on which any interest or liquidated damages, any Redemption Payment or premature redemption amount and/or any other amounts payable, are due and payable, including but not limited to each of Redemption Dates, and any other date on which any payment is to be made by the Issuer under the respective Transaction Documents.
EBP Guidelines	The guidelines issued by SEBI with respect to electronic book mechanism under the terms of the SEBI Master Circular and the operational guidelines issued by the relevant Electronic Book Provider, as may be amended, clarified or updated from time to time.
EFT	Electronic Fund Transfer
Electronic Book Provider/ EBP	Shall have the meaning assigned to such term under the EBP Guidelines.
Eligible Investors	As set out in the respective Key Information Document.
Events of Default	As set out in the respective Key Information Document.

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

Document	of each Tranche / Issuance containing inter alia the issue price, Tranche / Issuance size, interest / coupon (if any), redemption premium (if any), any material change to the disclosures and other terms and conditions vis-à-vis the General Information Document for that Tranche / Issuance of Non-Convertible Securities issued under the Issue. The Company shall be free to amend the format of Key Information Document depending upon the terms and conditions of the Non-Convertible Securities being issued in each Tranche / Issuance.
Listing Period	has the meaning given to it in Section 5.38 (*Issue Details*).
LODR Regulations	means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, modified or restated from time to time.
Majority Debenture Holders	As specified in the relevant Key Information Document.
Majority Resolution	means a resolution approved by the Majority Debenture Holders who are present and voting or if a poll is demanded, by the Majority Debenture Holders who are present and voting in such poll.
NA	Not Applicable
NBFC	Non-banking financial company
NBFC Directions	means the Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 dated September 1, 2016 and/or the Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 dated September 1, 2016 (each as amended, modified or restated from time to time) as may be applicable read together with the RBI's circular no. DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 on "Implementation of Indian Accounting Standards" (as amended, modified or restated from time to time).
Net Worth	As shall be more particularly set out in the respective Key Information Document.
Non-Convertible Securities	means the Debentures and / or perpetual debt instruments and/or other securities as specified by SEBI and under the Applicable Law.
NSDL	National Securities Depository Limited
Outstanding Amounts	As shall be more particularly set out in the respective Key Information Document.
Outstanding Principal Amount	As shall be more particularly set out in the respective Key Information Document.
PAN	Permanent Account Number
Payment Default	As shall be more particularly set out in the respective Key Information Document.
Person	shall include an individual, natural person, corporation, partnership, joint venture, incorporated or unincorporated body or association, company, Government Authority and in case of a company and a body corporate shall include their respective successors and assigns and in case of any individual his/her respective legal representative, administrators, executors and heirs and in case of trust shall include the trustee(s) for the time being and from time to time. The term “Persons” shall be construed accordingly.

Private Placement Offer cum Application Letter/PPOAL	The offer cum application letter prepared in compliance with Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014.
Promoter	shall mean shall collectively mean (i) Mr. VGK Prasad aged 75 years, having PAN No. ACKPV7061N and residing at 59A-16-4/8, 3rd Road, RTC Colony, Vijayawada, Andhra Pradesh, (ii) Mrs. V.Indira Devi aged 63 years, having PAN No. ABXPV8272D and residing at 59A-16-4/8, 3rd Road, RTC Colony, Vijayawada, Andhra Pradesh and (iii) Mrs. K.Vasumathi Devi aged 47 years, having PAN No. AXEPK4252F and residing at Villa 18, Aditya Port View, Puppalaguda, Near Prathibha High School, Hyderabad, 500089
Purpose	As shall be more particularly set out in the respective Key Information Document.
Quarterly Date	means each of March 31, June 30, September 30 and December 31 of a calendar year, and "**Quarterly Dates**" shall be construed accordingly.
R&T Agent/Registrar	As specified in the relevant Key Information Document.
Rating	As specified in the respective Key Information Document.
Rating Agent	As specified in the respective Key Information Document.
RBI	Reserve Bank of India.
Record Date	As shall be more particularly set out in the respective Key Information Document.
Recovery Expense Fund/REF	means the recovery expense fund established/to be established and maintained by the Issuer in accordance with the provisions of the SEBI Debenture Trustees Circular.
Redemption Date	As shall be more particularly set out in the respective Key Information Document.
Redemption Payment	As shall be more particularly set out in the respective Key Information Document.
Register of Beneficial Owners	means the register of beneficial owners of the Non-Convertible Securities maintained in the records of the Depositories
Register of Debenture Holders	means the register of debenture holders maintained by the Issuer in accordance with Section 88 of the Act
Related Party	has the meaning given to it in the Act.
ROC	Registrar of Companies.
Rs. / INR	Indian National Rupee.
RTGS	Real Time Gross Settlement.
SEBI	Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992 (as amended from time to time).
SEBI Centralized Database Requirements	means the requirements prescribed in Chapter IV *(Centralized Database for corporate bonds/ debentures*) of the SEBI Master Circular.
SEBI Debenture Trustees Circular	shall mean a master circular dated 31st March 2023 issued by SEBI titled "*Master Circular for Debenture Trustees*", bearing reference number SEBI/HO/DDHS/P/CIR/2023/50 under SEBI (Debenture Trustee) Regulations, 1993, as amended from time to time.

SEBI ILNCS Regulations/ SEBI NCS Regulations	The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 together with the SEBI Master Circular, as amended from time to time.
SEBI Listing Timelines Requirements	means the requirements in respect of the timelines for listing of debt securities issued on a private placement basis prescribed in Chapter VII (*Standardization of timelines for listing of securities issued on a private placement basis*) of the SEBI Master Circular.
SEBI Master Circular	means the circular issued by SEBI bearing the reference number SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated August 10, 2021 on "*Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper*", as amended, modified, or restated from time to time.
Secured Debenture Holders	Holders of the Secured Debentures from time to time.
Secured Debentures	Debentures issued/to be issued by the Company which shall be secured by creation of charge over the assets of the Company and/or any other security provider.
Secured Obligations	As shall be more particularly set out in the respective Key Information Document.
Security Cover	has the meaning given to it in the Section 5.38 (*Issue Details*).
Special Resolution	means resolution approved by the Special Majority Debenture Holders who are present and voting or if a poll is demanded, by the Special Majority Debenture Holders who are present and voting in such poll.
Stock Exchange	shall mean BSE, as the case may be
Stressed Assets Framework	means the RBI's circular no. DBR.No.BP.BC.45/21.04.048/2018-19 dated June 7, 2019 on "Prudential Framework for Resolution of Stressed Assets", as may be amended, modified or restated from time to time.
Tax	shall mean any present or future tax, including but not limited to indirect taxes such as goods and services tax, service tax, value added tax or other similar taxes), levy, duty deductions, withholdings, imposts, cesses, fees or other charge of a similar nature (including any penalty or interest payable on account of any failure to pay or delay in paying the same), now or hereafter imposed by Applicable Laws.
Tax Deduction	means a deduction or withholding for or on account of Tax from a payment under the relevant Tranche / Issuance Debenture Trust Deed.
TDS	Tax Deducted at Source.
Terms & Conditions	The terms and conditions pertaining to the Issue as outlined in the Transaction Documents.
Total Assets	As shall be more particularly set out in the respective Key Information Document.
Tranche/Issuance	Any tranche/issuance of Non-Convertible Securities issued by the Issuer from time to time under this General Information Document pursuant to such terms as set out in the respective Key Information Document.
Transaction Documents	As shall be more particularly set out in the respective Key Information Document.

Transaction Security	has the meaning given to it in the Section 5.38 (*Issue Details*).
Unsecured Debenture Holders	The holders of the Unsecured Debentures from time to time.
Unsecured Debentures	Debentures which are issued/to be issued by the Company which shall be unsecured.
Unsecured Obligations	As shall be more particularly set out in the respective Key Information Document.
WDM	Wholesale Debt Market segment of the relevant stock exchange
Wilful Defaulter	Shall mean an Issuer who is categorized as a wilful defaulter by any Bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India and includes an issuer whose director or promoter is categorized as such.

SECTION 2: NOTICE TO INVESTORS AND DISCLAIMERS

2.1 ISSUER'S DISCLAIMER

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

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

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

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

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

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

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

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

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

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

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

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

This General Information Document is intended to be circulated to not exceeding 200 (two hundred) persons in the aggregate in a financial year. Multiple copies hereof given to the same entity shall be deemed to be given to the same person and shall be treated as such. It does not constitute and shall

not be deemed to constitute an offer or an invitation to subscribe to the Non-Convertible Securities to the public in general.

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

2.2 DISCLAIMER CLAUSE OF STOCK EXCHANGES

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

2.3 DISCLAIMER CLAUSE OF RBI

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

2.4 DISCLAIMER CLAUSE OF SEBI

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

2.5 DISCLAIMER IN RESPECT OF JURISDICTION

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

2.6 DISCLAIMER IN RESPECT OF RATING AGENCY

Ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. The Rating Agent has based

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

2.7 DISCLAIMER OF DEBENTURE TRUSTEE

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

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

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

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

2.8 ISSUE OF NON-CONVERTIBLE SECURITIES IN DEMATERIALISED FORM

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

ASSUMPTIONS

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

(1) HAS REVIEWED THE TERMS AND CONDITIONS APPLICABLE TO THE NON-CONVERTIBLE SECURITIES AS CONTAINED HEREIN AND HAS UNDERSTOOD THE SAME, AND, ON AN INDEPENDENT ASSESSMENT THEREOF, FOUND THE SAME ACCEPTABLE FOR THE INVESTMENT MADE AND HAS ALSO REVIEWED THE RISK FACTORS CONTAINED HEREIN AND HAS UNDERSTOOD THE RISKS, AND THE RISKS INVOLVED IN INVESTING IN THE NON-CONVERTIBLE SECURITIES INCLUDING FOR ANY REASON HAVING TO SELL THEM OR BE MADE TO REDEEM THEM BEFORE THE FINAL REDEMPTION DATE AND DETERMINED THAT NON-CONVERTIBLE SECURITIES ARE A SUITABLE INVESTMENT AND THAT THE INVESTOR CAN BEAR THE ECONOMIC RISK OF THAT INVESTMENT;

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

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

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

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

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

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

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

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

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

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

SECTION 3: RISK FACTORS

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

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

3.1 RISKS IN RELATION TO THE NON-CONVERTIBLE SECURITIES:

(a) REPAYMENT IS SUBJECT TO THE CREDIT RISK OF THE ISSUER.

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

(b) THE SECONDARY MARKET FOR DEBENTURES MAY BE ILLIQUID.

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

(c) CREDIT RISK & RATING DOWNGRADE RISK

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

(d) TAX CONSIDERATIONS AND LEGAL CONSIDERATIONS

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

(e) ACCOUNTING CONSIDERATIONS

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

implications of this investment.

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

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

(g) LEGALITY OF PURCHASE

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

(h) POLITICAL AND ECONOMIC RISK IN INDIA

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

3.2 RISKS RELATED TO THE BUSINESS OF THE ISSUER

(a) ***Non-Performing Assets (NPA)***

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

(b) ***Interest Rate Risk*.**

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

(c) ***Access to Capital Market and Commercial Borrowings***

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

(d) ***Operational and System Risk***

The Company is faced with operational and system risks, which may arise because of various factors, viz., improper authorizations, failure of employees to adhere to approved procedures, inappropriate documentation, failure in maintenance of proper security policies, frauds, inadequate training and employee errors. Further, the

Company also faces security risk in terms of system failures, information system disruptions, communication systems failure which involves certain risks like data loss, breach of confidentiality and adverse effect on business continuity and network security.

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

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

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

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

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

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

(j) ***Tax and other Considerations***
Special tax, accounting and legal considerations may apply to certain types of potential investors. Potential investors are urged to consult with their own financial, legal, tax and other professional advisors to determine any financial, legal, tax and other implications of an investment into the Debentures.

(k) ***The Debentures may be illiquid***

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

(l) ***Future legal and regulatory obstructions***

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

(m) ***A slowdown in economic growth in India***

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

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

(a) <u>Security and Guarantee may be insufficient to redeem the Secured Debentures</u>

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

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

3.4 RISKS RELATING TO THE DEBENTURES

(a) Debentures that are listed or quoted or admitted to trading may not lead to greater liquidity

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

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

(b) Changes in government policies and laws in India may adversely affect the Debentures

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

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

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

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

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

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

There can be no assurance that an active market for the Debentures will develop. If an active market for the Debentures fails to develop or be sustained, the liquidity and market prices of the Debentures may be adversely affected. The market price of the

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

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

BSE had refused to list the non-convertible debentures aggregating to Rs 50 Crores, issued to Bank of India, on June 19, 2020, citing (i) that the Audited Financial or Unaudited financial statements were more than 6 months old from the date of private placements; and (ii) delay in filing listing application.

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

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

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

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

SECTION 4: FINANCIAL STATEMENTS

The audited financial statements of the Issuer for the year ended 31st March 2023, 31st March 2022, and 31st March 2021 are set out in **Annexure V** hereto.

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

SECTION 5: REGULATORY DISCLOSURES

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

5.1 Documents Submitted to the Exchanges

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

(a) This General Information Document;

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

(c) Copy of the resolution passed by the shareholders of the Company at the Extra-ordinary General Meeting under Section 42 of the Act held on 30th September 2022 authorizing the issue / offer of Non-Convertible Securities by the Company. In case of any further resolution passed by the Issuer in relation to the subject (as shall be required) shall be annexed in the relevant Key Information Document from time to time;

(d) Copies of the resolutions passed by the shareholders of the Company at the Extra-ordinary General Meeting under Section 180(1)(a) and Section 180(1)(c) of the Act held on 30th September 2022 authorising the Company to borrow, upon such terms as the board may think fit, up to an aggregate limit of INR 5000 Crores (Indian Rupees Five Thousand Crores Only). In case of any further resolution passed by the Issuer in relation to the subject (as shall be required) shall be annexed in the relevant Key Information Document from time to time;

(e) Copy of the resolution passed by the board of directors of the Company dated 21st July 2021 authorizing the issuance of the debentures read along with the resolution passed by the management committee of the board of directors of the Issuer dated 25th July 2023. In case of any further resolution passed by the Issuer in relation to the subject (as shall be required) shall be annexed in the relevant Key Information Document from time to time;

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

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

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

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

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

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

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

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

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

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

5.2 Details of Promoters of the Issuer:

S. No.	Details of Promoter Management	Description		
1.	Name of promoter	Mr. VGK Prasad	Mrs. V.Indira Devi	Mrs. K.Vasumathi Devi
2.	Date of Birth	02.09.1947	01.12.1959	09.05.1975
3.	Age	75 Years	63 Years	47 years
4.	Personal Addresses	59A-16-4/8, 3rd Road, RTC Colony, Vijayawada, Andhra Pradesh	59A-16-4/8, 3rd Road, RTC Colony, Vijayawada, Andhra Pradesh	Villa 18, Aditya Port View, Puppalaguda, Near Prathibha High School, Hyderabad, 500089
5.	Education Qualifications	B.Sc.,	Under Graduate	BE (Electronics & Communications) MBA (Global Management, USA)
6.	Experience in the business or employment	Management & Administration more than three decades	Management & Administration more than three decades	Associated with IKF Finance Limited as Executive Director since 2007
7.	positions/posts held in the past by the promoter management	Managing Director since incorporation	Director of the Company since incorporation	Having nine (9) years of working experience in IT and Telecommunications in several US Companies.
8.	directorships held by the promoter management	Director of IKF Home Finance Limited Director of IKF Infratech Private Limited	Director of IKF Infratech Private Limited	Director of IKF Home Finance Limited
9.	Other ventures of the promoter management	IKF Home Finance Limited IKF Infratech Private Limited	IKF Infratech Private Limited	IKF Home Finance Limited
10.	Special achievements	Mr. Prasad has contributed a lot in institutionalizing the Automobile finance business operated by individuals in Andhra Pradesh. Mr. Prasad has presided over the Krishna District Auto Financiers Association, considered to be one	Mrs. V Indira Devi, being one of the Core Promoter of the Company, has been into the Vehicle finance space for over the last three and half decades and has been instrumental in the growth of	She joined the Company in 2006 and has gained expertise in Business Development, Operations management, Credit & Risk etc. over the last 12 years.

		of the strongest and most organized Financiers Association in India, for quite a considerable period. Mr. Prasad has occupied various positions in the Federation of Indian Hire Purchase Associations (FIHPA), the Apex body of Asset Financing Companies, and has acted as the Secretary General till 2010 and as President till 2012.	the Company since its inception.	
11.	Business and financial activities of the promoter management	Management & Administration	Management & Administration	Finance & Operations
12.	Photograph			
13.	Permanent Accountant Number	ACKPV7061N	ABXPV8272D	AXEPK4252F
14.	Other Details	NA	NA	NA

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

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

S. No.	Particulars	Details
1.	Legal Counsel (if any)	Name: Juris Corp, Advocates & Solicitors Logo:

S. No.	Particulars	Details
		Juris Corp advocates & solicitors Contact Person: Partner, Securities Address: 302, Century Bhavan, 3rd Floor, Dr Annie Besant Road, Worli, Mumbai – 400 030, India Email: securities@jclex.com Tel: 022 6720 5555 Website: www.jclex.com Or such other Legal Counsel as shall be set out in the respective Key Information Document.
2.	Guarantor (if applicable)	As set out in the respective Key Information Document
3.	Arrangers, if any	As set out in the respective Key Information Document

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

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

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

MAIN OBJECTS AND BUSINESS OF THE ISSUER

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

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

The Company has an extensive distribution network in over 118 locations spread across 9 states has built a loan book size of approx. Rs 2183 Cr as on 31st Dec 2022 with a solid presence in Southern India and entrenching presence in Western and Central India and

actively leverage technology to enhance operational efficiencies, drive customer satisfaction, and achieve superior asset quality. They are led by a dynamic and outstanding management team constantly striving to achieve unparalleled progress.

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

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

Brief note on the credit underwriting process

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

Direct – through Branches / Satellite Branches

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

Indirect - through external sources

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

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

Credit Underwriting

- After identifying a prospective borrower and before putting up the proposal for approval, Marketing / Field Executive(s) verify/assess the borrower's repayment capacity and ability to pay in adverse situations. Analysis is also done to establish the credit worthiness of the Guarantor. First field investigation is done by the field executives which covers the following:
    - Physical verification of Residence/Place of business
    - Verification with address proofs
    - Verification with property and income proofs
    - Verification with previous track record or Bank statements etc.
    - Credibility of the borrower & Guarantor in the locality where they reside
    - Authentication of documents submitted for verification
    - Whether the borrower's requirements are in line with the Company's credit policy, (in terms of funding, rate of interest, tenure, vehicle make & model etc.)

- Earning capacity of the vehicle, in terms of its viability, route of operation, segment/industry in which it operates and its prospects etc.

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

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

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

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

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

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

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

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

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

Field Investigation

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

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

External valuation of vehicle

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

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

Vehicle Finance Grid

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

- Vehicle Grid Values
- Valuation given by the Certified Valuer / Surveyor

Preparation of Vehicle finance grid

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

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

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

Loan Disbursement

Sanctioning Authority for Approval

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

Disbursements

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

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

Endorsement of hypothecation

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

Delinquency Management

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

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

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

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

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

Responsibility	Tele Calling	Recovery Executive	Team Leader / Recovery Manager / Branch Manager	Area Manager	State Head
Installment Due Date	Reminder	Reminder	Coordination	Supervision	Monitoring
0-30 DPD Installments	Reminder	Collection	Coordination	Supervision	Monitoring
31-60 DPD instalments	Reminder	Collection	Collection	Supervision	Monitoring
61-90 DPD Installments	Reminder	Collection	Collection	Collection	Monitoring
91+ DPD Installments	Reminder	Collection	Collection	Collection	Collection

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

Loan Recovery/Follow up Process:

Notice in company letter head
Legal notice sent by the company
Intimation to nearest police station about repossession

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

Systems

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

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

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

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

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

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

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

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

Analysis & Reporting – Tableau, MS Office etc.,

OUTSTANDING LITIGATION

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

(b) **Branch details:**

As of the date of this General Information Document, the Company has 118 (One Hundred and Eighteen) branches/Corporate Office across India.

Sr. No.	Purpose	State	Location	Branch Full Address
1	Office	Maharashtra	AHEMD NAGAR	2ND FLOOR, MAULI SANKUL, MANMAD ROAD, SAVEDI, MAHARASHTRA, AHMEDNAGAR - 414001
2	Office	Gujarat	AHMEDABAD	Office no. 414, 4th floor, Sakar - II, Nr. Ellisbridge Police Station, Ellisbridge, Ahmadabad 380006
3	Office	Rajasthan	AJMER	C/o Vishwakarma machine, Near power House, Naseerabad Road, Ajmer-305001
4	Office	Rajasthan	ALWAR	Office No- 2nd floor,Omji Center,14,Tej Madi, Station Road ,Alwar 301001
5	Office	Gujarat	ANAND	203, 2ND FLOOR, DEV SHIKHAR COMMERCIAL, NEAR LA CASA INN HOTEL, GANESH CHOKDI ANAND – 388001
6	Office	Andhra Pradesh	ANANTAPUR	D No 45/2, 1st Floor, PS Complex, Near Andhra Bank, Kalyanadurgam main road, Ananthapur - 515004.
7	Office	Gujarat	ANKLESWAR	office No-206, Anmol Plaza, Opp GIDCBus stop, Old N.H. Number-08, Ankleshwar, pin-393001
8	Office	Maharashtra	AURANGABAD	F-7, OPP ATITHI HOTEL, RANA NAGAR, KUBER AVENUE PLAZA, JALNA ROAD AURANGABAD - 431001
9	Office	Karnataka	BANGALORE	No 64 & 65, 3rd floor, Galaxy Chambers, 21st main road, BSK II Stage, Bangalore 560070.
10	Office	Maharashtra	BARAMATI	Shop No. 4, Amruta Arcade, Plot No 279/1/B, Ashok Nagar, Baramati, Dist Pune, Maharashtra - 413102
11	Office	Maharashtra	BELAPUR	No 502, Brahma Complex, Plot No 53, Sector- 15, CBD Belapur, Navi Mumbai- 400614
12	Office	Karnataka	BELGAUM	MAHADEV PLAZA, C.T.S NO. 10719, 3rd FLOOR, KHOLAPUR CROSS, NEHRU NAGAR, BELGAUM – 590001
13	Office	Karnataka	BELLARY	H.NO:22/B MARUTHI COMPLEX, WARD NO-60, BALAJI RAO ROAD, BELLARY - 583101
14	Office	Madha Pradesh	Bhanwar Kuwa	IKF FINANCE LTD, Plot No. 5, Office No. 205, Second Floor, Prem Plaza, Samrat Ashok Nagar, Bhanwar kuwa, Indore- 452001.

15	Office	Andhra Pradesh	BHIMAVARAM	D./No 2-1-39, 2nd Floor, Ram's Plaza, HLF Office back side, Hotlines Super Market Upstair, Sivaraopeta, Juvvalapalem Road, BHIMAVARAM - 534202.
16	Office	Madha Pradesh	BHOPAL	SM-8, B Block, Mansarovar Complex, Opp Habibganj Railway Station, Hoshangabad Road, Bhopal - 462011
17	Office	Gujarat	BHUJ	OFFICE NO 23 B WING KATIRA COMMERICAL COMPLEX, OPP: FIRE BRIGADE RTO RELOCATION SITE, BHUJ KUTCH - 370001
18	Office	Telangana	Chanda Nagar	SVL Towers, office number 2-57/5/104, 1st floor Chanda nagar Hyderabad - 500050
19	Office	Maharashtra	CHANDARPUR	First Floor, Yergude Complex, Nanaji Nagar, Nagpur Road, Chandrapur - 442401.
20	Office	Tamil Nadu	CHENNAI	FLAT NO:11, 'C' WINGS, 7th FLOOR, PARSN MANERE, NO:442/602, ANNA SALAI, CHENNAI - 600006.
21	Office	Tamil Nadu	COIMBATORE	1ST FLOOR, 1054/6&7, GOWTHAM CENTER ANNEX, AVINASHI ROAD
22	Office	Telangana	ECIL	Plot number 11, sriram nagar agarwal super market, radhika theater back side ECIl, Hyderabad pin code - 500062
23	Office	Andhra Pradesh	ELURU	#23B/57, 2ND FLOOR, VASAVEE PLAZA, OPP. SATHYA BHAMA SHOWRROM, EEDARAVARI STREET, DR. PRABHAVATHI HOSPITAL ROAD, R.R. PETA, ELURU - 534002.
24	Office	Kerala	ERNAKULAM	CC-31/33031 NR. SREE KRISHNA TEMPLE, PONNURI VYTTLA, COCHIN - 682019
25	Office	Tamil Nadu	ERODE	Karthi Complex, shop No-2, 1st floor, 17, Agilmedu Street, 6th street, sait colony, Erode, Tamilnadu - 638001
26	Office	Gujarat	GANDHIDAM	office No-15 & 16, plot no-317, ward-12/B, 2nd floor, Sonali park, opp kotak Mahindra Bank, Gandhidham, Kachchh-370201
27	Office	Andhra Pradesh	GUNTUR	KOTHAMASU PLAZA, 2ND FLOOR, OPP KIRAN TAILOR, 3/1 ARUNDELPET, GUNTUR - 522002
28	Office	Gujarat	HIMMATNAGAR	SHOP NO13-14, SUN COMPLEX, BEHIND NAVJEEVAN HOTEL, MOTI PURA CIRCLE, HIMMAT NAGAR – 383001

29	Office	Karnataka	HUBLI	1ST FLOOR CENTER POINT, OPP SANJEEVANI PRESS, NEW COTTON MARKET
30	Office	Telangana	HYDERABAD	6-3-902/A, NEAR YASHODA HOSPITAL, SOMAJIGUDA – 500082
31	Office	Madha Pradesh	INDORE – 2	511, Plot no.7 ,P.U scheme No.54,shagun tower 5th floor, Vijay Nagar, Indore(MP)
32	Office	Madha Pradesh	JABALPUR	PLOT NO 75, UKARI ROAD, SHITALPURI BALDEVBAG, JABALPUR, MP- 482001
33	Office	Rajasthan	JAIPUR	F2-A, JAGDAMBA TOWER, AMPRAPALI CIRCLE, VAISHALI NAGAR, JAIPUR-302021
34	Office	Maharashtra	JALAGOAN	SHOP NO.43/44, SURESH DADA JAIN SHOPPING COMPLEX, AJNTA ROAD, NEAR AJANRA SQUARE, IN FRONT AURANGABAD ROAD, JALGOAN - 425001
35	Office	Gujarat	JUNAGADH	Indralok Arcade,1st floor, office No-110 & 111, Jayshree cinema Road, Near Talav darwaja, Junagadh-362001
36	Office	Andhra Pradesh	KAKINADA	13-1-51, 1ST FLOOR, OPP HERO HONDA SHOW ROOM, SURYA PETA MAIN ROAD, KAKINADA-533001.
37	Office	Telangana	KARIMNAGAR	H.No. 8-6-411, Kothirampur, Karimnagar
38	Office	Telangana	KHAMMAM	D NO:11-10-860/5, 1ST FLOOR, BESIDE APGVB BANK, RAPARTHI NAGAR, BY PASS ROAD, KHAMMAM-507001.
39	Office	Telangana	KODADA	Door No 12-143/5/4, 1st Floor, Sri Sai Towers, Beside Oriental Insurance, Near Petrol Bunk, Srinivasa Nagar,
40	Office	Rajasthan	KOTA	1st floor, Manak Bhavan, Kotri Road, Kota -302007
41	Office	Tamil Nadu	KRISHNAGIRI	1/341F, PATHIRIKHAN NAGAR, AVIN DAIRY CIRCLE CHENNAI BYE PASS, KRISHNAGIRI - 635001
42	Office	Andhra Pradesh	KURNOOL	PLOT NO:212, 2nd FLOOR, RAGAMAYURI PRIDE, BACKSIDE D-MART, SHOPPING COMPLEX, BELLARY CHOWRASTHA, KURNOOL - 518003.
43	Office	Telangana	LB NAGAR	H.NO.5-5-934/1, Agamaiah Nagar, Chinthalkunta, LB Nagar.
44	Office	Tamil Nadu	MADHURAI	D No: 94/15A, 3rd Floor, Raja Muthaiah Nagar, 70 Ft Road, Ellish Nagar, Byepass Road, MADURAI - 625010.

45	Office	Telangana	MAHABOOB NAGAR	IKF Finance Limited, OPP SBH BANK, PADMAVATHI COLONY MAHABOOB NAGAR - 509001
46	Office	Gujarat	MEHSANA	Shop No. 17, 1st Floor, Shanskrut Shopping Mall, Highway Road, Mehsana
47	Office	Telangana	MIRIYALGUDA	18-1814 SAI TEMPLE STREET 2ND FLOOR, HUNUMAN PETA MIRIYALAGUDA, NALGONDA 207
48	Office	Gujarat	MORBI	UTTIRE (SHOP T-14), LAXMI PLAZA, NR SHUBH HOTEL, SAVALA ROAD
49	Office	Maharashtra	NAGPUR	H.NO. 291/FF/4, FIRST FLOOR, MADHU MADHAV TOWER, LAXMI BHAWAN SQUARE (MILTON SQUARE), DHARAMPET, NAGPUR - 440010
50	Office	Andhra Pradesh	NANDYAL	D No 25-759, 2nd Floor, Shop No 62, Srinivasa Market Complex, Srinivas Nagar, Nandyal, Kurnool (Dist) - 518501
51	Office	Maharashtra	NASHIK	No 02, Sharada Niketan, GSK Avenue, Tilak Wadi, Sgaranpur Road, Nasik. Pin Code - 422002.
52	Office	Andhra Pradesh	NELLORE	D No: 25/2/838, Srivari Complex, Shop no 3, 1st Floor, Savitri Nagar, Opp Nippo Saibaba Temple, Vedaya Palem, NELLORE - 524004.
53	Office	Telangana	Nizamabad	1-12-52/2, 2ND FLOOR, RAMDAS COMPLEX, VINAYAKA NAGAR, NIZAMABAD, TELANGANA -503 001
54	Office	Andhra Pradesh	ONGOLE	Gupthas Square, ATF - 7, 3rd Floor, 60 Feet Road, ONGOLE - 523001
55	Office	Gujarat	PALANPUR	D/5, SECOND FLOOR, ABOVE PUNJAB NATIONAL BANK, SANSKRUTI COMPLEX, ABU HIGHWAY PALANPUR-385001
56	Office	Tamil Nadu	Perambaluru	IKF FINANCE LTD, No-185/10A, First floor, Sellammal Narayanan Complex, Aviayar street, Ariyalur Main Road, Near Chennai four way, Perambalur - 621212
57	Office	Puducherry	PONDICHERRY	1st FLOOR, GOBERT STREET, EASTERN SIDE, KAMARAJ NAGAR, PONDICHERRY - 605011
58	Office	Andhra Pradesh	PRODDUTUR	14/66, 1st Floor, Opp Anwar Talkies, Mydukuru Road, Proddutur - 516360
59	Office	Maharashtra	PUNE – 2	PENTAGON OFFICE NO: 409, 4th FLOOR, BEHIND LOTUS COURT,

				ABOVE AXIS BANK, PUNE SATARA ROAD, PUNE-411043
60	Office	Andhra Pradesh	RAJAHMUNDRY	D.NO 79-1-6 4TH FLOOR, SHOUBAGYA NILAYAM, TILAK ROAD OPPOSITE SOUTHERN SPICE RESTAURANT, RAJAHMUNDRY-AP - 533103
61	Office	Gujarat	RAJKOT	VIRAL HEIGHTS, 6TH FLOOR, OFFICE NUMBER-607, AYODHYA CHOWK, 150 FEET RING ROAD, RAJKOT- PIN-360006
62	Office	Madha Pradesh	RATLAM	Reliable Trade centre, Cabin no : 208, 2nd Floor, Station road, Above Corporation bank Ratlam - 457001.
63	Office	Tamil Nadu	SALEM	No:- 389, 2nd Floor, Ram Bazar Street, Muyanru, 5Roads, SALEM - 636004
64	Office	Gujarat	SURAT	3rd FLOOR, SHREE KUBERJI COMPLEX, ATHUGAR STREET, NEAR NANPURA POST OFFICE, NANPURA, SURAT - 395001
65	Office	Gujarat	SURENDRA NAGAR	245, 2nd Floor, Mega Mall, Near Milan Cinema, Station Road, Surendranagar -363001
66	Office	Andhra Pradesh	TADIPATRI	13/203, 1st floor, Above Medplus, CB Road, Tadipatri – 515411
67	Office	Tamil Nadu	TANJAVUR	1st floor, sri Balaji Complex Medical college Road Opp -Balaji Nagar, Thanjavur-613007
68	Office	Maharashtra	THANE	Office no. A-402, 4th floor, Glacia Co-op,Hsg.Soc.ltd, Village Thane, Edulaji Road,Charai, Thane - 400601
69	Office	Tamil Nadu	TIRUNELVELI	VAVOO CENTER, 1/A SHOP NO 3, MADHURAI ROAD, OPP KIDNEY CENTER LAND, TIRUNELVELLI - 627001.
70	Office	Andhra Pradesh	TIRUPATI	NO 19-4-8/10 A, 4TH FLOOR, ABOVE BIRYANI WALA, BESIDE AGARWALS EYE HOSPITAL, LAKSHMIPURAM CIRCLE, TIRUPATHI – AP 517501
71	Office	Tamil Nadu	TRICHY	D No 60, Room No -2, 3rd Floor, Sri Krishna Arcade, Tennur, Trichy - 620017
72	Office	Madha Pradesh	UJJAIN	1/2, kamla Nehru Marg, 1st floor, Shaheed Park,Freeganj, Ujjain(mp) - 456010
73	Office	Gujarat	VADODARA	#110, 1ST FLOOR, SIDDARTH COMPLEX, RC DUTT ROAD, ALKAPURI, VADODARA-390007

74	Office	Gujarat	VAPI	1st FLOOR, C-107, M CUBE BUSINESS HUB, NR. BOMBAY RESTAURENT NH-8, VAPI - 396191
75	Office	Tamil Nadu	VELLORE	No:- 160, 2nd Floor, Puthukudiyan Sathiram St, Thottapalayam, VELLORE - 632004
76	Office	Gujarat	VERAVAL	OFFICE NO-18, 2nd FLOOR, VINAYAK PLAZA-1, NR. HDFC BANK, RAJENDRA BHAVAN ROAD VERAVAL - 362265.
77	Office	Andhra Pradesh	VIJAYAWADA	40-1-144, CORPORATE CENTRE, M.G ROAD, VIJAYAWADA -520010.
78	Office	Andhra Pradesh	VISAKHAPATNAM	D no:44-14-116/6, Flat no:301, 3rd floor, Lakshmi royal plaza, Resapuvanipalem, Near Spencer signal junction, Visakhapatnam -530003.
79	Office	Telangana	WARANGAL	DR. K S R SASTRY & DR. JHANSI DEVI BUSINESS PARK #2-1-583/1, NAYEEMNAGAR, KUC X ROAD, HANUMAKONDA, WARANGAL, TS-506001.
80	Office	Karnataka	Mysore	#40, 1st floor, 3rd stage, D. Devaraj Urs Road, Next to Anjaneya Temple Mysore-570001
81	Office	Karnataka	Tumkur	CHAMUNDI COMPLEX, K.R.EXTN, BARLINE ROAD, NEAR CHAMUNDESHWARI TEMPLE, TUMAKURU – 572102
82	Office	Madha Pradesh	Dhar	No: 21&22, 1st floor, Kashi Bagh colony, Trimurti Chouraha, above IDBI Bank, Dhar - 454001.
83	Office	Madha Pradesh	Sehore	1st Floor, Near Honda Showroom, Shekda, Khedi road, Sehore, Madhya Pradesh -466001
84	Office	Maharashtra	Satara	S.NO.509/B/1/2, OFFICE NO 2, GROUND FLOOR, GENERATION BUILDING SHAHA COMPLEX, SADAR BAZAR, SATARA 415002
85	Office	Maharashtra	Bhandara	IKF FINANCE LIMITED, SECOND FLOOR, SHIVARPAN TOWERS, RAJIV GANDHI CHOWK, BHANDARA – 441904
86	Office	Tamil Nadu	Karaikudi	No: 3/1026 H, CMD Tower, Old Housing Board Bustop, Near Kalanivasl, Tirchy Bypass Raod, Sivagangai, Karaikudi - 630001
87	Office	Tamil Nadu	Redhills	No: 2/370 - H, Sri Chinnamman Complex, Bypass Road, Near Vadakarai Junction Signal, Red Hills - 600052.

88	Office	Telangana	Siddipet	Plot no 2/4, Sy no 176, Mythrivanam, Hyderabad Road, Siddipeta - 502103
89	Office	Tamil Nadu	Sivakasi	No 42/9, 1st Floor, PARSN plaza complex, Chairman Shanmuga Nadar Road, Srivilliputtur Raod, Near Water Tank, Sivakasi - 626123
90	Office	Tamil Nadu	Dindigal	IKF Finance LTD, D no: F3 & F4, 1st Floor, Kavin Complex, Kotta Party (PO), Palani, Madurai Bypass Road, Dindigul - 624002.
91	Office	Tamil Nadu	Dharmapuri	No 5/1657 - E3, Salem Main Road, Lakkiam Patty, Collector office post, Dharmapuri - 636705.
92	Office	Telangana	Manchiryal	H No: 1-1/1-4, S V Complex, Bypass Road, Near Laxmi Theater, Above Mahindra Showroom, Mancheriyal - 504208.
93	Office	Karnataka	Peenya	IKF FINANCE LTD, No 24, 1st Floor, Kaidab Road, Chokkasandra, Near DynamicOld Land Aerospace, T.Dasarahalli, Peenya - 560057
94	Office	Rajasthan	Sikar	2nd Floor of Building, Main Rani Sati Road, , Near Shastri Nagar Corner, Sikar, Rajasthan - 332001
95	Office	Karnataka	K R Puram	No 5M, 408/8, K No 309, 1st Floor, East of NGEF, Vijinapura, KR Pura, Bangalore 560036.
96	Office	Telangana	GADWAL	No. 1-4-2/4A, 1st Floor, Near Krishnaveni Chowk, Bheema Nagar, Gadwal-509125
97	Office	Telangana	Jagtial	No. 1-5-81/11/1, Aravind Nagar, Rajeev Bypass Road, Near Govind pally chowrasta, Jagtial - 505327
98	Office	Maharashtra	Kalyan	Shop no. 02, 1st floor, SARVODAY Mall, opp. APMC - Market Kalyan, Near Patri Pool, Kalyan (west) - 421301
99	Office	Andhra Pradesh	MADANAPALLE	D.NO 16-352-A, 1ST FLOOR GANDHI ROAD, ADANAPALLE, CHITTOR, AP, OPP MLL HOSPITAL
100	Office	Maharashtra	VASAI	OFFICE NO - 502, NORTH LANES, VARTAK COLLEGE ROAD, NEAR VASAI RAILWAY STATION, VASAI (W) – 401202
101	Office	Telangana	KOMPALLY	LAXMI TOWERS PLOT NO:63HALF PORTION OF 3RD FLOOR RAGAVENDRA COLONY, QUTHBULLAPUR ROAD, SUCHITRA CIRCLE, 5000067

102	Office	Telangana	SANGAREDDY	# 4-92/4, 1st floor, MiG-1,House No-1,Phase3,Pothireddypally, Sangareddy-502001
103	Office	Maharashtra	SOLAPUR	HARIPRIYA OFFICES, 267/45, RAVIWAR PETH, KUCHAN HIGH SCHOOL ROAD, OPP. UMASA PATHPEDI, SOLAPUR MAHARASHTRA- 413005
104	Office	Maharashtra	BORIVALI	IKF FINANCE LIMITED, SHOP NO. 9, MADHUR APARTMENTS, 56TH TPS ROAD, BORIVALI WEST, MUMBAI - 400092
105	Office	Maharashtra	CHAKAN	IKF FINANCE LIMITED, 2ND FLOOR GN 1209 SAI CORPORATE BUILDING SHOP NO 217 MUTKEWADI PUNE NASHIK HIGHWAY CHAKAN TAL KHED DIST PUNE 410504
106	Office	Maharashtra	PIMPRI	IKF FINANCE LIMITED, 2ND FLOOR GN SHOP NO 13 GROUND FLOOR TAPASVI PLAZA, CHINCHWAD PIMPRI, DIST PUNE, MH 411019
107	Office	Maharashtra	SANGAMNER	IKF FINANCE LIMITED, PLOT NO 23, TOP TEN EMPERIAL, ABOVE HALDIRAM SWEET,NASIK ROAD, SANGAMNER TAL-SANGAMNER, AHMEDNAGAR, MH
108	Office	Gujarat	RAJKOT-MSME	IKF FINANCE LIMITED, OFFICE NO 704, VIRAL HEIGHTS, BESIDE TIMES SQUARES 2, NR AYODHYA CHOWK, 150 FT RING ROAD, MADHAPUR, RAJKOT – 360006
109	Office	Rajasthan	JAIPUR-MSME	IKF FINANCE LIMITED, OFFICE NO 330, 3RD FLOOR, GANAPATI PLAZA, MI ROAD, JAIPUR - RAJASTAN – 302001
110	Office	Maharashtra	WARDHA	IKF FINANCE LIMITED, SUKHKAKARTE COMPLEX, ARVI NAKA CHOWK, WARDHA, MP – 442001
111	Office	Karnataka	DAVANAGERE	Door No. 199/3A, P. J. Extension,3rd Main, 7th Cross, Davangere
112	Office	Madha Pradesh	Gwalior	2nd floor, 886 RK Tower, Kailash Vihar, City Center, Gwalior, Madhya Pradesh - 474011
113	Office	Maharashtra	Malegaon	2nd Floor, City Junction, opp. Indian Kids, Camp Road, Malegoan, Maharashtra
114	Office	Rajasthan	SUMERPUR	1st floor, Jawai Bandh Road, Beside Aarya Samaj Circle, Opp-Defeance

				Electronic, Sumerpur, Rajasthan-306902
115	Office	Telangana	SURYAPET	Shop No. 1-2-267/2, Near Anjali High School, Suryapet, Telangana - 508213
116	Office	Telangana	UPPAL	#1-38, MTR Complex, 2nd Floor, Uppal to Nagol Road, Beside Mekala Bharathi Garden, Uppal, Hyderabad - 500039
117	Office	Telangana	BHONGIR	D.No. 1-4-291/1, Plot No. 07 & 08, Tata Nagar, Hanumakonda Road, Bhongir, Telangana-508116
118	Office	Telangana	BANSWADA	H.NO. 1-1-12/6, Ambedkar Chowrasta, Banswada, Nizamabad (Dist), Telangana-503187

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

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

Board of Directors			
Name	**Designation**	**Permanent Account Number**	**Experience**
			NRI Director of the Company. Besides medical profession, he is associated with several Medical Institutions as consultant and Director in U.S.A. He is also holds Directorship in M/s. Amara Raja Power Systems (P) Limited, an associate concern of M/s. Amara Raja Batteries Limited.
Shri. K Satyanarayana Prasad	Independent Director	ADOPK9557F	B.E.(Civil) MIGS, is having 27 years of enormous experience in the field of Civil Engineering and Administration
Vupputuri Vasantha Lakshmi, Alternate Director to Sri Sinha S Chunduri	Alternate Director to Satyanand Sinha Chunduri	AGEPV4163B	Mrs. Vasantha Lakshmi has completed her B Pharmacy. She has over 10 year of experience in fund management, investment banking, credit rating and corporate development.
Vinit Mukesh Mehta	Nominee Director	AAFPM7769P	Mr.Vineet Mukesh Mehta, a Chartered Accountant is having over 15 years of experience in investment banking (Kotak, KPMG), private equity and Corporate Banking (HDFC Bank). Prior to joining MOPE, Vinit was with Kotak Investment Bank where he led and executed 40+ transaction and successfully helped raise more than USD 25 bn across M&A, Private Equity and Capital Market fund raises. Vinit holds a Bachelor's Degree in Commerce from the Mumbai University and is a member of the Institute of Chartered Accountants of India.
Nageswara Rao Yalmanchili	Independent Director		Mr. Nageswara Rao Y holds a bachelor's degree in Commerce and is a Certified Associate Institute of Bankers (CAIIB). He has over 36 years of experience in banking and financial

Board of Directors			
Name	**Designation**	**Permanent Account Number**	**Experience**
		AADPY4600K	services with specialization in Information Technology, Credit, Treasury, and Forex Management. His previous employments include Executive Director of Vijaya Bank, Executive Director of Syndicate Bank, Executive Director of Bank of Maharashtra and Director of Visveshvaraya Grameena Bank.
Gopala Krishna Gurappa	Independent Director	AAAPG6780D	Sri Gopala Krishna has worked for reserve bank of India (RBI) and CAFRAL for over 37 years. RBI in April 2014 appointed as Director, Centre for Advanced Financial Research and Learning (CAFRAL) promoted by RBI. Appointed as an Executive Director, RBI from October 2007 to April 2014 and was Overseeing the Department of banking Supervision, Department of non-Banking Supervision, Department of Payment & Settlement System, Financial Stability Unit, Department of Communication, Department of Information Technology and Foreign Exchange Department. Headed the Deposit Insurance and Credit Guarantee Corporation (DICGC). Further appointed as Chairman of Working Group (WG) on Information Security, Electronic Banking, Technology Risk Management and Cyber Frauds in 2010. Currently serving as an Independent Director for few Companies and Director of Risk & Compliance of Professional Association (RCPA) a Section 8 Non-Profit Organisation set up for both online and classroom-based training in Risk

Board of Directors			
Name	**Designation**	**Permanent Account Number**	**Experience**
			management and Compliance finance sector
Sunil Rewachand Chandiramani	Independent Director	AABPC6204F	Sunil is passionate about working with high growth entrepreneurs advising them on their growth strategy and helping them design and implement initiatives in the areas of corporate strategy, technology transformation and operational effectiveness, governance and capital management. He is a member of the CII Council for Corporate Governance. He serves as an Independent Director on the Board several public companies such as Sapphire Food Limited, Ganesh Grains Limited, Updater Service Ltd. and a Strategic Advisor and Coach to several other companies such as the Stupa Analytics Pvt Ltd, Davadost Pvt Ltd and VigyanLabs Limited. He has also served on the Boards of Poonawala Fincorp Limited, Jammu & Kashimir Bank, More Retail Ltd. He is also the Senior Adviser and Mentor for Protiviti Consulting in India and Middle East. Prior to his current venture he spent 25 years with Ernst & Young LLP, India's leading professional services firm. He was responsible for leading India Largest Advisory Practice and also led the development of the Global Innovation Strategy for EY Global. He has been the leader for several industries such as Financial Services, Government and

Board of Directors			
Name	**Designation**	**Permanent Account Number**	**Experience**
			Technology and has the experience of working across geographies – USA, Europe, Africa and South East Asia. He is a former member of committees constituted by Reserve Bank of India (RBI), the Securities and Exchange Board of India (SEBI) and CII. Widely regarded as a thought leader, Sunil has been invited to speak at conferences both in India and overseas and at prestigious forums like CII, NASSCOM, American Chamber of Commerce, leading Management institutions and The Institute of Internal Auditors. He has served as an Advisor to the Universal Business School (UBS) and the Information Security Management Group
Abhishek Agrawal	Nominee Director	AECPA4338P	Mr Abhishek Agrawal has an International experience in financial management, micro-finance and investment management from Asia, Africa and Middle East and an accountant by 22 years of experience in financial management, investment management, non banking finance companies (NBFC)
Sethuraman Ganesh	Independent Director	AAWPG4494Q	Mr. Sethuraman Ganesh is a former Principal Chief General Manager of Reserve Bank of India, with 3 decades' PAN India experience, including 10 years at senior management level. Currently, he holds the position of Independent Director on the Boards of two systemically important NBFCs- Sonata Finance Pvt

Board of Directors			
Name	**Designation**	**Permanent Account Number**	**Experience**
			Ltd. and Indel Money Ltd. He has also served as a Non-Executive Director on the board of BSS Microfinance Pvt. Ltd. In addition, he is a Member of the Advisory Board of the Infimind Institute of Skill Development LLP. Mr. Ganesh's work experience spans NBFC MFI board directorship, RBI Nominee Directorship on the Boards of two public sector banks (UCO Bank and Oriental Bank of Commerce), bank supervision, banking ombudsmanship, RBI regional directorship and Management and Delivery of Training as Principal of the Reserve Bank Staff College at Chennai and Faculty Member at the Bankers Training College at Mumbai. Mr. Ganesh has a Master's Degree in English from Bangalore University and is a Certificated Associate of the Indian Institute of Bankers (CAIIB). He is a certified trainer in Neuro Linguistic Programming (NLP) and has deep interest in Training, Learning and Development.

(d) **Project cost and means of financing, in case of funding of new projects**

Not Applicable

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

Not Applicable

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

As specified in the relevant Key Information Document.

(g) **Key Operational and Financial Parameters for the last 3 audited years on a consolidated basis (wherever available) else on a standalone basis, as on March 31, 2023:**

Standalone basis:

Rs. In Lakhs

Particulars	31.03.2023	31.03.2022	31.03.2021
BALANCE SHEET			
Assets			
Property, Plant and Equipment	250.24	260.11	240.52
Financial Assets	272429.21	169965.13	161462.91
Non-financial Assets excluding property, plant and equipment	3750.19	1600.29	801.74
Total Assets	276429.64	171825.53	162505.17
Liabilities			
Financial Liabilities			
-Derivative financial instruments	0.00	0.00	0.00
-Trade Payables	0.00	0.00	0.00
-Debt Securities	18838.54	15186.47	33687.94
-Borrowings (other than Debt Securities)	168496.32	109462.84	85755.89
-Subordinated liabilities	16345.06	6003.45	5986.79
-Other financial liabilities	2921.34	2030.13	2670.12
Non-Financial Liabilities			
-Current tax liabilities (net)	0.00	0.00	0.00
-Provisions	210.50	306.37	275.54
-Deferred tax liabilities (net)	188.82	0.00	27.12
-Other non-financial liabilities	179.07	99.50	112.08
Equity (Equity Share Capital and Other Equity)	69249.98	38736.77	33989.69
Total Liabilities and Equity	276429.64	171825.53	162505.17
PROFIT AND LOSS			
Revenue from operations	28641.89	22059.51	20406.63
Other Income	17.79	63.31	16.29
Total Income	28659.68	22122.82	20422.92
Total Expense	21928.96	16695.54	16002.64

Profit after tax for the year	5000.51	4030.43	3190.51
Other Comprehensive income	9.86	8.28	10.06
Total Comprehensive Income	28659.68	22122.82	20422.92
Earnings per equity share (Basic)	7.74	7.80	6.35
Earnings per equity share (Diluted)	6.35	7.80	6.34
Cash Flow			
Net cash from / used in(-) operating activities	-55525.23	-18849.00	-19485.00
Net cash from / used in(-) investing activities	-24628.56	-1948.00	-59.00
Net cash from / used in (-) financing activities	99816.01	12382.00	28851.00
Net increase/decrease(-) in cash and cash equivalents	19662.23	-8416.00	9308.00
Cash and cash equivalents as per Cash Flow Statement as at end of Half Year	23039.44	3377.00	11793.00
Additional Information			
Net worth	69249.98	38737.00	33990.00
Cash and cash equivalents	23039.42	3377.00	11793.00
Loans			
Loans (Principal Amount)	213727.95	159343.81	143403.73
Total Debts to Total Assets	73.68	76.33	77.51
Interest Income	27930.83	21899.00	20296.00
Interest Expense	14610.55	11213.04	11119.00
Impairment on Financial Instruments	539.85	512.00	647.00
Bad Debts to Loans	6058.32	4338.15	4275.96
% Stage 3 Loans on Loans (Principal Amount)	2.83	2.72	2.98
% Net Stage 3 Loans on Loans (Principal Amount)	2.28	1.84	2.19
Tier I Capital Adequacy Ratio (%)	26.25	21.48	21.50
Tier II Capital Adequacy Ratio (%)	6.77	2.75	2.17

Consolidated basis:

Particulars	31.03.2023	31.03.2022	31.03.2021
BALANCE SHEET			
Assets			
Property, Plant and Equipment	363.00	343.00	319.40
Financial Assets	328843.06	204629.83	179457.33
Non-financial Assets excluding Property, Plant and	5184.10	2435.92	1653.61

Equipment			
Total Assets	334390.17	207408.75	181430.35
Liabilities			
Financial Liabilities			
-Derivative financial instruments	5.40	58.68	0.00
-Trade Payables			
-Other Payables	113.02	7.09	23.52
-Debt Securities	26640.67	23807.91	43210.76
-Borrowings (other than Debt Securities)	213081.79	132139.07	92148.70
-Deposits	0.00	0.00	0.00
-Subordinated liabilities	16345.06	6003.45	5986.79
-Lease liabilities	322.30	20.09	48.89
-Other financial liabilities	3704.64	3082.92	3534.78
Non-Financial Liabilities			
-Current tax liabilities (net)			
-Provisions	261.90	345.34	303.22
-Deferred tax liabilities (net)	464.37	165.35	116.67
-Other non-financial liabilities	263.49	157.27	220.67
Equity (Equity Share Capital and Other Equity)	72402.69	41046.80	35336.82
Non-controlling interest	784.84	574.79	499.54
Total Liabilities and Equity	334390.17	207408.75	181430.35
PROFIT AND LOSS			
Revenue from operations	37444.09	26962.00	23752.00
Other Income	400.63	208.00	57.00
Total Income	3784471.55	2717000.00	2380900.00
	0	0	0
Total Expenses	29596.36	20331.00	18498.00
	0	0	0
Profit after tax for the year	6219.97	5123.00	3802.00
Other Comprehensive Income	67.98	10.00	12.00
Total Comprehensive Income	37844.72	27170.00	23809.00
	0	0	0
Earnings per equity share (Basic)	1145.64	989.00	754.00

Earnings per equity share (Diluted)	1145.23	989.00	753.00
Cash Flow			
Net cash from / used in (-) operating activities	-81025.72	-32085.00	-25249.00
Net cash from / used in (-) investing activities	-21469.37	-258.00	-87.00
Net cash from / used in (-) financing activities	120648.04	27535.00	36581.00
Net increase/decrease (-) in cash and cash equivalents	18152.94	-4808.00	11245.00
Cash and cash equivalents as per Cash Flow Statement as at end of Half Year	27817.26	9664.00	14474.00
	0	0	0
Additional Information			
Net worth	73187.54	41622.00	35836.00
Cash and cash equivalents	27817.26	9664.00	14474.00
Loans	272610.68	192857.37	162654.87
Total Debts to Total Assets	76.58%	78.08%	77.91%
Interest Income	36553.47	26301.00	23423.00
Interest Expense	19217.53	12988.00	12333.00
Impairment on Financial Instruments	628.21	513.00	782.00
Bad Debts to Loans	2.42%	2.41%	2.74%

5.5 Debt: Equity Ratio of the Company:

Before the issue (Prior to first issuance in this General Information Document)	2.70
After the issue	As shall be set out in the respective Key Information Document

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

NIL

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

NIL

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

(a) **Details of Share Capital as on last quarter end, i.e., June 30, 2023**:

Share Capital	Amount (in Rs.)
Authorised Share Capital	
8,00,00,000 Equity shares of Rs.10 each	80,00,00,000
25,00,000 Preference shares of Rs.100 each	25,00,00,000
TOTAL	1,05,00,00,000
Issued, Subscribed and Fully Paid- up Share Capital	
6,45,75,050 equity shares of Rs.10 each, fully paid	64,57,50,500
TOTAL	64,57,50,500

(b) **Changes in its capital structure as at last quarter end i.e., June 30, 2023 for the preceding three financial years and the current year:**

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

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

Date of Allotment	No of Equity Shares	Face Value (in Rs.)	Issue Price (in Rs.)	Consideration	Nature of Allotment	Cumulative Paid Up Capital			Remarks
						No of Equity Shares	Equity Share Capital (in Rs.)	Equity Share Premium (in Rs.)	

31.03.2023	75,81,418 fully paid up shares of Rs. 10 each	10	215	1,63,00,04,870	Preferential Issue	6,45,75,050	64,57,50,500	3,48,91,59,645	-
17.02.2023	24,58,962 fully paid up shares of Rs. 10 each	10	215	52,86,76,830	Preferential Issue	5,69,93,632	56,99,36,320	1,93,49,68,955	-
10.11.2022	18,75,603 fully paid up shares of Rs. 10 each	10	209	39,20,01,027	Right Issue	5,45,34,670	54,53,46,700	143,08,81,745	-
31.03.2022	51,79,688 Partly paid up shares of Rs 8.10 paid up 3rd and Final Call Money	10	72.59	7,14,38,774	Preferential Issue	5,26,59,067	52,6,5,90,670	105,76,36,749	-
31.03.2021	51,79,688 Partly paid up shares of Rs 8.10 paid up 2nd Call Money	10	72.59	10,15,18,259	Preferential Issue	5,26,59,067	51,67,49,262.80	99,92,89,377	-
31.03.2019	51,79,688 Partly paid up shares of Rs 5.40 paid up 1st Call Money	10	72.59	10,15,18,259	Preferential Issue	5,26,59,067	50,27,64,106	91,17,56,276	-
22.01.2019	12,22,278	10	128	15,64,51,584	Preferential Issue	5,26,59,067	48,87,78,948	82,42,23,175	-
18.01.2019	7,30,847	10	128	9,35,48,416	Preferential Issue	5,14,36,789	47,65,56,168	67,99,94,371	-
17.01.2018	51,79,688 (Application Money)	10	72.59	10,15,18,259	Preferential Issue	5,07,05,942	46,92,47,698	59,37,54,425	-
06/05/2015	80,13,375	10	31	24,84,14,625	Rights Issue	4,55,26,254	45,52,62,540	50,62,21,324	-
30/09/2013	30,00,000	10	13	3,90,00,000	Preferential Issue	3,21,00,000	32,10,00,000	9,00,07,0000	-
18/03/2013	36,60,000	10	13.25	4,84,95,000	Preferential Issue	2,91,00,000	29,10,00,000	7,77,57,000	-
16/08/2012	68,50,000	10	13	8,90,50,000	Preferential Issue	254,40,000	25,44,00,000	6,58,63,000	-

21/03/2012	63,60,000	10	13	8,26,80,000	Preferential Issue	1,85,90,000	18,59,00,000	4,53,13,000	-

Notes, if any: NIL

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

Not Applicable

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

Type Of Event	Date Of Announcement	Date Of Completion	Details
N.A	N.A	N.A	N.A

5.11 Details of the shareholding of the Company as at the latest quarter end, i.e., June 30, 2023:

(a) **Shareholding pattern of the Company as on last quarter end, i.e. June 30, 2023 as per the format specified under the listing regulations:**

Particulars	Equity- Fully Paid Up		
Indian			
Promoters - Individuals	No of Shares	Amount	**% to Total**
VUPPUTURI GOPALA KISHAN PRASAD	1,98,53,581	19,85,35,810	30.74%
KOGANTI VASUMATHI DEVI	26,47,266	2,64,72,660	4.10%
VUPPUTURI VASANTHA LAKSHMI	24,91,794	2,49,17,940	3.86%
VUPPUTURI RAGHU RAM	18,00,670	1,80,06,700	2.79%
VUPPUTURI INDIRA DEVI	16,48,142	1,64,81,420	2.55%
Vistra ITCL (India) Limited (TRUSTEE OF BUSINESS EXCELLENCE TRUST II - INDIA BUSINESS EXCELLENCE FUND II)	78,04,018	7,80,40,180	12.09%
Public			
Domestic Companies/LLP/Trusts	17,69,015	1,76,90,150	2.74%
Resident Indians	62,70,689	6,27,06,890	9.71%
HUF	39,613	3,96,130	0.06%
Total Indian Investment	**4,43,24,788**	**44,32,47,880**	**68.64%**
Foreign Investment			
Promoters- Individuals			
DURGA RANI CHUNDURI	14,94,100	1,49,41,000	2.31%
CHUNDURI SINHA SATYANAND	1,17,700	11,77,000	0.18%

Foreign Body Corporates- India Business Excellence Fund- IIA	1,30,51,546	13,05,15,460	20.21%
ACCION DIGITAL TRANSFORMATION FUND, LP	55,81,395	5,58,13,950	8.64%
Non Resident Indians	5,521	55,210	**0.01%**
Total Foreign Investment	**2,02,50,262**	20,25,02,620	**31.36%**
Grand Total	**6,45,75,050**	64,57,50,500	**100.00%**

(b) **List of top 10 holders of equity shares of the Company as at the latest quarter end, i.e. June 30, 2023:**

S. No.	Name of the shareholders	Total no. of Equity shares	No. of shares in demat form	Total shareholding as % of total no. equity shares
1	Vupputuri Gopala Kishan Prasad	1,98,53,581	1,98,53,581	30.74
2	India Business Excellence Fund Iia	1,30,51,546	1,30,51,546	20.21
3	Vistra Itcl (India) Limited (Trustee Of Business Excellence Trust Ii - India Business Excellence Fund Ii)	78,04,018	78,04,018	12.09
4	Accion Digital Transformation Fund, Lp	55,81,395	55,81,395	8.64
5	Koganti Vasumathi Devi	2,64,72,66	2,64,72,66	4.10
6	Vupputuri Vasantha Lakshmi	24,91,794	24,91,794	3.86
7	Vupputuri Raghu Ram	18,00,670	18,00,670	2.79
8	Vupputuri Indira Devi	16,48,142	16,48,142	2.55
9	Durga Rani Chunduri	14,94,100	14,94,100	2.31
10	Vishal Kumar Gupta	32,55,82	32,55,82	0.50
11	Others	78,76,956	78,76,956	12.20
	Total Equity Shares	**6,45,75,050**	**6,45,75,050**	**100.00**

5.12 Following details regarding the directors of the Company:

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

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

Name of the Directors	Age	Address	DIN	Director of the company since	DIRECTOR IN OTHER COMPANY
Vinit Mukesh Mehta (Nominee Director)	39	501, Satguru Towers, Central Avenue, Santacruz West, Mumbai 400054	08792902	01-10-2020	NIL

Gopala Kishan Prasad Vupputuri Chairman & Wholetime Director))	73	59A-16-4/8 Iii Rd Road Plot No 77 3Rd Cross Road Near Sai Baba Temple R.T.C. Colony Viyaya Wada Urban Polytechnic Krishna 520008	01817992	30-05-1991	• IKF INFRATECH PRIVATE LIMITED • IKF HOME FINANCE LIMITED
Vasumathi Devi Koganti (Managing Director)	47	Villa 18 Aditya Fort Veiw Puppalaguda Pratibha High School Manikonda Puppalguda Puppalg Uda K V Ranga Reddy 500089	03161150	31-10-2006	• IKF HOME FINANCE LIMITED
Indira Devi Vupputuri (Wholetime Director) (Resigned w.e.f 14.07.2023)	63	59A-16-4/8 New R.T.C. Colony Patamata Vijayawada 520008	03161174	30-05-1991	• IKF INFRATECH PRIVATE LIMITED
Satyanarayana Prasad Kanaparti (Director)	71	8-3 - 318/11/32,33,34 Fno. 501, Jai Prakash Nagar Vishnu Nivas Ameerpet Hyderabad 500016	03598603	19-09-2011	• HORMIGON ENGINEERING AND INFRA PRIVATE LIMITED
Vasantha Lakshmi Vupputuri (Alternate Director)	46	Plot No 24 Aditya Fort Veiw Villas Shivalayam Road Near Prathibaha High School Manikonda P Uppalguda K V Ranga Reddy 500089	03610979	21-10-2015	• IKF HOME FINANCE LIMITED
Satyanand Sinha Chunduri (Director)	75	40-1-144, Corporate Centre MG Road Viajayawada 520010	03644504	10-02-1993	N.A.
Nageswara Rao Yalamanchili	61	Flat No: 12, Dharani Apartments, Near Sai Baba Temple, Shiridi Nagar, Vijayawada, Krishna District, 520008 Andhra Pradesh	06651230	01.12.2021	• CAPITAL SMALL FINANCE BANK LIMITED • IMFAST FINFOTECH PRIVATE LIMITED • I25 OUTREACH PRIVATE LIMITED
Gopala Krishna Gurrappa	66	A2103, Lady Ratan Tower, Danik Shivner Marg,	06407040	30.09.2022	• KRAZYBEE SERVICES PRIVATE LIMITED

		Gandhi Nagar, Worli, Mumbai-400018			• ICICI HOME FINANCE COMPANY LIMITED • ICICI PRUDENTIAL PENSION FUNDS MANAGEMENT COMPANY LIMITED • AXIS MUTUAL FUND TRUSTEE LIMITED • RISK AND COMPLIANCE PROFESSIONALS ASSOCIATION • WEST END FUND MANAGERS LLP
Sunil Rewachand Chandiramani	54	163-A, Sky Scraper Building, 74, Bhulbhai Desai Road, Cumbhatta Hill, Mumbai, Maharastra-400026	00524035	30.09.2022	• GANESH GRAINS LIMITED • VIGYANLABS INNOVATIONS PRIVATE LIMITED • UPDATER SERVICES LIMITED • DAVADOST PHARMA PRIVATE LIMITED • SAPPHIRE FOODS INDIA LIMITED • RUPA & COMPANY LIMITED • DENAVE INDIA PRIVATE LI
Abhishek Agrawal	43	Flt No. 401, 4th Flr Sai Samman, Plot No 28/29, Union Park,Chembur East, Mumbai	06760344	30/05/2023	• ANNAPURNA FINANCE PRIVATE LIMITED • ACCION IMPACT MANAGEMENT INDIA PRIVATE LIMITED
Sethuraman Ganesh	66	305, Vensa Lakeview, Kempapura Main Road Opp Rachenahalli Lake, Dasarahalli, Bangalore North	07152185	14/07/2023	• SONATA FINANCE PRIVATE LIMITED • INDEL MONEY LIMITED

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

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

Name	Designation	DIN	Date of Appointment	Date of Cessation, if applicable	Date of resignation, if applicable	Remarks
Sunkara Veerabhadra Rao	Independent Director	01180981	30-12-2005	10/02/2023	10/02/2023	Resignation

Gopala Krishna Gurrappa	Additional Director (Non Executive & Independent)	06407040	30/09/2022	-	-	Appointment
Sunil Chandiramani	Additional Director (Non Executive & Independent)	00524035	30/09/2022	-	-	Appointment
Vinit Mukesh Mehta	Nominee Director	08792902	01/10/2020	-	-	Appointment
Vishal Tulsyan	Nominee Director	00139754	15/03/2019	01/10/2020	01/10/2020	Resignation
Vishal Kumar Gupta	Nominee Director	02368313	03/11/2015	07/12/2018	07/12/2018	Resignation
Ch.V.Rama Rao	Alternate Director	03161194	21/10/2015	13.01.2017	13.01.2017	Resignation
Vupputuri Vasantha Lakshmi Vasantha Lakshmi	Alternate Director	03610979	21/10/2015	-	-	Appointment
PSV.Prasada Rao	Director	02204359	19.09.2011	13.01.2017	13.01.2017	Resignation
Prasad J Athota	Director	03618655	10.02.1993	13.01.2017	13.01.2017	Resignation
N Harinadh	Independent Director	03161 131	23.01.1992	15/03/2019	15/03/2019	Resignation
Abhishek Agrawal	Independent Director	06760344	30/05/2023	-	-	Appointment
Indira Devi Vupputuri	Wholetime Director	03161174	31/05/1991	14.07.2023	14.07.2023	Resignation
Sethuraman Ganesh	Independent Director	07152185	14.07.2023	-	-	Appointment

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

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

(INR - In Crores)

Director	Fiscal FY 23-24 (Up to June 2023)	Fiscal FY 22-23	Fiscal FY 21-22	Fiscal FY 20-21
V.G.K.Prasad, Chairman				

	Remuneration	0.21	0.84	0.76	0.70
	Commission	0.08	0.63	0.51	0.42
	K Vasumathi Devi, Managing Director				
	Remuneration	0.15	0.60	0.54	0.50
	Commission	0.05	0.44	0.36	0.29
Appointment of any relatives to an office or place of profit of the issuer, its subsidiary or associate company	NA				
Full particulars of the nature and extent of interest, if any, of every director: **A. in the promotion of the issuer company; or** **B. in any immoveable property acquired by the issuer company in the two years preceding the date of the issue document or any immoveable property proposed to be acquired by it; or** **C. where the interest of such a director consists in being a member of a firm or company, the nature and extent of his interest in the firm or company, with a statement of all sums paid or agreed to be paid to him or to the firm or company in cash or shares or otherwise by any person either to induce him to become, or to help him qualify as a director, or otherwise for services rendered by him or by the firm or company, in connection with the promotion or formation of the issuer company shall be disclosed**	NA				
Contribution being made by the directors as part of the offer or separately in furtherance of such objects	NA				

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

5.14 Following details regarding the auditors of the Company:

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

Name of the Auditor	Address	Date of appointment
M/s. SGCO & Co. LLP (Firm Registration No. 112081W/W100184), Chartered Accountants	4A Kaledonia, 2nd Floor, Sahar Road, New Andheri Station, Andheri (East) Mumbai, 400069	30.11.2021

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

Name of the Auditor	Address	Date of Appointment	Date of cessation, if applicable	Date of resignation, if applicable
M/S.S.R. Batliboi & Co. LLP.	12th Floor, The Ruby,29 Senapati Bapat Marg, Dadar (West), Mumbai – 400028	30.09.2015	30.11.2021	30.11.2021

5.15 DETAILS OF THE BORROWING OF THE ISSUER

Details of the following liabilities of the Issuer, as at the end of the last quarter, i.e June 30, 2023, or if available, a later date:

(a) **Details of Outstanding Secured Loan Facilities as on the preceding quarter (as on June 30, 2023)**

Note: All Loan facility are having exclusive security.

Name of lender Bank / FI Name	Type of Facility	Amount Sanctioned (INR in Crore)	Availed Amt	Principal Amount Outstanding	Security	Repayment date /schedule	Credit Rating, if applicable	Asset Classification
Central Bank of India	OD/CC	95.00	75.07	75.07	115% Book Debts/ Receivables	NA	CARE A	Standard
Indian Overseas Bank	OD/CC	42.00	38.02	38.02	110% Book Debts/ Receivables	NA	CARE A	Standard
IDBI Bank Limited	OD/CC	20.00	18.04	18.04	115% Book Debts/ Receivables	NA	CARE A	Standard
Union Bank of India	OD/CC	77.00	73.55	73.55	115% Book	NA	CARE A	Standard

					Debts/ Receivables			
Punjab National Bank	OD/CC	18.20	17.21	17.21	115% Book Debts/ Receivables	NA	CARE A	Standard
Federal Bank Limited	OD/CC	15.00	14.53	14.53	115% Book Debts/ Receivables	NA	CARE A	Standard
HDFC Bank	OD/CC	30.00	22.78	22.78	115% Book Debts/ Receivables	NA	CARE A	Standard
Bandhan Bank	OD/CC	5.00	(6.85)	(6.85)	110% Book Debts/ Receivables	NA	CARE A	Standard
DCB Bank - WCDL	WCDL	25.00	25.00	25.00	110% Book Debts/ Receivables	NA	CARE A	Standard
State Bank of India	Term Loan	115.00	115.00	39.24	120% Book Debts/ Receivables	31-Mar-25	CARE A	Standard
Union Bank of India	Term Loan	25.00	25.00	1.22	110% Book Debts/ Receivables	01-Dec-23	CARE A	Standard
Bank of India - II	Term Loan	50.00	50.00	3.61	115% Book Debts/ Receivables	20-Dec-23	CARE A	Standard
Union Bank of India II	Term Loan	50.00	50.00	12.46	110% Book Debts/ Receivables	30-Sep-24	CARE A	Standard
Union Bank of India III	Term Loan	25.00	25.00	4.84	110% Book Debts/ Receivables	30-Sep-24	CARE A	Standard

HDFC Bank Limited - V	Term Loan	35.00	35.00	6.30	110% Book Debts/ Receivables	07-Feb-24	CARE A	Standard
Bank of India - III	Term Loan	50.00	50.00	26.78	115% Book Debts/ Receivables	30-Jan-26	CARE A	Standard
Central Bank of India	Term Loan	30.00	30.00	16.50	115% Book Debts/ Receivables	31-Mar-26	CARE A	Standard
Federal Bank Limited	Term Loan	15.00	15.00	6.56	115% Book Debts/ Receivables	26-Mar-25	CARE A	Standard
State Bank of Maritius	Term Loan	20.00	20.00	5.00	110% Book Debts/ Receivables	31-Jan-24	CARE A	Standard
HDFC Bank Limited VI	Term Loan	25.00	25.00	12.55	110% Book Debts/ Receivables	07-Apr-25	CARE A	Standard
IDBI Bank Limited	Term Loan	20.00	20.00	8.75	110% Book Debts/ Receivables	31-Mar-26	CARE A	Standard
HDFC Bank Limited VII	Term Loan	15.00	15.00	8.16	110% Book Debts/ Receivables	07-Jun-25	CARE A	Standard
Suryoday Small Finance Bank	Term Loan	20.00	20.00	8.97	110% Book Debts/ Receivables	05-Sep-24	CARE A	Standard
Bank of Maharashtra	Term Loan	25.00	25.00	15.00	115% Book Debts/ Receivables	30-Jul-25	CARE A	Standard

Dhanalaxmi Bank	Term Loan	15.00	15.00	7.50	110% Book Debts/ Receivables	14-Sep-24	CARE A	Standard
DBS Bank	Term Loan	30.00	30.00	13.64	115% Book Debts/ Receivables	30-Sep-24	CARE A	Standard
AU Small Finance Bank-III	Term Loan	50.00	50.00	23.61	110% Book Debts/ Receivables	03-Nov-24	CARE A	Standard
Federal bank Limited-II	Term Loan	15.00	15.00	9.45	115% Book Debts/ Receivables	29-Dec-25	CARE A	Standard
Ujjivan Small Finance Bank LTD-III	Term Loan	20.00	20.00	9.44	110% Book Debts/ Receivables	30-Nov-24	CARE A	Standard
Yes Bank Limited	Term Loan	30.00	30.00	15.00	120% Book Debts/ Receivables	30-Dec-24	CARE A	Standard
HDFC Bank -VIII	Term Loan	15.00	15.00	10.32	110% Book Debts/ Receivables	07-Jan-26	CARE A	Standard
Dhanalaxmi Bank -II	Term Loan	25.00	25.00	15.00	116.67% Book Debts/ Receivables	31-Dec-24	CARE A	Standard
Au Small Finance Bank IV	Term Loan	25.00	25.00	15.28	110% Book Debts/ Receivables	03-Apr-25	CARE A	Standard
Bank of Baroda	Term Loan	50.00	50.00	34.38	115% Book Debts/ Receivables	25-Mar-26	CARE A	Standard

Woori Bank Limited II	Term Loan	30.00	30.00	18.33	110% Book Debts/ Receivables	07-Apr-25	CARE A	Standard
Utkarsh Small Finance Bank II	Term Loan	18.00	18.00	11.00	110% Book Debts/ Receivables	25-Apr-25	CARE A	Standard
Jana Small Finance Bank	Term Loan	50.00	50.00	35.18	110% Book Debts/ Receivables	03-Jul-25	CARE A	Standard
Central Bank of India - TL II	Term Loan	50.00	50.00	40.00	110% Book Debts/ Receivables	30-Jun-27	CARE A	Standard
Federal Bank TL - II	Term Loan	25.00	25.00	18.75	115% Book Debts/ Receivables	23-Jun-26	CARE A	Standard
CSB Bank Ltd	Term Loan	30.00	30.00	20.00	110% Book Debts/ Receivables	30-Jun-26	CARE A	Standard
IDFC First Bank Ltd TL	Term Loan	75.00	75.00	56.82	110% Book Debts/ Receivables	04-Jul-25	CARE A	Standard
Karnataka Bank Ltd	Term Loan	25.00	25.00	20.31	110% Book Debts/ Receivables	30-Jul-26	CARE A	Standard
Kotak Mahindra Bank	Term Loan	25.00	25.00	20.31	110% Book Debts/ Receivables	02-Sep-26	CARE A	Standard
Indian Overseas Bank	Term Loan	50.00	50.00	45.00	110% Book Debts/ Receivables	31-Mar-28	CARE A	Standard

UCO Bank	Term Loan	50.00	50.00	47.11	110% Book Debts/ Receivables	31-Aug-27	CARE A	Standard
SIDBI VI	Term Loan	90.00	45.90	39.78	110% Book Debts/ Receivables	10-Aug-25	CARE A	Standard
Bank of Maharashtra II	Term Loan	50.00	50.00	43.33	115% Book Debts/ Receivables	01-Sep-26	CARE A	Standard
Indian Bank	Term Loan	75.00	75.00	63.73	110% Book Debts/ Receivables	28-Sep-27	CARE A	Standard
Bandhan Bank	Term Loan	70.00	70.00	50.91	110% Book Debts/ Receivables	01-Jul-25	CARE A	Standard
Karur Vyasya Bank	Term Loan	25.00	25.00	23.44	110% Book Debts/ Receivables	27-Mar-27	CARE A	Standard
DBS Bank II	Term Loan	30.00	30.00	27.27	110% Book Debts/ Receivables	31-Dec-25	CARE A	Standard
AU Small Finance V	Term Loan	30.00	30.00	25.83	110% Book Debts/ Receivables	18-Jan-26	CARE A	Standard
Utkarsh Small Finance Bank III	Term Loan	22.00	22.00	19.56	110% Book Debts/ Receivables	25-Feb-26	CARE A	Standard
Ujjivan Small Finance Bank-IV	Term Loan	25.00	25.00	22.22	110% Book Debts/ Receivables	28-Feb-26	CARE A	Standard
HDFC Bank IX	Term Loan	25.00	25.00	24.13	110% Book	07-Apr-27	CARE A	Standard

					Debts/ Receivables			
Woori Bank III	Term Loan	30.00	30.00	27.50	110% Book Debts/ Receivables	27-Mar-26	CARE A	Standard
Dhanalaxmi Bank III	Term Loan	12.50	12.50	12.50	110% Book Debts/ Receivables	31-Mar-26	CARE A	Standard
Federal Bank TL - IV	Term Loan	40.00	40.00	40.00	110% Book Debts/ Receivables	30-Jun-27	CARE A	Standard
Nabkisan Finance Limited II	Term Loan	35.00	35.00	20.42	110% Book Debts/ Receivables	01-Feb-25	CARE A	Standard
Mudra	Term Loan	25.00	25.00	13.50	110% Book Debts/ Receivables	01-Dec-24	CARE A	Standard
Sundaram Finance Limited -8	Term Loan	25.00	25.00	15.40	115% Book Debts/ Receivables	22-Mar-25	CARE A	Standard
Bajaj Finance Ltd	Term Loan	35.00	35.00	28.19	110% Book Debts/ Receivables	27-Oct-25	CARE A	Standard
Mahindra & Mahindra Finance	Term Loan	40.00	40.00	32.13	110% Book Debts/ Receivables	27-Oct-25	CARE A	Standard
Aditya Birla	Term Loan	25.00	25.00	22.13	110% Book Debts/ Receivables	30-Jan-26	CARE A	Standard
Mudra II	Term Loan	50.00	50.00	45.45	110% Book Debts/ Receivables	10-Oct-25	CARE A	Standard

Sundaram Finance	Term Loan	25.00	25.00	23.14	115% Book Debts/ Receivables	22-Mar-25	CARE A	Standard
STCI Finance Limited	Term Loan	25.00	25.00	23.44	110% Book Debts/ Receivables	28-Mar-27	CARE A	Standard
MAS Financial Limited	Term Loan	20.00	20.00	18.33	110% Book Debts/ Receivables	25-Mar-26	CARE A	Standard
Total		**2,379.70**	**2,285.74**	**1,602.06**				

(b) **Details of Outstanding Unsecured Loan Facilities as on the preceding quarter (as on June 30, 2023)**:

Name of Lender	Type of Facility	Amount Sanctioned (INR in Crore)	Principal Amount Outstanding (INR in Crore)	Repayment Date / Schedule	Credit Rating, if applicable
NA	NA	NA	NA	NA	NA
Total		NA	NA	NA	NA

(c) **Details of Outstanding Non-Convertible Securities as on the preceding quarter (as on June 30, 2023)**:

Series of NCS	ISIN	Tenor / Maturity Period	Coupon	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
Secured NCDs-Bank of India	INE859C07147	24	9.00%	50.00	30-Sep-21	06-Dec-23	CARE A Stable	Secured	110% Receivables /Book Debts
Unsecured NCDs - Unifi AIF – 3	INE859C08095	24	9.96%	15.00	30-Sep-21	30-Sep-23	CARE PP-MLD A Stable	Unsecured	

IFMR Capital Finance Limited - 3	INE859C08079	72	13.25%	25.00	19-Jan-21	20-Jul-26	CARE A Stable	Unsecured	
IFMR Capital Finance Limited	INE859C08111	24	10.60%	61.25	27-Mar-23	27-Mar-25	CARE A Stable	Unsecured	
Piramal Capital	INE859C08103	67	13.85%	140.00	27-Oct-22	28-Apr-28	CARE A Stable	Unsecured	

(d) **Details of Outstanding commercial papers as on the preceding quarter (as on June 30, 2023)**:

Series of NCS	ISIN	Tenor / Maturity Period	Coupon	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security	Other details viz. details of Issuing and Paying Agent, details of credit rating agencies
No Commercial Papers are outstanding										

5.16 List of top 10 holders of non-convertible securities in terms of value as on the preceding quarter (as on June 30, 2023) (in cumulative basis)

Sl. No	Name of holder	Category of holder	Face Value of holding	Amount	Principal Amount Outstanding	% of total non-convertible security outstanding
1	PIRAMAL STRUCTURED CREDIT OPPORTUNITIES FUND	CORPORATE BODIES - DOMESTIC COMPANIES	1,00,00,000	140,00,00,000	140,00,00,000	100
2	BOI SHAREHOLDING LIMITED	NATIONALISED BANKS - DOMESTIC COMPANIES	10,00,000	50,00,00,000	50,00,00,000	100

3	NORTHERN ARC CAPITAL LIMITED	CORPORATE BODIES - DOMESTIC COMPANIES	1,00,000	24,89,00,000	24,89,00,000	100
4	NORTHERN ARC CAPITAL LIMITED	CORPORATE BODIES - DOMESTIC COMPANIES	1,00,000	19,61,00,000	17,15,87,500	87.5
5	UNIFI AIF	ALTERNATE INVESTMENT FUND - DOMESTIC COMPANIES	1,00,000	19,06,00,000	16,67,75,000	87.5
6	UNIFI CAPITAL PVT LTD	CORPORATE BODIES - DOMESTIC COMPANIES	10,00,000	15,00,00,000	15,00,00,000	100
7	NAVAL GROUP INSURANCE FUND	TRUSTS - DOMESTIC COMPANIES	1,00,000	13,00,00,000	11,37,50,000	87.5
8	RAMESH KANCHARLA	PUBLIC - RESIDENT INDIANS	1,00,000	2,50,00,000	2,18,75,000	87.5
9	INDIUM SOFTWARE INDIA PRIVATE LIMITED	CORPORATE BODIES - DOMESTIC COMPANIES	1,00,000	1,92,00,000	1,68,00,000	87.5
10	PATODIA FORGINGS AND GEARS LTD	CORPORATE BODIES - DOMESTIC COMPANIES	1,00,000	1,40,00,000	1,22,50,000	87.5

5.17 List of top 10 holders of commercial papers in terms of value as on the preceding quarter (as on June 30, 2023) (in cumulative basis)

No Commercial papers are outstanding

Sl. No	Name of holder	Category of holder	Face Value of holding	% of total non-convertible security outstanding
1	Nil	Nil		

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

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

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

NIL

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

Not Applicable

5.21 Details of all defaults and/or delay in payments of interest and principal of any kind of term loans, debt securities, commercial paper (including technical delay) and other financial indebtedness including corporate guarantee or letters of comfort issued by the Company, in the preceding 3 (three) years, including the current financial year:

Not Applicable

5.22 Where the Issuer is a non-banking finance company or housing finance company, the following disclosures on Asset Liability Management (ALM) shall be provided for the latest audited financials:
As set out in **Annexure VII** hereinbelow.

5.23 Financial Information

(a) **A columnar representation of the audited financial statements (i.e. Profit & Loss statement, Balance Sheet and Cash Flow statement) both on a standalone and consolidated basis for a period of three completed years:**

The above financial statements shall be accompanied with the Auditor's Report along with the requisite schedules, footnotes, summary etc.

(Amount in Crores)

Parameters	FY 2022-23		FY 2021-22		FY 2020-21		FY 2019-20	
	Audited		Audited		Audited		Audited	
	Stand alone	Consolidated	Stand alone	Consolidated	Standalone	Consolidated	Standalone	Consolidated
	Balance Sheet							
Net Fixed Assets	7.49	9.85	5.39	6.53	4.42	5.79	5.21	6.64
Current Assets	1253.31	1333.07	715.26	787.96	755.88	790.91	536.40	551.80
Non-Current Assets	1503.49	2000.99	997.60	1279.60	864.75	1017.61	843.77	927.62
Total Assets	2764.30	3343.90	1718.25	2074.09	1625.05	1814.30	1385.38	1486.05
Non-Current Liabilities								
(including maturities of long-term borrowings);	1067.08	1414.14	595.88	838.77	512.49	649.47	480.96	521.27
Financial (borrowings, trade payables, and	0		0.00	0.00	0.00	0.00	0.00	0.00
other financial liabilities);	4.69	2.80	2.21	2.30	2.83	2.93	5.07	5.07
Provisions;	1.84	2.35	2.74	3.14	2.48	2.76	1.89	2.11
Deferred tax liabilities (net);	0.00	2.76	0.00	1.65	0.27	1.17	0.00	0.00
Other non-current liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.39
Current Liabilities								

Parameters	FY 2022-23		FY 2021-22		FY 2020-21		FY 2019-20	
	Audited		Audited		Audited		Audited	
	Stand alone	Consolidated	Stand alone	Consolidated	Standalone	Consolidated	Standalone	Consolidated
(including maturities of long-term borrowings and short-term borrowings);	969.72	1146.54	710.64	780.73	741.81	763.99	576.15	612.31
Financial (borrowings, trade payables, and other financial liabilities);	26.41	38.65	18.09	29.39	23.87	33.14	22.31	33.16
Provisions;	0.00	0.27	0.32	0.32	0.27	0.27	0.20	0.20
Current tax liabilities(net)	0.00	0.00	0.00	0.00	0.00	0.72	0.00	0.00
Other current liabilities	2.06	4.52	0.99	1.57	1.12	1.49	1.19	1.49
Total liabilities	2071.80	2612.03	1330.88	1657.87	1285.15	1455.94	1087.77	1176.00
Equity (equity and other equity)	692.50	731.88	387.37	416.22	339.90	358.36	297.61	310.05
Total equity and liabilities	2764.30	3343.90	1718.25	2074.09	1625.05	1814.30	1385.38	1486.05
Profit and Loss								
Total revenue from operations	286.42	374.44	220.60	269.62	204.07	237.52	205.69	238.76
Other income	0.18	4.01	0.63	2.08	0.16	0.57	0.19	0.74

Parameters	FY 2022-23		FY 2021-22		FY 2020-21		FY 2019-20	
	Audited		Audited		Audited		Audited	
	Stand alone	Consolidated	Stand alone	Consolidated	Standalone	Consolidated	Standalone	Consolidated
Total Expenses	219.29	295.96	166.95	203.31	160.03	184.98	167.94	191.36
Total comprehensive income	286.60	378.45	221.23	298.70	204.23	238.09	205.88	239.50
Profit / loss	67.31	82.48	54.28	95.39	44.20	53.11	37.94	48.14
Other Comprehensive income	0.10	0.68	0.08	0.10	0.10	0.12	(0.04)	(2.91)
Profit / loss after tax	50.10	62.20	40.39	51.23	32.01	38.02	27.70	35.81
Earnings per equity share:		0.00						
(a) basic; and	7.74	11.46	7.80	9.89	6.35	7.54	5.52	7.13
(b) diluted	7.74	11.45	7.80	9.89	6.34	7.53	5.51	7.12
Continuing Operations	50.10	62.20	40.39	51.23	32.01	38.02	27.70	35.81
Discontinued operations	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Continuing and discontinued operations	50.10	62.20	40.39	51.23	32.01	38.02	27.70	35.81
Cash Flow								
Net cash generated from operating activities	-555.25	-810.26	(188.49)	(320.85)	(194.85)	(252.49)	(108.05)	(97.38)

Parameters	FY 2022-23		FY 2021-22		FY 2020-21		FY 2019-20	
	Audited		Audited		Audited		Audited	
	Stand alone	Consolidated	Stand alone	Consolidated	Standalone	Consolidated	Standalone	Consolidated
Net cash used in / generated from investing Activities	-246.29	-214.69	(19.48)	(2.58)	(0.59)	(0.87)	(1.21)	(1.80)
Net cash used in financing activities	998.16	1206.48	123.82	275.35	288.51	365.81	120.39	113.87
Cash and Cash Equivalents	196.62	181.53	(84.16)	(48.08)	93.08	112.45	11.13	14.69
Balance as per statement of cash flows	230.39	278.17	33.77	96.64	117.93	144.74	24.86	32.30
Additional Information								
Net worth	692.50	731.88	387.37	416.22	339.90	358.36	297.61	310.05
Cash and Cash Equivalents	230.39	278.17	33.77	96.64	117.93	144.74	24.86	32.30
Current Investments	0	212.48	0.00	0.00	0.00	0.00	0.00	0.00
Assets Under Management	2451.86	3132.00	1742.27	2143.53	1489.27	1742.48	1311.43	1541.17
Net sales	276.73	365.53	217.57	261.46	204.07	232.01	205.69	233.56
EBITDA	223.98	278.08	173.52	206.47	161.83	183.70	154.91	175.44
EBIT	221.33	274.66	172.23	204.56	160.39	181.77	153.42	173.49
Dividend amounts	0	0	0.00	0.00	0.00	0.00	0.00	0.00
Long term debt to working capital	4.09	5.33	1.82	2.51	1.94	2.44	2.26	2.40
Current Liability ratio –	48:52	46:54	55:45	49:51	60:40	55:45	55:45	55:45

Parameters	FY 2022-23		FY 2021-22		FY 2020-21		FY 2019-20	
	Audited		Audited		Audited		Audited	
	Stand alone	Consolidated	Stand alone	Consolidated	Standalone	Consolidated	Standalone	Consolidated
Current liabilities / Non – current liabilities								
Total Debts to Total assets	73.68 %	76.58%	76.33 %	78.08%	77.51%	77.91%	76.81%	76.28%
Debt Service Coverage Ratios	2.26	N.A.	1.99	N.A.	1.52	N.A.	1.28	N.A.
Interest Income	279.31	365.53	218.99	263.01	202.96	234.23	205.68	235.80
Interest Expense	146.11	192.18	112.13	129.88	111.19	123.33	110.95	120.46
Interest service coverage ratio	1.45	N.A.	1.48	N.A.	1.40	N.A.	1.34	N.A.
Provisioning & Write-offs	5.40	6.28	5.12	5.13	6.47	7.82	16.35	20.40
Bad debts to Account receivable ratio	2.83%	2.42%	2.72%	2.41%	2.98%	2.74%	2.69%	2.56%
Gross NPA (%)	2.83%	2.42%	2.72%	2.41%	2.98%	2.74%	2.69%	2.56%
Net NPA (%)	2.28%	1.90%	1.84%	1.60%	2.19%	1.98%	1.97%	1.82%
Tier I Capital Adequacy Ratio (%)	26.25 %	N.A.	21.48 %	N.A.	21.50%	N.A.	19.54%	N.A.
Tier II Capital Adequacy Ratio (%)	6.77%	N.A.	2.75%	N.A.	2.17%	N.A.	1.65%	N.A.
Interest service	1.45	N.A.	1.48	N.A.	1.40	N.A.	1.34	N.A.

Parameters	FY 2022-23		FY 2021-22		FY 2020-21		FY 2019-20	
	Audited		Audited		Audited		Audited	
	Stand alone	Consolidated	Stand alone	Consolidated	Standalone	Consolidated	Standalone	Consolidated
coverage ratio								

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

Not Applicable

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

Please refer to **Annexure V** for the financial statements for the financial year ending March 31, 2023, March 31, 2022 and March 31, 2021.

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

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

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

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

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

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

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

Nil

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

Nil

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

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

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

5.30 Consent of directors, auditors, bankers to issue, trustees, solicitors or advocates to the issue, legal advisors to the issue, lead managers to the issue, Registrar to the Issue, and lenders (if required, as per the terms of the agreement) and experts.
This has been procured to the extent applicable.

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

As specified in the relevant Key Information Document.

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

As specified in the relevant Key Information Document.

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

As specified in the relevant Key Information Document.

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

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

Coupon and all other charges shall accrue based on actual/actual day count convention in accordance with Chapter III (*Day count convention, disclosure of cash flows and other disclosures in the offer document*) of the SEBI circular no. SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated August 10, 2021 on "*Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts,*

Municipal Debt Securities and Commercial Paper", as may be amended and modified from time to time;

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

Please refer to the column on "*Issue Timing*" under Section 5.38 (*Issue Details*) of this General Information Document; and

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

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

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

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

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

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

5.36 Other details:

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

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

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

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

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

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

The Issue of Non-Convertible Securities shall be in conformity with the applicable provisions of the Companies Act including the relevant notified rules thereunder, the SEBI NCS Regulations, the SEBI Debenture Trustees Circular, the LODR Regulations the NBFC Directions, the NCD Issuance Directions and the applicable guidelines and directions issued by the RBI and SEBI.

(c) **Default in payment**:

Please refer to the terms and conditions of the Non-Convertible Securities set out in Section 5.38 (Issue Details) of this General Information Document.

As specified in the relevant Key Information Document.

(d) **Delay in listing:**

In accordance with the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time, read together with the requirements in respect of the timelines for listing of debt securities issued on a private placement basis prescribed in Chapter VII (*Standardization of timelines for listing of securities issued on a private placement basis*) of the SEBI circular no. SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated August 10, 2021 on "*Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper*" (as amended and modified from time to time), the Issuer confirms that in the event there is any delay in listing a of the Non-Convertible Securities beyond (T+3) working days, wherein "**T**" shall be referred to the issue closing date, the Company will (i) pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Interest Rate, from the date of allotment of the Non-Convertible Securities until the listing of the Non-Convertible Securities is completed; and (ii) be permitted to utilise the issue proceeds of its 2 (two) subsequent privately placed issuances of securities only after receiving final listing approval from the stock exchange(s).

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

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

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

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

(f) **Issue details**:

Please refer to Section 5.38 (*Issue Details*) of this General Information Document

(g) **Application process:**

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

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

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

Project details: gestation period of the project; extent of progress made in the project; deadlines for completion of the project; the summary of the project appraisal report (if any), schedule of implementation of the project: Not Applicable

5.37 A statement containing particulars of the dates of, and parties to all material contracts, agreements:

The following contracts, not being contracts entered into in the ordinary course of business carried on by the Company or entered into more than 2 (Two) years before the date of this General Information Document, which are or may be deemed material, have been entered into by the Company.

The contracts and documents referred to hereunder are material to the Issue, may be inspected at the Registered Office of the Company between 10.00 am to 4.00 pm on working days.

S. No.	Nature of Contract
1.	Certified true copy of the Memorandum & Articles of Association of the Issuer.
2.	Copy of the resolution passed by the board of directors of the Company dated 21st July 2021 authorizing the issuance of the debentures read along with the resolution passed by the management committee of the board of directors of the Issuer dated 25th July 2023. In case of any further resolution passed by the Issuer in relation to the subject (as shall be required) shall be annexed in the relevant Key Information Document from time to time
3.	Board Resolution authorizing the respective Tranche/Issuance of Debentures offered under the terms of this Key Information Document shall be as more particularly as set out in the relevant Key Information Document, from time to time.
4.	Copy of the resolution passed by the shareholders of the Company at the Extra-ordinary General Meeting under Section 42 of the Act held on 30th September 2022 authorizing the issue / offer of Non-Convertible Securities by the Company. In case of any further resolution passed by the Issuer in relation to the subject (as shall be required) shall be annexed in the relevant Key Information Document from time to time;
5.	Copies of the resolutions passed by the shareholders of the Company at the Extra-ordinary General Meeting under Section 180(1)(a) and Section 180(1)(c) of the Act held on 30th September 2022 authorising the Company to borrow, upon such terms as the board may think fit, up to an aggregate limit of INR 5000 Crores (Indian Rupees Five Thousand Crores Only). In case of any further resolution passed by the Issuer in relation to the subject (as shall be required) shall be annexed in the relevant Key Information Document from time to time
6.	Copies of Annual Reports of the Company for the last three financial years.
7.	Credit rating letter from the Rating Agent, rating rationale from the Rating Agent along with detailed press release dated 06th July 2023, for the first issuance under this General Information Document. The credit rating for the subsequent Tranche / Issuances of the Non-Convertible Securities shall be as more particularly as set out in the relevant Key Information Document, as shall be issued from time to time.
8.	Letter from debenture trustee dated 24th July 2023 giving its consent to act as Debenture Trustee, for the first issuance under this General Information Document,

S. No.	Nature of Contract
	a copy of which is set out in Annexure III of this General Information Document. The debenture trustee consent letter for the subsequent Tranche / Issuances of the Debentures shall be as more particularly as set out in the relevant Key Information Document, as shall be issued from time to time.
9.	Letter from the Registrar and Transfer Agent dated 25th July 2023 giving its consent to act as the Registrar and Transfer Agent, for the first issuance under this General Information Document. The consent letter from the Registrar and Transfer Agent for the subsequent Tranche / Issuances of the Debentures shall be as more particularly as set out in the relevant Key Information Document, as shall be issued from time to time.
10.	Certified true copy of the certificate of incorporation of the Company.
11.	Certified true copy of the tripartite agreement between the Company, the Registrar & Transfer Agent and the NSDL/CDSL.
12.	Copy of application made to BSE for grant of in-principle approval for listing of Non-Convertible Securities.
13.	Relevant Tranche/Issuance Debenture Trustee Agreement to be executed by the Issuer and the Debenture Trustee.
14.	Relevant Tranche/Issuance Debenture Trust Deed to be executed by the Issuer and the Debenture Trustee.
15.	Relevant Tranche/Issuance Deed of Hypothecation(s) to be executed by the Issuer and the Debenture Trustee.
16.	Any other document as deemed relevant and applicable.

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

Security Name (*Name of the non-convertible securities which includes Coupon / dividend, Issuer Name and maturity year*)	As specified in the relevant Key Information Document.
Issuer	IKF Finance Limited
Type of Instrument	As specified in the relevant Key Information Document.
Nature of Instrument (Secured or Unsecured)	As specified in the relevant Key Information Document.
Seniority (Senior or subordinated)	As specified in the relevant Key Information Document.
Eligible Investors	As specified in the relevant Key Information Document.
Listing (name of stock Exchange(s) where it will be listed and timeline for listing)	As specified in the relevant Key Information Document.

(a) The Issuer shall submit all duly completed documents to the BSE, SEBI, ROC or any other Governmental Authority, as are required under Applicable Law and procure permission for listing of the Non-Convertible Securities from the Stock Exchange within (T+3) working days, wherein "**T**" shall be referred to the issue closing date ("**Listing Period**") of the relevant

Tranche / Issuance of Debentures.

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

(c) In the event there is any delay in listing of the Debentures beyond (T+3) working days, wherein "**T**" shall be referred to the issue closing date of the relevant issuance of the Debenture, the Issuer will:

(i) pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Interest Rate, from the date of allotment of the Debentures until the listing of the Debentures is completed; and

(ii) be permitted to utilise the issue proceeds of its 2 (two) subsequent privately placed issuances of securities only after receiving final listing approval from the stock exchange(s).

Rating of Instrument	As specified in the relevant Key Information Document.
Minimum Subscription	As specified in the relevant Key Information Document.
Option to retain oversubscription (Amount)	As specified in the relevant Key Information Document.
Objects of the Issue / Purpose for which there is requirement of funds	As specified in the relevant Key Information Document.
In case the issuer is a NBFC and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the prescribed format:	As specified in the relevant Key Information Document.
Details of the utilization of the Proceeds	As specified in the relevant Key Information Document.
Coupon Rate	As specified in the relevant Key Information Document.
Step Up Coupon Rate	As specified in the relevant Key Information Document.
Coupon Payment Frequency	As specified in the relevant Key Information Document.
Coupon Payment Dates	As specified in the relevant Key Information Document.
Coupon Type (Fixed, floating or other structure)	As specified in the relevant Key Information Document.
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.)	As specified in the relevant Key Information Document.
Day Count Basis (Actual / Actual)	Actual / Actual. The Coupon (if any) shall be computed on the

	basis of actual number of days elapsed in a year, for this purpose a year shall comprise of a period of 365 (Three Hundred and Sixty-Five) days. In case of a leap year, if 29th February of the relevant leap year falls during the Tenor of the Non-Convertible Securities, then the number of days shall be reckoned as 366 (Three Hundred and Sixty-Six) days for the one-year period.
Interest on Application Monies	As specified in the relevant Key Information Document.
Default Interest Rate	As specified in the relevant Key Information Document.
Tenor	As specified in the relevant Key Information Document.
Redemption Date / Maturity Date	As specified in the relevant Key Information Document.
Redemption Amount	As specified in the relevant Key Information Document.
Early Redemption/ Mandatory Redemption	As specified in the relevant Key Information Document.
Early Redemption Date/ Mandatory Redemption	As specified in the relevant Key Information Document.
Early Redemption Notice	As specified in the relevant Key Information Document.
Voluntary Redemption	As specified in the relevant Key Information Document.
Redemption Premium/ Discount	As specified in the relevant Key Information Document.
Issue Price	As specified in the relevant Key Information Document.
Discount at which security is issued and the effective yield as a result of such discount	As specified in the relevant Key Information Document.
Premium / Discount at which security is redeemed and the effective yield as a result of such premium / discount	As specified in the relevant Key Information Document.
Put Date	As specified in the relevant Key Information Document.
Put Price	As specified in the relevant Key Information Document.

Call Date	As specified in the relevant Key Information Document.
Call Price	As specified in the relevant Key Information Document.
Put Notification Time (Timelines by which the investor need to intimate Issuer before exercising the put)	As specified in the relevant Key Information Document.
Call Notification Time (Timelines by which the Issuer need to intimate investor before exercising the call)	As specified in the relevant Key Information Document.
Face Value	As specified in the relevant Key Information Document.
Minimum Application and in multiples of thereafter	As specified in the relevant Key Information Document.
Issue Timing 1) Issue Opening Date 2) Issue Closing Date 3) Date of earliest closing of the Issue, if any 4) Pay-in Date 5) Deemed Date of Allotment	As specified in the relevant Key Information Document.
Settlement mode of the Instrument	As specified in the relevant Key Information Document.
Depositories	NSDL and CDSL
Disclosure of Interest / Dividend / Redemption Dates	As specified in the relevant Key Information Document.
Record Date	As specified in the relevant Key Information Document.
All covenants of the issue (including side letters, accelerated payment clause, etc.)	**Representations and Warranties** As shall be more particularly set out in the respective Key Information Document. **Affirmative Covenants** As shall be more particularly set out in the respective Key Information Document. **Negative Covenants** As shall be more particularly set out in the respective Key Information Document. **Reporting Covenants** As shall be more particularly set out in the respective Key Information Document. **Financial Covenants**

	As shall be more particularly set out in the respective Key Information Document.
Description regarding Security (where applicable) including type of security (movable / immovable / tangible etc.), type of charge (pledge / hypothecation / mortgage etc.), date of creation of security / likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the General Information Document.	In respect of those Debentures which are issued as Secured Debentures: **Type of security and charge:** As specified in the relevant Key Information Document. **Date of creation of security/likely date of creation of security:** Prior to the listing of the relevant Tranche/Issuance of Secured Debentures **Minimum security cover:** As specified in the relevant Key Information Document. **Replacement of security:** As specified in the relevant Key Information Document. **Revaluation of security:** As specified in the relevant Key Information Document. **Interest to the Debenture Holder over and above the Coupon rate:** As specified in the relevant Key Information Document.
Transaction Documents	As specified in the relevant Key Information Document.
Conditions Precedent to Disbursement	As specified in the relevant Key Information Document.
Conditions Subsequent to Disbursement	As specified in the relevant Key Information Document.
Events of Default (including manner Of voting /conditions of joining Inter Creditor Agreement)	As shall be more particularly set out in the respective Key Information Document.
Creation of recovery expense fund	Details and purpose of the recovery expense fund (a) The Issuer shall create and maintain the Recovery Expense Fund up to the amounts prescribed under the SEBI Debenture Trustees Circular, in accordance with and within the timelines prescribed in the Chapter IV of the SEBI Debenture Trustees Circular. The Issuer proposing to list debt securities shall deposit an amount equal to 0.01% of the Tranche/Issuance issue size of the Secured Debentures subject to maximum of INR 25,00,000/- (Indian Rupees Twenty-Five Lakhs only) per issuer towards the recovery expense fund with the 'Designated Stock Exchange', pursuant to the SEBI

	Debenture Trustees Circular, as may be amended from time to time. (b) The Recovery Expense Fund shall be created to enable the Debenture Trustee to take prompt action in relation to the enforcement of the Security in accordance with the Transaction Documents. (c) The amounts in the Recovery Expense Fund shall be utilised in the manner as may be prescribed by the Debenture Holders by a Special Resolution duly passed at the meeting of the Debenture Holders held in accordance with the provisions set out in the Transaction Documents. (d) On the occurrence of an Event of Default, if the Security is proposed to be enforced, the Debenture Trustee shall follow the procedure set out in the SEBI Debenture Trustees Circular for utilisation of the Recovery Expense Fund.
Conditions for breach of covenants (as Specified in the relevant Tranche/Issuance Debenture Trust Deed)	As shall be more particularly set out in the respective Key Information Document.
Provisions related to Cross Default Clause	As specified in the relevant Key Information Document.
Role and Responsibilities of Debenture Trustee	The Debenture Trustee shall comply with all its roles and responsibilities as prescribed under Applicable Law and the Transaction Documents, including: (a) the Debenture Trustee may, in relation to the relevant Tranche/Issuance Debenture Trust Deed and other Transaction Documents, act on the opinion or advice of or any information obtained from any solicitor, counsel, advocate, valuer, surveyor, broker, auctioneer, qualified accountant or other expert whether obtained by the Issuer or by the Debenture Trustee or otherwise; (b) subject to the approval of the Debenture Holders by way of a Special Resolution passed at a meeting of the Debenture Holders held for determining the liability of the Debenture Trustee, the Debenture Trustee shall, as regards all trusts, powers, authorities and discretions, have the discretion as to the exercise

	thereof and to the mode and time of exercise thereof. In the absence of any fraud, gross negligence, willful misconduct or breach of trust the Debenture Trustee shall not be responsible for any loss, costs, charges, expenses or inconvenience that may result from the aforementioned exercise or non-exercise thereof. The Debenture Trustee shall not be bound to act at the request or direction of the Debenture Holders under any provisions of the Transaction Documents unless sufficient amounts shall have been provided or provision to the satisfaction of the Debenture Trustee has been made for providing such amounts and the Debenture Trustee is indemnified to its satisfaction against all further costs, charges, expenses and liability which may be incurred in complying with such request or direction; (c) with a view to facilitating any dealing under any provisions of the relevant Tranche/Issuance Debenture Trust Deed or the other Transaction Documents, subject to the Debenture Trustee obtaining the consent of the Majority Debenture Holders, the Debenture Trustee shall have (i) the power to consent (where such consent is required) to a specified transaction or class of transactions (with or without specifying additional conditions); and (ii) to determine all questions and doubts arising in relation to the interpretation or construction any of the provisions of the relevant Tranche/Issuance Debenture Trust Deed; (d) the Debenture Trustee shall not be responsible for the amounts paid by the Applicants for the Debentures; (e) the Debenture Trustee shall not be responsible for acting upon any resolution purporting to have been passed at any meeting of the Debenture Holders in respect whereof minutes have been made and signed even though it may subsequently be found that there was some defect in the constitution of the meeting or the passing of the resolution or that for any reason the resolution was not valid or binding

	upon the Debenture Holders; (f) the Debenture Trustee and each receiver, attorney, manager, agent or other person appointed by it shall, subject to the provisions of the Act, be entitled to be indemnified by the Issuer in respect of all liabilities and expenses incurred by them in the execution or purported execution of the powers and trusts thereof; (g) subject to the approval of the Debenture Holder(s) by way of a Special Resolution passed at a meeting of Debenture Holder(s) held for determining the liability of the Debenture Trustee and in the absence of fraud, gross negligence, willful misconduct or breach of trust, the Debenture Trustee shall not be liable for any of its actions or deeds in relation to the Transaction Documents; (h) subject to the approval of the Debenture Holder(s) by way of Special Resolution passed at a meeting of Debenture Holders held for determining the liability of the Debenture Trustee and in the absence of fraud, gross negligence, willful misconduct or breach of trust, the Debenture Trustee, shall not be liable for any default, omission or delay in performing or exercising any of the powers or trusts herein expressed or contained herein or in enforcing the covenants contained herein or in giving notice to any person of the execution hereof or in taking any other steps which may be necessary, expedient or desirable or for any loss or injury which may be occasioned by reason thereof unless the Debenture Trustee shall have been previously requested by notice in writing to perform, exercise or do any of such steps as aforesaid given in writing by the Majority Debenture Holder(s) or by a Majority Resolution duly passed at a meeting of the Debenture Holders. The Debenture Trustee shall not be bound to act at the request or direction of the Debenture Holders under any provisions of the Transaction Documents unless sufficient amounts shall have been provided or provision to the satisfaction of the Debenture

	Trustee has been made for providing such amounts and the Debenture Trustee is indemnified to its satisfaction against all further costs, charges, expenses and liability which may be incurred in complying with such request or direction; (i) notwithstanding anything contained to the contrary in the relevant Tranche/Issuance Debenture Trust Deed, the Debenture Trustee shall before taking any action on behalf of the Debenture Holders or providing any consent on behalf of the Debenture Holders, obtain the written consent of the Majority Debenture Holders; (j) the Debenture Trustee shall forward to the Debenture Holders copies of any information or documents from the Issuer pursuant to the relevant Tranche/Issuance Debenture Trust Deed within 2 (two) Business Days of receiving such information or document from the Issuer; and (k) the Debenture Trustee shall, until the Final Settlement Date, adhere to and comply with its obligations and responsibilities under the SEBI Debenture Trustees Circular.
Risk factors pertaining to the issue	Please refer to Section 3 (*Risk Factors*) of this General Information Document
Governing Law	As specified in the relevant Key Information Document.
Additional Disclosures (Security Creation)	As specified in the relevant Key Information Document.
Additional Disclosures (Default in Payment)	As specified in the relevant Key Information Document.
Additional Disclosures (Delay in Listing)	(i) In accordance with the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time, read together with the requirements in respect of the timelines for listing of debt securities issued on a private placement basis prescribed in Chapter VII (*Standardization of timelines for listing of securities issued on a private placement basis*) of the SEBI circular no. SEBI/HO/DDHS/PoD1/P/CIR/2023/1

		19 dated August 10, 2021 on "*Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper*" (as amended and modified from time to time), the Issuer confirms that In the event there is any delay in listing of the Non-Convertible Securities beyond the Listing Period, the Issuer will pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Interest Rate, from the date of allotment the Non-Convertible Securities until the listing of the Non-Convertible Securities is completed; and
	(ii)	be permitted to utilise the issue proceeds of its 2 (two) subsequent privately placed issuances of securities only after receiving final listing approval from the stock exchange(s).

Note:

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

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

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

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

   As specified in the relevant Key Information Document.

5. **Future Borrowings**
   As specified in the relevant Key Information Document.

SECTION 6: DISCLOSURES PERTAINING TO WILFUL DEFAULT

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

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

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

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

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

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

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

(G) **Any other disclosure as specified by SEBI:** NA

SECTION 7: TRANSACTION DOCUMENTS AND KEY TERMS

7.1 Transaction Documents

The following documents shall be executed in relation to the Issue ("**Transaction Documents**"):

(a) Debenture Trustee Agreement, each of the agreements executed / to be executed by and between the Debenture Trustee and the Issuer for the purposes of appointment of the Debenture Trustee to act as debenture trustee in connection with the issuance of the respective Tranche/Issuance of the Debentures. ("**Debenture Trustee Agreement**");

(b) Debenture Trust Deed, each of the trust deeds executed / to be executed by and between the Debenture Trustee and the Issuer which will set out the terms upon which the respective Tranche/Issuance of the Debentures are being issued and shall include the representations and warranties and the covenants to be provided by the Issuer. ("**Debenture Trust Deed**");

(c) Deed of Hypothecation shall mean each of the unattested / attested deeds of hypothecation dated on or around the date of the relevant Debenture Trust Deed to create a charge over the Hypothecated Assets or such other assets as shall be specified for the respective Tranche / Issuance of Debentures (if applicable), to be executed between the Issuer and the Debenture Trustee to secure the Secured Obligations in relation to the respective Tranche / Issuance of the Secured Debentures. ("**Deed of Hypothecation**");

(d) Deed of Corporate Guarantee shall mean the deed of corporate guarantee dated on or around the date of the Debenture Trust Deed to be executed by the Guarantor in favour of the Debenture Trustee to provide an unconditional and irrevocable corporate guarantee ("**Deed of Corporate Guarantee**"), to the extent applicable; and

(e) Such other documents as agreed between the Issuer and the Debenture Trustee for each of the respective issuance.

7.2 Representations and Warranties of the Issuer

As specified in the relevant Key Information Document.

7.3 COVENANTS OF THE ISSUER:

(a) **AFFIRMATIVE COVENANTS**

As specified in the relevant Key Information Document.

(b) **NEGATIVE COVENANTS**

As specified in the relevant Key Information Document.

(c) **REPORTING COVENANTS**

As specified in the relevant Key Information Document.

(d) **FINANCIAL COVENANTS**

As specified in the relevant Key Information Document.

7.4 EVENTS OF DEFAULT

As specified in the relevant Key Information Document.

7.5 CONSEQUENCES OF AN EVENTS OF DEFAULT AND REMEDIES

As specified in the relevant Key Information Document.

SECTION 8: OTHER INFORMATION AND APPLICATION PROCESS

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

8.1 Mode of Transfer/Transmission of Debentures

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

8.2 Non-Convertible Securities held in Dematerialised Form

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

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

8.3 Sharing of Information

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

8.4 Non-Convertible Securities Holder not a Shareholder

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

8.5 Modification of Non-Convertible Securities

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

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

8.6 Right to accept or reject Applications

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

8.7 Notices

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

8.8 Issue Procedure

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

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

Details of size of issue including green shoe option, if any and a range within which green shoe may be retained (if applicable)	Base Issue Size - As specified in the relevant Key Information Document. Green shoe option – As specified in the relevant Key Information Document.
Bid opening and closing date	Bid opening date: As specified in the relevant Key Information Document. Bid closing date: As specified in the relevant Key Information Document.
Minimum Bid Lot	As specified in the relevant Key Information Document.
Manner of bidding in the Issue	Closed bidding
Manner of allotment in the Issue	As specified in the relevant Key Information Document.
Manner of settlement in the Issue	As specified in the relevant Key Information Document.
Settlement Cycle	As specified in the relevant Key Information Document.

8.9 Process flow of settlement:

As specified in the relevant Key Information Document.

8.10 Application Procedure

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

8.11 Fictitious Applications

All fictitious applications will be rejected.

8.12 Basis of Allotment

Notwithstanding anything stated elsewhere, the Issuer reserves the right to accept or reject any application, in part or in full, without assigning any reason. In case of over subscription, allotment shall be made on a "price time priority basis" in accordance with the EBP Guidelines. The investors will be required to remit the funds in the account of the ICCL as well as submit the duly completed Application Form along with other necessary documents to the Issuer by the Deemed Date of Allotment.

8.13 Payment Instructions

As specified in the relevant Key Information Document.

8.14 Eligible Investors

As specified in the relevant Key Information Document.

8.15 Procedure for Applying for Dematerialised Facility

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

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

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

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

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

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

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

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

8.16 Depository Arrangements

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

8.17 List of Beneficiaries

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

8.18 Application under Power of Attorney

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

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

8.19 Procedure for application by Mutual Funds and Multiple Applications

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

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

(a) SEBI registration certificate

(b) Resolution authorizing investment and containing operating instructions

(c) Specimen signature of authorized signatories

8.20 Documents to be provided by Investors

Investors need to submit the following documents, as applicable:

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

(b) Resolution authorising investment

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

(d) Specimen signatures of the authorised signatories

(e) SEBI registration certificate (for Mutual Funds)

(f) Copy of PAN card

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

8.21 Applications to be accompanied with Bank Account Details

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

8.22 Succession

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

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

8.23 Mode of Payment

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

8.24 Effect of Holidays

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

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

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

8.25 Tax Deduction at Source

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

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

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

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

8.26 Letters of Allotment

In accordance with the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time, read together with the requirements in respect of the timelines for listing of debt securities issued on a private placement basis prescribed in Chapter VII (*Standardization of timelines for listing of securities issued on a private placement basis*) of the SEBI circular no. SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated August 10, 2021 on "*Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper*" (as amended and modified from time to time), the Issuer shall ensure that the Non-Convertible Securities are credited into the demat accounts of the Debenture Holders of the Non-Convertible Securities within 2 (two) Business Days from the Deemed Date of Allotment.

8.27 Deemed Date of Allotment

As specified in the relevant Key Information Document.

8.28 Record Date

As specified in the relevant Key Information Document.

8.29 Refunds

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

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

8.30 Interest on Application Monies

Not applicable

8.31 Pan Number

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

8.32 Redemption

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

8.33 Payment on Redemption

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

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

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

8.34 Payment of Coupon

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

In the event of any default in the payment of Coupon and/or in the redemption of the Debentures on the respective Payment Dates and all other monies payable pursuant to the Transaction Documents read with this General Information Document, the Issuer shall pay to the Debenture Holders, default interest at the rate specified in 5.38 ("*Issue Details*") for the default in payment of Coupon, and/or Redemption Amount till the dues are cleared.

8.35 Eligibility to come out with the Issue

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

8.36 Registration and Government approvals

The Issuer can undertake the activities proposed by it in view of the present approvals and no further approval from any Governmental Authority(ies) is required by it to undertake the proposed activities

save and except those approvals which may be required to be taken in the normal course of business from time to time.

8.37 Authority for the Issue

This present private placement of debentures under the General Information Document is being made pursuant to the resolution passed by board of directors of the Company at its meeting held on 21st July 2021 and shareholders of the Company at its meeting held on 30th September 2022. A copy of the board resolution and shareholders resolution is attached hereto as **Annexure VIII** and **Annexure IX** respectively**.** In case of, the above mentioned resolutions being amended/replaced/ updated, the same shall be set out in the relevant Key Information Document from time to time.

8.38 Date of Allotment

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

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

SECTION 9: UNDERTAKING

9.1 UNDERTAKINGS IN RELATION TO THE ISSUER BEING ELIGIBLE UNDER THE SEBI NCS REGULATIONS

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

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

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

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

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

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

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

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

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

9.3 UNDERTAKING PURSUANT TO PARAGRAPH 2.3.24 of SCHEDULE I OF THE SEBI NCS REGULATIONS

The Issuer undertakes and states as follows:

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

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

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

9.4 DISCLOSURES PURSUANT TO THE CHAPTER II OF SEBI DEBENTURE TRUSTEES CIRCULAR

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

Movable assets comprising receivables from loans provided by the Issuer.

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

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

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

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

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

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

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

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

As set out in the respective Key Information Document

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

As set out in the respective Key Information Document

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

As set out in the respective Key Information Document

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

As set out in the respective Key Information Document

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

As set out in the respective Key Information Document

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

As set out in the respective Key Information Document

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

As set out in the respective Key Information Document

(viii) ***The Guarantor provides guarantees on a routine basis in the ordinary course of its business.***
As set out in the respective Key Information Document

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

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

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

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

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

(k) **Details of security to be created**: Please refer section named "*Security (Including description, type of security, type of charge, likely date of creation of security, minimum security cover, revaluation, replacement of security)*" in Section 5.38 (*Issue Details*).

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

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

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

(iii) Periodical due diligence will be carried out by the Debenture Trustee in accordance with the SEBI Debenture Trustees Circular read along with the SEBI (Debenture Trustees) Regulations, 1993 and the relevant circulars issued by SEBI from (as

amended from time to time) as per the nature of security provided by the Issuer in respect of the Secured Debentures.

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

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

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

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

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

9.5 OTHER UNDERTAKINGS

The Issuer hereby confirms that:

(a) the Issuer is eligible and in compliance with Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended from time to time, to make the private placement of debt instruments;

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

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

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

For **IKF FINANCE LIMITED**

Name: Mr. VGK Prasad

Title: Chairman

Place: Vijayawada

Date: 04th August 2023

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

SECTION 10: FORM NO. PAS-4

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

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

ISSUE OF SENIOR / UNSUBORDINATED / SUBORDINATED, SECURED / UNSECURED, RATED, LISTED, PRINCIPAL PROTECTED OR NOT, MARKET LINKED OR NOT, GREEN DEBT SECURITIES OR NOT, NON-CONVERTIBLE SECURITIES AGGREGATING FOR AN AMOUNT AS SHALL BE MORE PARTICULARLY SET OUT IN THE KEY INFORMATION DOCUMENT, IN MULTIPLE TRANCHES / ISSUANCES, FOR CASH, AT PAR OR AT PREMIUM OR AT DISCOUNT, EITHER FULLY PAID ISSUANCE OR PARTLY PAID ISSUANCE, IN A DEMATERIALISED FORM ON A PRIVATE PLACEMENT BASIS (THE "ISSUE") BY IKF FINANCE LIMITED (THE "COMPANY") OR ("ISSUER").

10.1 General Information:

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

Issuer / Company:	IKF Finance Limited (the "**Issuer**" or "**Company**")
Registered Office:	40-1-144, 3rd Floor, Corporate –entre, M.G. Road, Vijayawada - 520010
Corporate Office:	Plot Nos: 30/A, Survey No: 83/1, 11th Floor, Myhome Twitza, APIIC Hyderabad Knowledge City, Raidurg (Panmaqtha) Village, Serilingampally Mandal, Rangareddy District, Hyderabad- 500081, Telanagana
Telephone No.:	086**6-2474644**
Website:	www.ikffinance.com
Fax:	NA
Contact Person:	Ch Sreenivasa Rao
Email:	sreenivas@ikffinfance.com

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

May 30, 1991

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

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

<u>Branch details:</u>

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

Subsidiary details:

As of the date of this General Information Document, the Company have one subsidiary company i.e IKF Home Finance Private Limited incorporated on 05.08.2002 and the main business of the company is of providing Housing Loans and Loans against the properties.

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

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

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

Please refer to Section 5 of this General Information Document.

10.2 MANAGEMENT PERCEPTION OF RISK FACTORS:

Please refer to Section 3 of this General Information Document.

10.3 RISKS RELATED TO THE BUSINESS OF THE ISSUER

Please refer to Section 3 of this General Information Document.

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

(i) Statutory Dues: Nil

(ii) Debentures and interest thereon: Nil

(iii) Deposits and interest thereon: Nil

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

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

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

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

Nil

10.7 Particulars of the Offer:

Financial position of the Company for the last 3 (three) financial years	Please refer to **CHAPTER A** below.

Date of passing of Board Resolution for the current issue of Debentures that forms the part of issuance under the General Information Document	Board resolution dated 21st July 2021. In case of any further resolution passed by the Issuer in relation to the subject (as shall be required) shall be annexed in the relevant Key Information Document from time to time.
Date of passing of resolution in the general meeting, authorizing the offer of securities	Shareholders resolutions under Section 42 of the Act dated 30th September 2022. Shareholders resolutions under Section 180(1)(a) and Section 180(1)(c) of the Act dated 30th September 2022. In case of any further resolution passed by the Issuer in relation to the subject (as shall be required) shall be annexed in the relevant Key Information Document from time to time.
Kind of securities offered (i.e. whether share or debenture) and class of security; the total number of shares or other securities to be issued	Base Issue Size – As specified in the relevant Key Information Document. Green shoe option – As specified in the relevant Key Information Document.
Price at which the security is being offered, including premium if any, along with justification of the price	As specified in the relevant Key Information Document.
Name and address of the valuer who performed valuation of the security offered, and basis on which the price has been arrived at along with report of the registered valuer	As specified in the relevant Key Information Document.
Relevant date with reference to which the price has been arrived at **(Relevant Date means a date at least 30 days prior to the date on which the general meeting of the Company is scheduled to be held)**	As specified in the relevant Key Information Document.
The class or classes of persons to whom the allotment is proposed to be made	As specified in the relevant Key Information Document.
Intention of promoters, directors or key managerial personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer) [Not required in case of issue of non-convertible debentures]	As specified in the relevant Key Information Document.
The proposed time within which the allotment shall be completed	As specified in the relevant Key Information Document.
The names of the proposed allottees and the percentage of	As specified in the relevant Key Information Document.

post private placement capital that may be held by them [Not applicable in case of issue of non-convertible debentures]	
The change in control, if any, in the company that would occur consequent to the private placement	As specified in the relevant Key Information Document.
The number of persons to whom allotment on preferential basis / private placement / rights issue has already been made during the year, in terms of securities as well as price	NIL
The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer	As specified in the relevant Key Information Document.
Amount, which the Company intends to raise by way of proposed offer of securities	As specified in the relevant Key Information Document.
Terms of raising of securities:	<table><tr><td>Duration, if applicable:</td><td>As specified in the relevant Key Information Document.</td></tr><tr><td>Rate of Interest or Coupon:</td><td>As specified in the relevant Key Information Document.</td></tr><tr><td>Mode of Payment</td><td>As specified in the relevant Key Information Document.</td></tr><tr><td>Mode of Repayment</td><td>As specified in the relevant Key Information Document.</td></tr></table>
Proposed time schedule for which the Issue/Offer Letter is valid	**Issue Open Date:** As specified in the relevant Key Information Document. **Issue Closing Date:** As specified in the relevant Key Information Document. **Pay-in Date:** As specified in the relevant Key Information Document. **Deemed Date of Allotment:** As specified in the relevant Key Information Document.
Purpose and objects of the Issue/Offer	As specified in the relevant Key Information Document.
Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects	As specified in the relevant Key Information Document.
Principal terms of assets charged as security, if applicable	As specified in the relevant Key Information Document.

The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the Company and its future operations	NIL

The pre-issue and post-issue shareholding pattern of the Company in the following format:

S. No.	Category	Pre-issue		Post-issue	
		No. of shares held	Percentage (%) of shareholding	No. of shares held	Percentage (%) of shareholding
A	*Promoters' holding*				
	Indian				
1	Individual	2,84,41,453	44.04	2,84,41,453	44.04
	Bodies Corporate	-	-	-	-
	Sub-total	2,84,41,453	44.04	2,84,41,453	44.04
2	Foreign promoters	16,11,800	2.50	16,11,800	2.50
	Sub-total *(A)*	3,00,53,253	46.54	3,00,53,253	46.54
B	*Non-promoters' holding*				
1	Institutional Investors	2,64,36,959	40.94	2,64,36,959	40.94
2	Non-Institutional Investors	-	-	-	-
	Private Corporate Bodies	19,90,870	3.08	19,90,870	3.08
	Directors and relatives				
	Indian public	59,08,799	9.15	59,08,799	9.15
	Others (including Non-resident Indians)	1,85,169	0.29	1,85,169	0.29
	Sub-total *(B)*	3,45,21,797	53.46	3,45,21,797	53.46
	GRAND TOTAL	6,45,75,050	100.00	6,45,75,050	100.00

10.8 Mode of payment for subscription:

- Cheque
- Demand Draft
- Other Banking Channels

10.9 Disclosure with regard to interest of directors, litigation, etc:

Any financial or other material interest of the directors, promoters or key managerial personnel in the offer/ Issue and the effect of such interest in so far as it is different from the interests of other persons	Nil
Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of	Nil

<table>
<tr><td>the Company during the last 3 (three) years immediately preceding the year of the issue of this private placement offer cum application letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed</td><td></td></tr>
<tr><td>Remuneration of directors (during the current year and last 3 (three) financial years)</td><td>
<table>
<tr><th>Director</th><th>Fiscal FY 23-24 (Up to June 2023)</th><th>Fiscal FY 22-23</th><th>Fiscal FY 21-22</th><th>Fiscal FY 20-21</th></tr>
<tr><td>V.G.K.Prasad, Chairman</td><td></td><td></td><td></td><td></td></tr>
<tr><td>Remuneration</td><td>0.21</td><td>0.84</td><td>0.76</td><td>0.70</td></tr>
<tr><td>Commission</td><td>0.08</td><td>0.63</td><td>0.51</td><td>0.42</td></tr>
<tr><td>K Vasumathi Devi, Managing Director</td><td></td><td></td><td></td><td></td></tr>
<tr><td>Remuneration</td><td>0.15</td><td>0.60</td><td>0.54</td><td>0.50</td></tr>
<tr><td>Commission</td><td>0.05</td><td>0.44</td><td>0.36</td><td>0.29</td></tr>
</table>
</td></tr>
<tr><td>Related party transactions entered during the preceding 3 (three) financial years immediately preceding the year of issue of this private placement offer cum application letter and current financial year with regard to loans made or, guarantees given or securities provided</td><td>Please refer to CHAPTER C of this General Information Document.</td></tr>
<tr><td>Summary of reservations or qualifications or adverse remarks of auditors in the last 5 (five) financial years immediately preceding the year of issue of this private placement offer cum application letter and of their impact on the financial statements and financial position of the Company and the corrective steps taken and proposed to be taken by the Company for each of the said reservations or qualifications or adverse remark</td><td>2017-18 Observations:
The Company’s internal financial controls over a) procurement of fixed assets b) creation of unique customer c) segregation of duties and recording of journal entries
are not operating effectively which could potentially effect the internal control environment of the Company
The Company Response:
The management has taken all reasonable steps in procurement of fixed assets, except few procedural / process related lapses, and there was no under/over valuation of fixed assets of the Company and as such there was no impact on the financials of the Company.
The management has taken all reasonable steps to create unique customer IDs, except few procedural / process</td></tr>
</table>

	related lapses which got rectified subsequently, and proper accounting in provisions/write offs and there was no under /over valuation of provisions written off during the year and as such there was no impact on the financials of the Company. The management has taken all reasonable steps over segregation of duties and recording of journal entries and as such there was no impact on internal control environment of the Company. **2018-19 Observations:** The Company's internal financial controls over segregation of duties and recording of journal entries are not operating effectively which could potentially effect the internal control environment of the Company The Company Response The management has taken all reasonable steps over segregation of duties and recording of journal entries and as such there was no impact on internal control environment of the Company. **FY 19-20, FY 20-21, FY 21-22:** No Summary of reservations or qualifications or adverse remarks of auditors.
Details of any inquiry, inspections or investigations initiated or conducted under the securities law or Companies Act or any previous company law in the last 3 (three) years immediately preceding the year of circulation of this private placement offer cum application letter in the case of the Company and all of its subsidiaries and if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last 3 (three) years immediately preceding the year of this private placement offer cum application letter and if so, section-wise details thereof for the Company and all of its subsidiaries	Nil

10.10 Financial Position of the Company:

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

The authorized, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value)	

Share Capital	Aggregate Nominal Value
Authorised	
Authorised Capital	85,00,00,000
EQUITY SHARE CAPITAL	
6,00,00,000 Equity shares of Rs.10 each	60,00,00,000
Preference Share Capital	
25,00,000 Preference shares of Rs.100 each	25,00,00,000
TOTAL	**85,00,00,000**
Issued, Subscribed and Paid-up Equity Capital	
6,45,75,050 Equity Shares of Rs. 10/-each	Rs. 645.75
Issued, Subscribed and Paid-up Preference Share Capital	
6,45,75,050 equity shares of Rs.10 each, fully paid	64,57,50,500
TOTAL	**64,57,50,500**

Size of the Present Offer	As specified in the relevant Key Information Document.
Paid-up Capital: **a. After the offer:** **b. After the conversion of convertible instruments (if applicable)**	 64,57,50,500 Not applicable as each Debenture is a non-convertible debt instrument which is being issued at face value.
Share Premium Account: **a. Before the offer:** **b. After the offer:**	 Rs. 3,48,91,59,645/- Rs. 3,48,91,59,645/-

Details of the existing share capital of the Issuer in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration:

Date of Allotment	No. of Equity Shares	Face Value (in Rs) per share	Issue Price (in Rs) per share	Consideration (Cash, other than cash, etc.)	Nature of Allotment	Cumulative			Remarks
						No. of equity shares	Equity share capital (Rs)	Equity Share Premium (Rs) per share	
31.03.2023	75,81,418 fully paid up shares	10	215	1,63,00,04,870	Preferential Issue	6,45,75,050	64,57,50,500	3,48,91,59,645	-

	of Rs. 10 each								
17.02.2023	24,58,962 fully paid up shares of Rs. 10 each	10	215	52,86,76,830	Preferential Issue	5,69,93,632	56,99,36,320	1,93,49,68,955	-
10.11.2022	18,75,603 fully paid up shares of Rs. 10 each	10	209	39,20,01,027	Preferential Issue	5,45,34,670	54,53,46,700	143,08,81,746	-
31.03.2022	51,79,688 Partly paid up shares of Rs 8.10 paid up 3rd and Final Call Money	10	72.59	7,14,38,774	Preferential Issue	5,26,59,067	52,6,5,90,670	105,76,36,749	-
31.03.2021	51,79,688 Partly paid up shares of Rs 8.10 paid up 2nd Call Money	10	72.59	10,15,18,259	Preferential Issue	5,26,59,067	51,67,49,262.80	99,92,89,377	-
31.03.2019	51,79,688 Partly paid up shares of Rs 5.40 paid up 1st Call Money	10	72.59	10,15,18,259	Preferential Issue	5,26,59,067	50,27,64,106	91,17,56,276	-
22.01.2019	12,22,278	10	128	15,64,51,584	Preferential Issue	5,26,59,067	48,87,78,948	82,42,23,175	-
18.01.2019	7,30,847	10	128	9,35,48,416	Preferential Issue	5,14,36,789	47,65,56,168	67,99,94,371	-
17.01.2018	51,79,688	10	72.59	10,15,18,259	Preferential Issue	5,07,05,942	46,92,47,698	59,37,54,425	-

	(Application Money)								
06/05/2015	80,13,375	10	31	24,84,14,625	Rights Issue	4,55,26,254	45,52,62,540	50,62,21,324	-
30/09/2013	30,00,000	10	13	3,90,00,000	Preferential Issue	3,21,00,000	32,10,00,000	9,00,07,0000	-
18/03/2013	36,60,000	10	13.25	4,84,95,000	Preferential Issue	2,91,00,000	29,10,00,000	7,77,57,000	-
16/08/2012	68,50,000	10	13	8,90,50,000	Preferential Issue	254,40,000	25,44,00,000	6,58,63,000	-
21/03/2012	63,60,000	10	13	8,26,80,000	Preferential Issue	1,85,90,000	18,59,00,000	4,53,13,000	-

The number and price at which each of allotments were made by the Company in the last 1 (one) year preceding the date of this placement offer cum application letter separately indicating the allotments made for consideration other than cash and details of the consideration in each case	Nil
Profits of the Company, before and after making provision for tax, for the 3 (three) financial years immediately preceding the date of circulation of this private placement offer cum application letter.	**(INR in Crores)** **Year** / **Fiscal FY 22-23** / **Fiscal FY 21-22** / **Fiscal FY 20-21** Profit before tax: 67.31 / 54.27 / 44.20 Profit after tax: 50.10 / 40.30 / 31.90
Dividends declared by the Company in respect of the said 3 (three) financial years; interest coverage ratio for last three years (cash profit after tax plus interest paid/interest paid)	**Year** / **Fiscal FY 22-23** / **Fiscal FY 21-22** / **Fiscal FY 20-21** Dividend Declared: NIL / NIL / NIL Interest Coverage Ratio: 1.45 / 1.48 / 1.40
A summary of the financial position of the Company as in the 3 (three) audited balance sheets immediately preceding the date of circulation of this private placement offer cum application letter	Please refer **CHAPTER A** of this General Information Document.
Audited Cash Flow Statement for the 3 (three) years immediately preceding the date of circulation of this private placement offer cum application letter	Please refer **CHAPTER B** of this General Information Document.

Any change in accounting policies during the last 3 (three) years and their effect on the profits and the reserves of the Company	Nil

PART B

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

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

_____
Signature of the Subscriber

DECLARATION (To be provided by the Directors)

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

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

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

I am authorized by the Board of Directors of the Issuer vide resolution number _____ dated 21st July 2021 read along read along with the resolution passed by the management committee of the board of directors of the Issuer dated 25th July 2023 to sign this General Information Document and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with.

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

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

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

For **IKF FINANCE LIMITED**

Name: Mr. VGK Prasad

Title: Chairman

Place: Vijayawada

Date: 04th August 2023

Enclosed

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

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

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

Optional Attachments, if any

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

Audited Financials for FY 2020-2021, FY 2021-2022 and FY 2022-2023 are attached separately to this General Information Document

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

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

Audited Financials for FY 2020-2021, FY 2021-2022 and FY 2022-2023 are attached separately to this General Information Document

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

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

Audited Financials for FY 2020-2021, FY 2021-2022 and FY 2022-2023 are attached separately to this General Information Document

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

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SECTION 11: DECLARATION BY THE DIRECTORS

Each of the directors of the Company hereby confirm and declare that:

A. the Issuer is in compliance with the provisions of Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, Companies Act, 2013 and the rules and regulations made thereunder;

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

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

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

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

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

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

Confidentiality

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

I am authorized by the Board of Directors of the Company vide resolution number _____ dated 21st July 2021 read along read along with the resolution passed by the management committee of the board of directors of the Issuer dated 25th July 2023 to sign this General Information Document and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this General Information Document and matters incidental thereto have been complied with.

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

For **IKF FINANCE LIMITED**

Name: Mr. VGK Prasad

Title: Chairman

Place: Vijayawada

Date: 04th August 2023

ANNEXURE I: TERM SHEET

(As specified in the relevant Key Information Document)

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

(As attached separately)

No. CARE/CRO/RL/2023-24/1131

Ms. K Vasumathi Devi
Managing Director
IKF Finance Limited
40-1-144, 3rd floor, Corporate centre,
MG Road
Vijayawada
Andhra Pradesh (New) 500010

July 25, 2023

Confidential

Dear Madam,

Credit rating for proposed Non-Convertible Debenture issue

Please refer to our letter no. CARE/CRO/RL/2023-24/1112 dated July 04, 2023 and your request for revalidation of the rating assigned to the non-convertible debenture issue of the company, for a limit of Rs.150.00 crore.

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

Sr. No.	Instrument	Amount (Rs. crore)	Rating[1]	Rating Action
1.	Non Convertible Debentures – XII (Proposed)	150.00	CARE A; Stable (Single A; Outlook: Stable)	Reaffirmed
	Total Instruments	150.00 (Rs. One Hundred Fifty Crore Only)		

3. Please arrange to get the rating revalidated, in case the proposed issue is not made within **six months** from the date of this letter.
4. Please inform us the below-mentioned details of issue immediately, but not later than 7 days from the date of placing the instrument:

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

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

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

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

7. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.
8. Users of this rating may kindly refer our website www.careedge.in for latest update on the outstanding rating.
9. CARE Ratings Ltd. ratings are **not** recommendations to buy, sell, or hold any securities.

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

Thanking you,

Yours faithfully,

Hareesh H
Lead Analyst
hareesh.h@careedge.in

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

Encl.: As above

Disclaimer

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

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

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

(As attached separately)

VARDHMAN
TRUSTEESHIP PRIVATE LIMITED
Nurturing & Protecting Your Trust

CL/MUM/23-24/DEB/88

Date: July 24, 2023

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

Kind Attn: Mr. P Chandra Sekhar

Dear Sir,

Sub: Consent to act as Trustee for Rated Unsubordinated Secured Listed Transferable Redeemable, Non-Convertible Debentures aggregating to Rs. 100 Crores to be issued in two tranches by IKF Finance Limited.

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

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

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

Yours faithfully,

For Vardhman Trusteeship Private Limited

Vardhman Trusteeship Pvt. Ltd.

Authorised Signatory

डिबेंचर न्यासी

प्ररूप ख
FORM-B

DEBENTURE TRUSTEE

भारतीय प्रतिभूति और विनिमय बोर्ड
SECURITIES AND EXCHANGE BOARD OF INDIA

(डिबेंचर न्यासी) विनियम, 1993
(DEBENTURE TRUSTEE) REGULATIONS, 1993

000274

(विनियम 8)
(Regulation 8)

रजिस्ट्रीकरण प्रमाणपत्र
CERTIFICATE OF REGISTRATION

1) बोर्ड, भारतीय प्रतिभूति और विनिमय बोर्ड अधिनियम, 1992 के अधीन डिबेंचर न्यासी के लिए बनाए गए नियमों और विनियमों के साथ पठित उस अधिनियम की धारा-12 की उपधारा (1) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए,

1) In exercise of the powers conferred by sub-section (1) of section 12 of the Securities and Exchange Board of India Act, 1992, read with the rules and regulations made thereunder for the debenture trustee the Board hereby grants a certificate of registration to

VARDHMAN TRUSTEESHIP PRIVATE LIMITED
Unit No. 15, Turner Morrison Building
6 Lyons Range
KOLKATA
700001
WEST BENGAL
INDIA

को नियमों में, शर्तों के अधीन रहते हुए और विनियमों के अनुसार डिबेंचर न्यासी के रूप में रजिस्ट्रीकरण का प्रमाणपत्र इसके द्वारा प्रदान करता है।
as a debenture trustee subject to the conditions in the rules and in accordance with the regulations.

2) डिबेंचर न्यासी के लिए रजिस्ट्रीकरण कूट है।
2) Registration Code for the debenture trustee is **IND000000611**

3) जब तक नवीकृत न किया जाए, रजिस्ट्रीकरण का प्रमाणपत्र से तक विधिमान्य है।
3) Unless renewed, the certificate of registration is valid from to

This certificate of Registration shall be valid from 15/12/2020 to null, unless Suspended or cancelled by the Board

आदेश से
भारतीय प्रतिभूति और विनिमय बोर्ड
के लिए और उसकी ओर से
By order
For and on behalf of
Securities and Exchange Board of India

स्थान Place : **Mumbai**

तारीख Date : **May 20, 2021**

ARADHANA VERMA
प्राधिकृत हस्ताक्षरकर्ता Authorised Signatory

jai kaushal

Annexure B

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

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

Vardhman Trusteeship Pvt. Ltd.

ANNEXURE IV: APPLICATION FORM

(As specified in the relevant Key Information Document)

ANNEXURE V: LAST AUDITED FINANCIAL STATEMENTS

Audited Financials for FY 2020-2021, FY 2021-2022 and FY 2022-2023 are attached separately to this General Information Document

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IKF Finance Limited

Consolidated Balance Sheet as at March 31, 2021

(Currency : INR in lakhs)

Particulars	Note No	As at March 31, 2021	As at March 31, 2020
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	3	14,474.42	3,229.63
(b) Bank Balance other than included in (a) above	4	4,164.82	3,774.93
(c) Receivables			
(I) Trade receivables	5	65.27	23.96
(d) Loans	6	1,58,784.68	1,38,041.67
(e) Investments	8	-	-
(f) Other financial assets	7	1,968.14	1,241.78
		1,79,457.33	**1,46,311.97**
(2) Non-financial assets			
(a) Current Tax Assets (Net)		217.94	156.56
(b) Deferred Tax Assets (Net)	29	-	298.70
(c) Investment Property	11	6.47	6.64
(d) Property, Plant and Equipment	10	319.40	358.43
(e) Right of use asset	10	45.71	79.73
(f) Intangible assets	12	207.32	218.68
(g) Goodwill		774.47	774.47
(h) Other non-financial assets	9	401.70	373.52
		1,973.01	**2,266.73**
Total assets		**1,81,430.34**	**1,48,578.70**
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial liabilities			
(a) Payables			
(i)Trade payables and other payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(II) total outstanding dues of creditors other than micro enterprises and small enterprises		23.52	17.85
(b) Debt securities	13	43,210.76	6,109.76
(c) Borrowings (other than debt securities)	14	92,148.69	1,00,834.33
(d) Subordinated Liabilities	15	5,986.79	6,450.76
(e) Other financial liabilities	16	3,583.67	3,742.07
		1,44,953.43	**1,17,154.77**
(2) Non-financial liabilities			
(a) Current tax liabilities (Net)		71.90	38.68
(b) Provisions	17	303.22	230.93
(c) Deferred tax liabilities (Net)	29	116.67	-
(d) Other non-financial liabilities	18	148.76	149.37
		640.55	**418.98**
EQUITY			
(a) Equity share capital	19	5,167.49	5,027.64
(b) Other equity	20	30,169.33	25,555.01
(c) Non- Controlling Interest		499.54	422.30
		35,836.36	**31,004.95**
Total liabilities and equity		**1,81,430.34**	**1,48,578.70**

Significant accounting policies and key accounting estimates and judgments **2**

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date

For S. R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm registration number : 301003E/E300005

JITENDRA HIRACHAND RANAWAT

Digitally signed by JITENDRA HIRACHAND RANAWAT
DN: cn=JITENDRA HIRACHAND RANAWAT, c=IN, o=Personal, email=jitendra.ranawat@srb.in
Date: 2021.07.21 16:35:27 +05'30'

per Jitendra H. Ranawat
Partner
Membership No.103380
Place: Mumbai
Date: July 21, 2021

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

VUPPUTURI GOPALA KISHAN PRASAD

V.G.K Prasad
Director
DIN: 01817992

VUPPUTURI INDIRA DEVI

Digitally signed by VUPPUTURI INDIRA DEVI
DN: cn=VUPPUTURI INDIRA DEVI, o, ou, email=vupputuriindiradevi@gmail.com, c=IN
Date: 2021.07.21 15:22:30 +05'30'

V.Indira Devi
Whole Time Director
DIN: 03161174

SREEPAL GULABCHAND JAIN

Digitally signed by SREEPAL GULABCHAND JAIN
Date: 2021.07.21 15:40:55 +05'30'

Sreepal Jain
Chief Financial Officer

CHAPALAMADUGU SREENIVASA RAO

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DN: cn=CHAPALAMADUGU SREENIVASA RAO, o, ou, email=sreenivas@kiffinance.com, c=US
Date: 2021.07.21 15:15:30 +05'30'

Ch.Sreenivasa Rao
Company Secretary
M.No. ACS14723

Place: Vijayawada
Date: July 21, 2021

IKF Finance Limited

Consolidated Statement of Profit and Loss for the year ended March 31, 2021

(Currency : INR in lakhs)

Particulars	Note No	As at March 31, 2021	Year ended March 31, 2020
Revenue From operations			
(i) Interest income	21	23,422.50	23,579.61
(ii) Fees and commission income	22	329.07	296.94
(I) Total revenue from operations		**23,751.57**	**23,876.55**
(II) Other income	23	57.33	73.67
(III) Total income (I + II)		**23,808.90**	**23,950.22**
Expenses			
(i) Finance costs	24	12,865.82	12,534.48
(ii) Impairment on financial instruments	25	781.57	2,040.22
(iii) Employee benefits expenses	26	3,438.10	3,190.88
(iv) Depreciation, amortization and impairment	27	193.18	194.80
(v) Others expenses	28	1,219.14	1,175.54
(IV) Total expenses		**18,497.81**	**19,135.92**
(V) Profit before tax (III - IV)		**5,311.09**	**4,814.30**
(VI) Tax Expense:			
(1) Current Tax	29	1,044.15	1,356.89
(2) Deferred Tax	29	411.32	(128.95)
(3) Adjustment of tax relating to earlier periods	29	65.46	2.13
		1,520.93	**1,230.07**
(VII) Profit for the period (V-VI)		**3,790.16**	**3,584.23**
(VIII) Other comprehensive income			
(A) Items that will not be reclassified to profit or loss (specify items and amounts)			
(a) Remeasurements of the defined benefit plans	30	16.20	(3.89)
Income tax relating to items that will not be reclassified to profit or loss		(4.08)	0.98
Other comprehensive income / (loss)		**12.12**	**(2.91)**
(IX) Total comprehensive income for the period (VII + VIII)		**3,802.28**	**3,581.32**
Attributable to:			
Owners of the Company		3,725.04	3,513.68
Non-controlling interest		77.24	67.64
(X) Earnings per equity share	31		
Basic (Rs.)		7.54	7.13
Diluted (Rs.)		7.53	7.12

Significant accounting policies and key accounting estimates and judgments **2**

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date

For S. R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm registration number : 301003E/E300005

JITENDRA HIRACHAND RANAWAT

Digitally signed by JITENDRA HIRACHAND RANAWAT
DN: cn=JITENDRA HIRACHAND RANAWAT, c=IN, o=Personal, email=jitendra.ranawat@srb.in
Date: 2021.07.21 16:36:11 +05'30'

per Jitendra H. Ranawat

Partner

Membership No.103380

Date: July 21, 2021

Place: Mumbai

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

VUPPUTURI GOPALA KISHAN PRASAD

V.G.K Prasad

Director

DIN: 01817992

VUPPUTURI INDIRA DEVI

V.Indira Devi

Whole Time Director

DIN: 03161174

SREEPAL GULABCHAND JAIN

Digitally signed by SREEPAL GULABCHAND JAIN
Date: 2021.07.21 15:41:42 +05'30'

Sreepal Jain

Chief Financial Officer

CHAPALAMADUGU SREENIVASA RAO

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Date: 2021.07.21 15:16:04 +05'30'

Ch.Sreenivasa Rao

Company Secretary

M.No. ACS14723

Place: Vijayawada

Date: July 21, 2021

IKF Finance Limited

Consolidated Cash Flow statement for the year ended March 31, 2021

(Currency : INR in lakhs)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	**5,311.09**	**4,814.30**
Adjustments for:		
Depreciation, amortisation and impairment	193.18	194.80
Interest Income	(23,422.49)	(23,579.61)
Interest expenses	12,865.83	12,518.30
Impairment on financial instrument	781.57	2,040.22
Lease equalisation	-	(6.85)
Share based payment expense	13.09	17.56
Provision for expenses	4.83	31.69
Employee benefit expenses	106.26	94.71
Rental income on Investment property	(6.36)	(7.63)
(Profit)/ Loss on sale of property, plant and equipment	(0.14)	3.03
Cash generated from / (used in) operations before working capital changes and adjustments for interest received and interest paid	**(4,153.14)**	**(3,879.48)**
Adjustments for changes in Working Capital :		
Decrease / (Increase) in trade receivable	(44.40)	85.76
Decrease / (Increase) in loans	(28,317.25)	(14,652.82)
Decrease / (Increase) in bank balances other than cash and cash equivalents	(389.89)	(142.92)
Decrease / (Increase) in other financial assets	(292.59)	128.18
Decrease / (Increase) in other non-financial assets	(28.18)	41.18
(Decrease) / Increase in trade payables	5.67	(8.20)
(Decrease) / Increase in other financial liabilities	(125.82)	(833.71)
(Decrease) / Increase in provisions	(17.77)	(17.83)
(Decrease) / Increase in other non-financial liabilities	(0.60)	(42.71)
Interest received	20,192.84	21,853.54
Interest paid	(10,940.08)	(11,104.85)
	(24,111.21)	**(8,573.86)**
Income tax paid (net of refunds)	(1,137.77)	(1,201.19)
NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES	**(25,248.98)**	**(9,775.05)**
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(45.96)	(98.20)
Rental income on Investment property	6.36	7.63
Proceeds from sale of property, plant and equipment	0.54	0.19
Purchase of intangible assets	(47.95)	(89.93)
NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES	**(87.01)**	**(180.31)**
CASH FROM FINANCING ACTIVITIES		
Proceeds from issue of equity shares (including securities premium)	1,015.18	175.00
Amount received from debt securities	39,500.00	5,000.00
Repayment of debt securities	(3,300.00)	(11,611.11)
Amount received from borrowings other than debt securities	38,025.08	41,007.06
Repayment of borrowings other than debt securities	(38,101.19)	(25,079.99)
Amount received from subordinated Liabilities	2,500.00	2,000.00
Repayment of subordinated debt	(3,000.00)	-
Payment of principal portion of lease liabilities	(51.94)	(54.40)
Payment of interest on lease liabilities	(6.35)	(11.80)
NET CASH GENERATED FROM / (USED IN) FROM FINANCING ACTIVITIES	**36,580.78**	**11,424.76**
Net Increase / (Decrease) in Cash and Cash Equivalents	**11,244.79**	**1,469.40**
Cash and Cash Equivalents at the beginning of Year	3,229.63	1,760.23
Cash and Cash Equivalents at the end of the Year	14,474.42	3,229.63

The above Cash Flow Statement has been prepared under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows'.

As per our report of even date

For S. R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm registration number : 301003E/E300005

JITENDRA HIRACHAND RANAWAT
Digitally signed by JITENDRA HIRACHAND RANAWAT
DN: c=IN, o=Personal, email=jitendra.ranawat@srb.in, cn=JITENDRA HIRACHAND RANAWAT
Date: 2021.07.21 16:36:47 +05'30'

per Jitendra H. Ranawat
Partner
Membership No.103380

Date: July 21, 2021
Place: Mumbai

For and on behalf of the Board of Directors of
IKF Finance Limited

VUPPUTURI GOPALA KISHAN PRASAD
Digitally signed by VUPPUTURI GOPALA KISHAN PRASAD
DN: c=IN, st=TELANGANA, l=HYDERABAD, o=IKF FINANCE LIMITED, ou=Director, cn=VUPPUTURI GOPALA KISHAN PRASAD, e=vgkprasad@ikffinance.com, 2.5.4.20=a7a0a0a0

S.R. BATLIBOI & CO. LLP
Chartered Accountants

12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai - 400 028, India
Tel: +91 22 6819 8000

INDEPENDENT AUDITOR'S REPORT

To the Members of IKF Finance Limited

Report on the standalone financial statements

We have audited the accompanying standalone financial statements of IKF Finance Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SA), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the standalone financial statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of matter

We draw attention to Note 45 to the standalone financial statements, which describes the uncertainties relating to the impact of COVID-19 pandemic on the Company's operations and financial metrics. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended March 31, 2021. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Impairment of financial instruments (expected credit losses) (as described in Note 2.4.c, 2.6.f & 6 of the standalone financial statements)	
IND AS 109 requires the company to provide for impairment of its financial assets as at reporting date using the expected credit loss (ECL) model. ECL involves an estimation of probability-weighted loss on financial instruments over their life, considering	Our audit procedures included but were not limited to: • Read and assessed the Company's accounting policy for impairment of financial assets and its

reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions which could impact the credit quality of Company's financial assets (loan portfolio). In the process, a significant degree of judgement has been applied by management including but not limited to the following matters; • Staging of financial assets (i.e. classification of loan book in 'significant increase in credit risk ("SICR")' and 'default categories'); • Applying assumptions regarding the probability of various scenarios and discounting rates for different loan products; • Grouping of loan portfolio under homogeneous pools in order to determine probability of default on collective basis; • Estimation of losses for loan products with no/ minimal historical defaults; and • Estimation of management overlay for macro-economic factors which could impact credit quality of the loans. **Additional considerations on account of COVID-19** Pursuant to the Reserve Bank of India circular dated August 6, 2020 for "Resolution Framework for COVID-19-related Stress" ("RBI circulars") allowing lending institutions to implement a resolution plan in respect of its eligible exposures, subject to specified conditions and pursuant to RBI circular dated March 27, 2020 and May 23, 2020 ("RBI Circulars") allowing lending institutions to offer moratorium to borrowers on payment of instalments falling due between March 1, 2020 and August 31, 2020, the Company has extended moratorium to its borrowers in accordance with its Board approved policy. In management's view and considering the guidance provided by the Institute of Chartered Accountants of India ('ICAI'), providing moratorium to borrowers at a mass scale, based on RBI directives, by itself is not considered to result in a SICR for such borrowers. The Company has recorded a management overlay as part of its ECL, to reflect among other things an increased risk of deterioration in macro-economic factors caused by COVID-19 pandemic. Given the unique nature and scale of the economic impact of this pandemic and the extent of its economic impact which depends on future developments including governmental and regulatory measures and the Company's responses thereto, the actual credit loss can be different than that being estimated. In view of such high degree of management's judgement involved in estimation of ECL, accentuated by the COVID-19 pandemic and related events, it is a key audit matter.	compliance with IND AS 109 and the governance framework approved by the Board of Directors pursuant to the Reserve Bank of India guidelines issued on March 13, 2020. • Tested the design and operating effectiveness of the controls for staging of loans based on their past-due status. Tested samples of performing (stage 1) loans to assess whether any loss indicators were present, requiring them to be classified under stage 2 or 3. • Performed inquiries with the Company's management and its risk management function to assess the impact of Covid-19 including second wave on the business activities of the Company. • Assessed the Company's policy with respect to moratorium pursuant to the RBI circular and tested the implementation of such policy on sample basis. • Assessed the additional considerations applied by the management for staging of loans as SICR/ default in view of Company's policy on moratorium and reschedulement/ restructuring of loans in accordance with the regulations issued in this respect. • We performed procedures to test the inputs used in the ECL computation, on a sample basis. • Tested assumptions used by the management in determining the overlay of macro-economic factors, including COVID-19 pandemic. • Tested the arithmetical accuracy of computation of ECL provision, performed by the Company in spreadsheets. • Assessed adequacy of the disclosures included in the standalone financial statements in respect of expected credit losses, including the specific disclosures made with regards to the management's evaluation of uncertainties arising from COVID-19 and its impact on ECL estimation.

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Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board report, but does not include the standalone financial statements and our auditor's report thereon, which we obtained prior to the date of this auditors report, and the Annual report, which is expected to be made available to us after that date.
Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the standalone financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the standalone financial statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

S.R. BATLIBOI & CO. LLP MUMBAI Chartered Accountants

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of written representations received from the directors as on March 31, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of section 164 (2) of the Act;

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(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S.R. Batliboi & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

S.R. BATLIBOI & CO. LLP MUMBAI Chartered Accountants

per Jitendra H. Ranawat
Partner
Membership Number: 103380
UDIN: 21103380AAAACB5574
Place of Signature: Mumbai
Date: June 26, 2021

ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

Re: IKF Finance Limited ("the Company")

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in investment property are held in the name of the Company.

(ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.

(iii) (a) The Company has granted loan to one party covered in the register maintained under section 189 of the Act. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loan is not prejudicial to the Company's interest.

(b) The Company has granted loan to one party covered in the register maintained under section 189 of the Act. The schedule of repayment of principal and payment of interest has been stipulated for the loan granted and the repayments/receipts are regular.

(c) There is no amount of loan granted to companies, firms or other parties listed in the register maintained under section 189 of the Act which is overdue for more than ninety days.

(iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investment made and guarantees, and securities given have been complied with by the Company.

(v) The Company has not accepted any deposits from the public.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the services of the Company.

(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there have been slight delays in payment of tax deducted at source in few cases. As informed, the provisions relating to service tax, wealth tax, sales tax, value added tax, excise duty and customs duty are currently not applicable to the Company.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. As informed, the provisions relating to service tax, wealth tax, sales tax, value added tax, excise duty and customs duty are currently not applicable to the Company.

(c) According to the information and explanation given to us there are no dues of income tax, goods and service tax and cess which have not been deposited on account of any dispute. As informed, the provisions of service tax, wealth tax, sales tax, value added tax, excise duty and customs duty are not applicable to the Company.

S.R. BATLIBOI & CO. LLP MUMBAI Chartered Accountants

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.

(ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer or further public offer, hence not commented upon.

Further, monies raised by the Company by way of debt instruments and term loans were applied for the purpose for which those were raised, though idle/surplus funds which were not required for immediate utilisation were gainfully invested in liquid assets payable on demand.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, paragraph 3(xiv) of the Order is not applicable to the Company, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, we report that the Company has registered as required, under section 45-IA of the Reserve Bank of India Act, 1934.

For S.R. Batliboi & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

S.R. BATLIBOI & CO. LLP MUMBAI Chartered Accountants

per Jitendra H. Ranawat
Partner
Membership Number: 103380
UDIN: 21103380AAAACB5574
Place of Signature: Mumbai
Date: June 26, 2021

IKF Finance Limited

Balance Sheet as at March 31, 2021

(Currency : INR in lakhs)

Particulars	Note No	As at March 31, 2021	As at March 31, 2020
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	3	11,793.28	2,485.62
(b) Bank Balance other than included in (a) above	4	3,964.82	3,774.93
(c) Receivables			
(I) Trade receivables	5	49.39	23.96
(d) Loans	6	1,40,161.15	1,26,037.44
(e) Investments	8	4,525.10	4,525.10
(f) Other financial assets	7	969.15	340.92
		1,61,462.89	1,37,187.97
(2) Non-financial assets			
(a) Current Tax Assets (Net)		217.94	156.56
(b) Deferred Tax Assets (Net)	29	-	344.61
(c) Investment Property	11	6.47	6.64
(d) Property, Plant and Equipment	10	240.52	272.40
(e) Right of use asset	10	24.77	63.55
(f) Intangible assets	12	170.57	178.39
(g) Other non-financial assets	9	382.01	328.18
		1,042.28	1,350.33
Total assets		1,62,505.17	1,38,538.30
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial liabilities			
(a) Payables			
(I)Trade payables and other payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(II) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(b) Debt securities	13	33,687.94	6,109.76
(c) Borrowings (other than debt securities)	14	85,755.89	93,150.90
(d) Subordinated Liabilities	15	5,986.79	6,450.76
(e) Other financial liabilities	16	2,670.12	2,738.86
		1,28,100.74	1,08,450.28
(2) Non-financial liabilities			
(a) Provisions	17	275.54	208.48
(b) Deferred tax liabilities (Net)	29	27.12	-
(c) Other non-financial liabilities	18	112.08	118.69
		414.74	327.17
EQUITY			
(a) Equity share capital	19	5,167.49	5,027.64
(b) Other equity	20	28,822.20	24,733.21
		33,989.69	29,760.85
Total liabilities and equity		1,62,505.17	1,38,538.30

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Significant accounting policies and key accounting estimates and judgments

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

For S. R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm registration number : 301003E/E300005

per Jitendra H. Ranawat
Partner
Membership No.103380
Place: Mumbai
Date: June 26, 2021

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

V.G.K Prasad
Director
DIN: 01817992

V.Indira Devi
Whole Time Director
DIN: 03161174

Sreepal Jain
Chief Financial Officer

Ch.Srinivasa Rao
Company Secretary
M.No. ACS14723

Place: Vijayawada
Date: June 26, 2021

IKF Finance Limited

Statement of Profit and Loss for the year ended March 31, 2021

(Currency : INR in lakhs)

Particulars	Note No	Year ended March 31, 2021	Year ended March 31, 2020
Revenue From operations			
(i) Interest income	21	20,295.71	20,440.51
(ii) Fees and commission income	22	110.92	128.56
(I) Total revenue from operations		**20,406.63**	**20,569.07**
(II) Other income	23	16.29	19.22
(III) Total income (I + II)		**20,422.92**	**20,588.29**
Expenses			
(i) Finance costs	24	11,609.00	11,551.63
(ii) Impairment on financial instruments	25	647.15	1,634.74
(iii) Employee benefits expenses	26	2,621.34	2,505.30
(iv) Depreciation, amortization and impairment	27	144.14	149.12
(v) Others expenses	28	981.02	953.75
(IV) Total expenses		**16,002.65**	**16,794.54**
(V) Profit before tax (III - IV)		**4,420.27**	**3,793.75**
(VI) Tax Expense:			
(1) Current Tax	29	795.96	1,229.39
(2) Deferred Tax	29	368.34	(211.14)
(3) Adjustment of tax relating to earlier periods	29	65.46	2.13
		1,229.76	**1,020.38**
(VII) Profit for the period (V-VI)		**3,190.51**	**2,773.37**
(VIII) Other comprehensive income			
(A) Items that will not be reclassified to profit or loss (specify items and amounts)			
(a) Remeasurements of the defined benefit plans	30	13.44	(4.76)
Income tax relating to items that will not be reclassified to profit or loss		(3.38)	1.20
Other comprehensive income / (loss)		**10.06**	**(3.56)**
(IX) Total comprehensive income for the period (VII + VIII)		**3,200.57**	**2,769.81**
(X) Earnings per share (equity share, par value of Rs.10 each)			
Basic	31	6.35	5.52
Diluted	31	6.34	5.51

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Significant accounting policies and key accounting estimates and judgments

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

For S. R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm registration number : 301003E/E300005

per Jitendra H. Ranawat
Partner
Membership No.103380

Date: June 26, 2021
Place: Mumbai

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1992PLC012736

V.G.K Prasad
Director
DIN: 01817992

V.Indira Devi
Whole Time Director
DIN: 03161174

Sreepal Jain
Chief Financial Officer

Ch.Sreenivasa Rao
Company Secretary
M.No. ACS14723

Place: Vijayawada
Date: June 26, 2021

IKF Finance Limited

Cash Flow statement for the year ended March 31, 2021

(Currency : INR in lakhs)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	4,420.27	3,793.75
Adjustments for:		
Depreciation, amortisation and impairment	144.14	149.12
Interest income	(20,295.71)	(20,440.51)
Interest expenses	11,609.00	11,551.63
Impairment on financial instrument	647.15	1,634.74
Share based payment expense	13.09	17.56
Provision for expenses	4.83	5.03
Employee benefit expenses	98.26	86.54
Rental income on investment property	(6.36)	(7.63)
(Profit)/ Loss on sale of property, plant and equipment	(0.14)	3.03
Cash generated from / (used in) operations before working capital changes and adjustments for interest received and interest paid	(3,365.47)	(3,206.74)
Adjustments for changes in Working Capital :		
Decrease / (Increase) in trade receivable	(28.52)	85.76
Decrease / (Increase) in loans	(21,661.13)	(14,176.32)
Decrease / (Increase) in bank balances other than cash and cash equivalents	(189.89)	(142.92)
Decrease / (Increase) in other financial assets	(281.13)	9.27
Decrease / (Increase) in other non-financial assets	(53.83)	89.82
(Decrease) / Increase in other financial liabilities	(32.01)	(1,747.78)
(Decrease) / Increase in provisions	(17.76)	(21.96)
(Decrease) / Increase in other non-financial liabilities	(6.61)	(28.44)
Interest received	17,250.35	19,594.99
Interest paid	(10,176.00)	(10,130.21)
	(18,562.00)	(9,674.53)
Income tax paid (net of refunds)	(922.80)	(1,130.62)
NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES	(19,484.80)	(10,805.15)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(33.46)	(56.00)
Rental income on investment property	6.36	7.63
Proceeds from sale of property, plant and equipment	0.54	0.19
Purchase of intangible assets	(31.99)	(72.63)
NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES	(58.53)	(120.81)
CASH FROM FINANCING ACTIVITIES		
Proceeds from issue of equity shares (including securities premium)	1,015.18	-
Amount received from debt securities	30,500.00	5,000.00
Repayment of debt securities	(3,300.00)	(11,611.11)
Amount received from borrowings other than debt securities	33,730.08	39,307.06
Repayment of borrowings other than debt securities	(32,548.05)	(22,606.71)
Amount received from subordinated Liabilities	2,500.00	2,000.00
Repayment of subordinated debt	(3,000.00)	-
Payment of principal portion of lease liabilities	(41.45)	(41.37)
Payment of interest on lease liabilities	(4.77)	(8.95)
NET CASH GENERATED FROM / (USED IN) FROM FINANCING ACTIVITIES	28,850.99	12,038.92
Net Increase / (Decrease) in Cash and Cash Equivalents	9,307.66	1,112.96
Cash and Cash Equivalents at the beginning of Year	2,485.62	1,372.66
Cash and Cash Equivalents at the end of the Year	11,793.28	2,485.62

The above Cash Flow Statement has been prepared under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows'.

As per our report of even date

For S. R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm Registration number : 301003E/E300005

Jitendra H. Ranawat
Partner
Membership No.103380

Date: June 26, 2021
Place: Mumbai

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65999AP1991PLC012736

V. Indira Devi

V. G. K Prasad
Director
DIN: 01817992

V.Indira Devi
Whole Time Director
DIN: 03161174

Sreepal Jain
Chief Financial Officer

Ch.Sreenivasa Rao
Company Secretary
M.No. ACS14723

Place: Vijayawada
Date: June 26, 2021

S.R. BATLIBOI & CO. LLP MUMBAI Chartered Accountants

IKF FINANCE LTD VIJAYAWADA

INDEPENDENT AUDITOR'S REPORT

To the Members of IKF Finance Limited

Report on the audit of Consolidated financial statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of IKF Finance Limited (hereinafter referred to as " the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as " the Group"), which comprise the consolidated Balance Sheet as at March 31, 2022, the consolidated Statement of Profit and Loss, including other comprehensive Income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as " the consolidated financial statements")

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of other auditor on separate financial statements of such subsidiary, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended (" the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, its consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SA), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the consolidated financial statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained along with consideration of audit report of other auditor referred to in the "other matters" paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of matter

We draw attention to Note 62 to the consolidated financial statement in which the Group describes the continuing uncertainties arising from the COVID 19 pandemic. Our report is not modified in respect of this matter.

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Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the year ended March 31, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description how our audit addressed the matter is provided in that context.

Key audit Matters	How our audit addressed the key audit matter
Impairment of Financial Instruments (expected credit Losses) has been described in Note 2.4.c, 2.6.f and 6 of the financial statements.	
Management estimates impairment provision using Expected Credit loss model for the loan exposure as per the Board approved policy which is in line with Ind AS and the Regulations. Measurement of loan impairment involves application of significant judgement by the management. The most significant judgements are: • Timely identification and classification of the impaired loans, including classification of assets to stage 1, 2, or 3 using criteria in accordance with Ind AS 109 which also include considering the impact of RBI's regulatory circulars, • The segmentation of financial assets when their ECL is assessed on a collective basis, • Determination of probability of defaults (PD) and loss given defaults (LGD) based on the default history of loans, subsequent recoveries made and other relevant factors and • Assessment of qualitative factors having an impact on the credit risk.	• We evaluated the design and operating effectiveness of controls across the processes relevant to ECL, including the judgements and estimates. • We tested the completeness of loans and advances included in the Expected Credit Loss calculations as of March 31, 2022 by reconciling it with the balances as per loan balance register and loan commitment report as on that date. • We tested assets in stage 1, 2 and 3 on sample basis to verify that they were allocated to the appropriate stage. • Tested samples to ascertain the completeness and accuracy of the input data used for determining the PD and LGD rates and agreed the data with underlying books of accounts and records. • For samples of exposure, we tested the appropriateness of determining EAD, PD and LGD. • For exposure determined to be individually impaired, we tested samples of loans and advances and examined management's estimate of future cash flows, assessed their reasonableness and checked the resultant provision calculations. • We performed an overall assessment of the ECL provision levels at each stage including management's assessment and provision on account of Company's portfolio, risk profile, credit risk management practices.

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	• We assessed the adequacy and appropriateness of disclosures in compliance with the Ind AS 107 in relation to ECL especially in relation to judgements used in estimation of ECL provision.

Other Information

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

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the consolidated financial statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements, that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act. The respective management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Group or to cease operations or has no realistic alternative but to do so.

The respective management and Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the consolidated financial statements

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Our objectives are to obtain reasonable assurance about whether the consolidated financial statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statement.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated financial statement made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statement ,including the disclosures, and whether the consolidated financial statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statement of the entities within the Group to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial statement of such entity included in the consolidated financial statement of which we are the independent auditor. For the other entities included in the consolidated financial statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced.

We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in

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internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The consolidated financial statement of the Group for the year ended March 31, 2021 were audited by the predecessor auditor. The predecessor auditor had expressed an unmodified opinion vide their report dated July 21, 2021.

The consolidated financial statement include the audited financial statement of one subsidiary, whose financial statement reflect Group's share of total assets (before consolidation adjustments) of Rs. 41,257.43 lakhs as at 31 March 2022, Group's share of total revenue (before consolidation adjustments) of Rs. 5,114.89 lakhs, Group's share of total net profit after tax (before consolidation adjustments) of Rs. 1,000.43 lakhs and Group's share of net cash inflows (before consolidation adjustments) of Rs 3,605.96 lakhs for the year ended on that date, as considered in the consolidated financial statement, which have been audited by their other independent auditor. The independent auditor's reports on financial statement of the subsidiary have been furnished to us by the management. Our opinion on the consolidated financial statement, in so far as it relates to the amounts and disclosures included in respect of this entity, is based solely on the reports of such auditor and the procedures performed by us as stated in paragraph above.

Our opinion on the consolidated financial statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements and the other financial information of the subsidiary as noted in the 'other matter ' paragraph we report , to the extent applicable, that :

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

(b} In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of financial statements have been kept so far as it appears from our examination of those books and reports of the other auditor;

(c) The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

(d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

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(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor who is appointed under Section 139 of the Act, of its subsidiary company, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A";

(g) In our opinion and according to the information and explanation given to us and based on reports of the statutory auditor of such subsidiary company incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary incorporated in India to its directors in accordance with the provisions of and the limits laid down under section 197 read with Schedule V of the Act;

(h) With respect to the other matters to be included in the Auditor 's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements as also the other financial information of the subsidiary as noted in the 'Other matter ' paragraph:

i. The Group does not have any pending litigations which would impact its consolidated financial position;

ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2022;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary, incorporated in India during the year ended March 31, 2022.

iv. (a) The respective Managements of the Company and its subsidiary which are companies incorporated in India, have represented to us that to the best of their knowledge and belief, as disclosed in Note no. 54, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any such subsidiary company, to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise , that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any such subsidiary company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Company and its subsidiary which are companies incorporated in India, have represented to us to the best of their knowledge and belief, as disclosed in Note no. 54, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any such subsidiary company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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W100184
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(c) Based on reasonable audit procedures adopted by us and those performed by the auditors of the subsidiaries, incorporated in India, nothing has come to our notice or other auditors notice that has caused us to believe that the representation under sub clause (i) and (ii) of the Rule 11(e), as provided under (a) and (b) above, contains any material misstatement.

v. The Holding Company and the subsidiary has not declared or paid any dividend during the year and has not proposed final dividend for the year.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and based on our consideration of CARO reports issued by the respective auditors of the company's such subsidiary as referred to in Other Matter paragraph above, we report that there are no qualifications or adverse remarks in these CARO reports.

For SGCO & CO. LLP
Chartered Accountants
Firm Reg. No.:- 112081W/W100184

Suresh Murarka
Partner
Membership No. :- 044739
UDIN :- 22044739AJYAXW7961
Place :- Mumbai
Date :- 30-05-2022

IKF Finance Limited
Consolidated Balance Sheet as at March 31, 2022
(Currency : INR in lakhs)

Particulars	Note No	As at March 31, 2022	As at March 31, 2021
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	3	9,664.31	14,474.42
(b) Bank Balance other than included in (a) above	4	2,533.65	4,164.82
(c) Receivables		-	
(I) Trade receivables	5	28.35	15.88
(d) Loans	6	1,89,210.12	1,58,784.68
(e) Investments	8	-	-
(f) Other financial assets	7	3,193.40	2,017.53
		2,04,629.83	1,79,457.33
(2) Non-financial assets			
(a) Current Tax Assets (Net)		200.95	217.94
(b) Deferred Tax Assets (Net)	29	70.34	-
(c) Investment Property	11	114.31	6.47
(d) Property, Plant and Equipment	10	343.00	319.40
(e) Right of use asset	10	19.67	45.71
(f) Intangible assets	12	175.97	207.32
(g) Goodwill		774.47	774.47
(h) Other non-financial assets	9	1,080.22	401.70
		2,778.93	1,973.01
Total assets		2,07,408.76	1,81,430.34
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial liabilities			
(a) Derivative financial instruments		58.68	-
(b) Payables			
(i)Trade payables and other payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(II) total outstanding dues of creditors other than micro enterprises and small enterprises		7.09	23.52
(c) Debt securities	13	23,807.91	43,210.76
(d) Borrowings (other than debt securities)	14	1,32,139.07	92,148.69
(e) Subordinated Liabilities	15	6,003.45	5,986.79
(f) Other financial liabilities	16	3,103.00	3,583.67
		1,65,119.20	1,44,953.43
(2) Non-financial liabilities			
(a) Current tax liabilities (Net)			71.90
(b) Provisions	17	345.34	303.22
(c) Deferred tax liabilities (Net)	29	165.35	116.67
(d) Other non-financial liabilities	18	157.27	148.76
		667.96	640.55
EQUITY			
(a) Equity share capital	19	5,265.91	5,167.49
(b) Other equity	20	35,780.90	30,169.33
(c) Non- Controlling Interest		574.79	499.54
		41,621.60	35,836.36
Total liabilities and equity		2,07,408.76	1,81,430.34

Significant accounting policies and key accounting estimates and judgments 2
The accompanying notes form an integral part of the standalone financial statements
As per our report of even date

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

per Suresh Murarka
Partner
Membership No.044739
Place: Mumbai
Date: 30-May-22

S G C O & CO LLP FRN - 112081W/ W-100184 MUMBAI Chartered Accountants

IKF FINANCE LTD. VIJAYAWADA

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

V.G.K Prasad
Chairman
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Sreepal Jain
Chief Financial Officer

Ch.Sreenivasa Rao
Company Secretary
M.No. ACS14723

Place: Vijayawada
Date: 30-May-22

IKF Finance Limited

Consolidated Statement of Profit and Loss for the year ended March 31, 2022

(Currency : INR in lakhs)

Particulars	Note No	Year ended March 31, 2022	Year ended March 31, 2021
Revenue From operations			
(i) Interest income	21	26,301.60	23,422.50
(ii) Fees and commission income	22	660.15	329.07
(I) Total revenue from operations		26,961.75	23,751.57
(II) Other income	23	207.95	57.33
(III) Total income (I + II)		27,169.70	23,808.90
Expenses			
(i) Finance costs	24.1	13,617.93	12,865.82
(ii) Net loss on fair value changes	24.2	3.35	-
(iii) Impairment on financial instruments	25	513.01	781.57
(iv) Employee benefits expenses	26	4,650.46	3,438.10
(v) Depreciation, amortization and impairment	27	190.23	193.18
(vi) Others expenses	28	1,356.29	1,219.14
(IV) Total expenses		20,331.27	18,497.81
(V) Profit before tax (III - IV)		6,838.43	5,311.09
(VI) Tax Expense:			
(1) Current Tax	29	1,740.28	1,044.15
'(2) Deferred Tax	29	(24.92)	411.32
'(3) Adjustment of tax relating to earlier periods	29	10.06	65.46
		1,725.42	1,520.93
(VII) Profit for the period (V-VI)		5,113.01	3,790.16
(VIII) Other comprehensive income			
(A) Items that will not be reclassified to profit or loss (specify items and amounts)			
(a) Remeasurements of the defined benefit plans	30	12.80	16.20
Income tax relating to items that will not be reclassified to profit or loss		(3.22)	(4.08)
Other comprehensive income / (loss)		9.58	12.12
(IX) Total comprehensive income for the period (VII + VIII)		5,122.59	3,802.28
Attributable to:			
Owners of the Company		5,047.32	3,725.04
Non-controlling interest		75.24	77.24
(X) Earnings per share (equity share, par value of Rs.10 each)			
Basic	31	9.89	7.54
Diluted	31	9.89	7.53

Significant accounting policies and key accounting estimates and judgments 2

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

per Suresh Murarka
Partner
Membership No.044739

Date: 30-May-22
Place: Mumbai

S G C O & CO LLP FRN - 112081W/ W100184 MUMBAI Chartered Accountants

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

V.G.K Prasad
Chairman
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Sreepal Jain
Chief Financial Officer

Ch.Sreenivasa Rao
Company Secretary
M.No. ACS14723

Place: Vijayawada
Date: 30-May-22

IKF FINANCE LTD., VIJAYAWADA

IKF Finance Limited

Consolidated Cash Flow statement for the year ended March 31, 2022

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Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	6,838.43	5,311.09
Adjustments for:		
Depreciation, amortisation and impairment	190.23	193.18
Interest Income	(26,301.60)	(23,422.49)
Interest expenses	13,617.93	12,865.83
Impairment on financial instrument	513.01	781.57
Net loss on fair value changes	3.35	
Lease equalisation		-
Share based payment expense	(6.03)	13.09
Net gain/(loss) on financial instrument at fair value through profit and loss (FVTPL)		
Net gain/(loss) on financial instrument at amortised categiry		
Provision for expenses	6.60	4.83
Employee benefit expenses	94.59	106.26
Rental income on Investment property	(7.63)	(6.36)
(Profit)/ Loss on sale of property, plant and equipment	(0.07)	(0.14)
(Profit)/ Loss on sale of immovable Property	6.10	
Cash generated from / (used in) operations before working capital changes and adjustments for interest received and interest paid	(5,045.09)	(4,153.14)
Adjustments for changes in Working Capital :		
Decrease / (Increase) in trade receivable	(12.47)	4.99
Decrease / (Increase) in loans	(38,117.26)	(28,317.25)
Decrease / (Increase) in bank balances other than cash and cash equivalents	1,631.18	(389.89)
Decrease / (Increase) in other financial assets	(5,403.68)	(292.59)
Decrease / (Increase) in other non-financial assets	(678.52)	(77.57)
(Decrease) / Increase in trade payables	(16.43)	5.67
(Decrease) / Increase in other financial liabilities	(458.46)	(125.82)
(Decrease) / Increase in provisions	(30.08)	(17.77)
(Decrease) / Increase in other non-financial liabilities	8.51	(0.60)
Interest received	31,293.07	20,192.84
Interest paid	(13,450.44)	(10,940.08)
	(30,279.68)	(24,111.21)
Income tax paid (net of refunds)	(1,805.25)	(1,137.77)
Derivative financial instruments	-	
NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES	(32,084.93)	(25,248.98)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(114.86)	(45.96)
Purchase of Investment property	(224.11)	-
Rental income on Investment property	7.63	6.36
Proceeds from sale of property, plant and equipment	0.08	0.54
Proceeds from sale of Investment property	110.00	
Purchase of intangible assets	(37.27)	(47.95)
ROU Adj	-	-
Purchase of investments measured at cost		
NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES	(258.54)	(87.01)
CASH FROM FINANCING ACTIVITIES		
Proceeds from issue of equity shares (including securities premium)	714.39	1,015.18
Amount received from debt securities	8,000.00	39,500.00
Repayment of debt securities	(26,783.33)	(3,300.00)
Amount received from borrowings other than debt securities	77,180.00	38,025.08
Repayment of borrowings other than debt securities	(31,541.19)	(38,101.19)
Amount received from subordinated Liabilities	-	2,500.00
Repayment of subordinated debt	-	(3,000.00)
Payment of principal portion of lease liabilities	(31.05)	(51.94)
Payment of interest on lease liabilities	(3.79)	(6.35)
NET CASH GENERATED FROM / (USED IN) FROM FINANCING ACTIVITIES	27,535.03	36,580.78
Net Increase / (Decrease) in Cash and Cash Equivalents	(4,808.44)	11,244.79
Cash and Cash Equivalents at the beginning of Year	14,474.42	3,229.63
Cash and Cash Equivalents at the end of the Year	9,664.31	14,474.42

The above Cash Flow Statement has been prepared under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows'.

As per our report of even date

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

per Suresh Murarka
Partner
Membership No.044739

Date: 30-May-22
Place: Mumbai

For and on behalf of the Board of Directors of
IKF Finance Limited

V.G.K Prasad
Chairman
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Sreepal Jain
Chief Financial Officer

Ch.Sreenivasa Rao
Company Secretary
M.No. ACS14723

INDEPENDENT AUDITOR'S REPORT

To the Members of IKF Finance Limited

Report on the audit of standalone financial statements

We have audited the accompanying standalone financial statements of IKF Finance Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SA), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the standalone financial statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of matter

We draw attention to note no. 57 of standalone financial statement, which describes the uncertainty caused by the continuing COVID-19 pandemic and the related probable events which could impact the Group's estimates of impairment of loans to customers. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements for the year ended March 31, 2022. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit Matters	How our audit addressed the key audit matter
Impairment of Financial Instruments (expected credit Losses) has been described in Note 2.4.c, 2.6.f and 6 of the financial statements.	
Management estimates impairment provision using Expected Credit loss model for the loan exposure as per the Board approved policy which is in line with Ind AS and the Regulations. Measurement of loan impairment involves application of significant judgement by the management. The most significant judgements are: • Timely identification and classification of the impaired loans, including classification of assets to stage 1, 2, or 3 using criteria in accordance with Ind AS 109 which also include considering the impact of RBI's regulatory circulars, • The segmentation of financial assets when their ECL is assessed on a collective basis, • Determination of probability of defaults (PD) and loss given defaults (LGD) based on the default history of loans, subsequent recoveries made and other relevant factors and • Assessment of qualitative factors having an impact on the credit risk.	• We evaluated the design and operating effectiveness of controls across the processes relevant to ECL, including the judgements and estimates. • We tested the completeness of loans and advances included in the Expected Credit Loss calculations as of March 31, 2022 by reconciling it with the balances as per loan balance register and loan commitment report as on that date. • We tested assets in stage 1, 2 and 3 on sample basis to verify that they were allocated to the appropriate stage. • Tested samples to ascertain the completeness and accuracy of the input data used for determining the PD and LGD rates and agreed the data with underlying books of accounts and records. • For samples of exposure, we tested the appropriateness of determining EAD, PD and LGD. • For exposure determined to be individually impaired, we tested samples of loans and advances and examined management's estimate of future cash flows, assessed their reasonableness and checked the resultant provision calculations.

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	• We performed an overall assessment of the ECL provision levels at each stage including management's assessment and provision on account of Company's portfolio, risk profile, credit risk management practices. • We assessed the adequacy and appropriateness of disclosures in compliance with the Ind AS 107 in relation to ECL especially in relation to judgements used in estimation of ECL provision.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board report, but does not include the standalone financial statements and our auditors' report thereon, which we obtained prior to the date of this auditors report, and the Annual report which is expected to be made available to us after that date.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 (Revised) 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Those Charged with Governance for the standalone financial statements

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these standalone financial statement that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to

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the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statement, the Management and the Board of Directorsare responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so, the Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the standalone financial statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statement.

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

- Identify and assess the risks of material misstatement of the standalone financial statement,whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial statement made by the Management and Board of Directors

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or

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conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statement, including the disclosures, and whether the standalone financial statement represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The standalone financial statements as at and for the year ended March 31, 2021, have been audited by the predecessor auditor. The report of the predecessor auditor on the comparative standalone financial statements dated June 26, 2021 expressed an unmodified opinion.

Our opinion on the financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2020 ("the Order"} issued by the Central Government of India in terms of sub-section (11} of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

(b} In our opinion, proper books of account as required by law have been Kept by the Company so far as it appears from our examination of those books;

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(c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of written representations received from the directors as on March 31, 2022, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, from being appointed as a director in terms of section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;

(g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that to the best of it's knowledge and belief, as disclosed in note no. 49, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or other wise , that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in note no. 49, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

For SGCO & CO. LLP
Chartered Accountants
Firm Reg. No.:- 112081W/W100184

Suresh Murarka
Partner
Membership No. :- 044739
UDIN :- 22044739AJYANJ4717
Place :- Mumbai
Date :- 30th May, 2022

IKF Finance Limited
Balance Sheet as at March 31, 2022
(Currency : INR in lakhs)

Particulars	Note No	As at March 31, 2022	As at March 31, 2021
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	3	3,377.21	11,793.28
(b) Bank Balance other than included in (a) above	4	2,208.65	3,964.82
(c) Receivables			
(I) Trade receivables	5	-	-
(d) Loans	6	1,56,325.40	1,40,161.15
(e) Investments	8	6,252.92	4,525.10
(f) Other financial assets	7	1,800.96	1,018.54
		1,69,965.14	1,61,462.89
(2) Non-financial assets			
(a) Current Tax Assets (Net)		183.04	217.94
(b) Deferred Tax Assets (Net)	29	70.34	-
(c) Investment Property	11	114.31	6.47
(d) Property, Plant and Equipment	10	260.11	240.52
(e) Right of use asset	10	10.75	24.77
(f) Intangible assets	12	154.42	170.57
(g) Other non-financial assets	9	1,067.42	382.01
		1,860.39	1,042.28
Total assets		1,71,825.53	1,62,505.17
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial liabilities			
(a) Payables			
(i)Trade payables and other payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(II) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(b) Debt securities	13	15,186.47	33,687.94
(c) Borrowings (other than debt securities)	14	1,09,462.84	85,755.89
(d) Subordinated Liabilities	15	6,003.45	5,986.79
(e) Other financial liabilities	16	2,030.13	2,670.12
		1,32,682.89	1,28,100.74
(2) Non-financial liabilities			
(a) Provisions	17	306.37	275.54
(b) Deferred tax liabilities (Net)	29	-	27.12
(c) Other non-financial liabilities	18	99.50	112.08
		405.87	414.74
EQUITY			
(a) Equity share capital	19	5,265.91	5,167.49
(b) Other equity	20	33,470.86	28,822.20
		38,736.77	33,989.69
Total liabilities and equity		1,71,825.53	1,62,505.17
Significant accounting policies and key accounting estimates and judgments	2	0.00	0.00

The accompanying notes form an integral part of the standalone financial statements
As per our report of even date

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

per Suresh Murarka
Partner
Membership No.044739
Place: Mumbai
Date: 30 May 2022

S G C O & CO LLP FRN - 112081W/ W100184 MUMBAI Chartered Accountants

IKF FINANCE LTD VIJAYAWADA

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

V.G.K Prasad
Chairman
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Sreepal Jain
Chief Financial Officer

Ch.Sreenivasa Rao
Company Secretary
M.No. ACS14723

Place: Vijayawada
Date: 30 May 2022

IKF Finance Limited

Statement of Profit and Loss for the year ended March 31, 2022

(Currency : INR in lakhs)

Particulars	Note No	Year ended March 31, 2022	Year ended March 31, 2021
Revenue From operations			
(i) Interest income	21	21,899.30	20,295.71
(ii) Fees and commission income	22	160.21	110.92
(I) Total revenue from operations		**22,059.51**	**20,406.63**
(II) Other income	23	63.31	16.29
(III) Total income (I + II)		**22,122.82**	**20,422.92**
Expenses			
(i) Finance costs	24	11,787.65	11,609.00
(ii) Impairment on financial instruments	25	511.78	647.15
(iii) Employee benefits expenses	26	3,248.03	2,621.34
(iv) Depreciation, amortization and impairment	27	128.96	144.14
(v) Others expenses	28	1,019.11	981.02
(IV) Total expenses		**16,695.53**	**16,002.65**
(V) Profit before tax (III - IV)		**5,427.29**	**4,420.27**
(VI) Tax Expense:			
(1) Current Tax	29	1,487.04	795.96
'(2) Deferred Tax	29	(100.25)	368.34
'(3) Adjustment of tax relating to earlier periods	29	10.06	65.46
		1,396.85	**1,229.76**
(VII) Profit for the period (V-VI)		**4,030.44**	**3,190.51**
(VIII) Other comprehensive income			
(A) Items that will not be reclassified to profit or loss (specify items and amounts)			
(a) Remeasurements of the defined benefit plans	30	11.07	13.44
Income tax relating to items that will not be reclassified to profit or loss		(2.79)	(3.38)
Other comprehensive income / (loss)		**8.28**	**10.06**
(IX) Total comprehensive income for the period (VII + VIII)		**4,038.72**	**3,200.57**
(X) Earnings per share (equity share, par value of Rs.10 each)			
Basic	31	7.80	6.35
Diluted	31	7.80	6.34

Significant accounting policies and key accounting estimates and judgments 2

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

per Suresh Murarka
Partner
Membership No.044739

Date: 30 May 2022
Place: Mumbai

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

V.G.K Prasad
Chairman
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Sreepal Jain
Chief Financial Officer

Ch. Srinivasa Rao
Company Secretary
M.No. ACS14723

Place: Vijayawada
Date: 30 May 2022

IKF Finance Limited

Cash Flow statement for the year ended March 31, 2022

(Currency : INR in lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	**5,427.28**	**4,420.27**
Adjustments for:		
Depreciation, amortisation and impairment	128.96	144.14
Interest income	(21,899.30)	(20,295.71)
Interest expenses	11,787.65	11,609.00
Impairment on financial instrument	511.78	647.15
Share based payment expense	(6.03)	13.09
Provision for expenses	6.60	4.83
Employee benefit expenses	81.57	98.26
Rental income on investment property	(7.63)	(6.36)
(Profit)/ Loss on sale of property, plant and equipment	(0.07)	(0.14)
(Profit)/ Loss on sale of immovable Property	6.10	
Cash generated from / (used in) operations before working capital changes and adjustments for interest received and interest paid	**(3,963.08)**	**(3,365.47)**
Adjustments for changes in Working Capital :		
Decrease / (Increase) in trade receivable	26.21	20.87
Decrease / (Increase) in loans	(24,454.76)	(21,661.13)
Decrease / (Increase) in bank balances other than cash and cash equivalents	1,756.18	(189.89)
Decrease / (Increase) in other financial assets	126.85	(330.53)
Decrease / (Increase) in other non-financial assets	(685.42)	(53.83)
(Decrease) / Increase in other financial liabilities	(631.52)	(32.01)
(Decrease) / Increase in provisions	(39.67)	(17.76)
(Decrease) / Increase in other non-financial liabilities	(12.59)	(6.61)
Interest received	22,327.41	17,250.35
Interest paid	(11,836.88)	(10,176.00)
	(17,387.28)	**(18,562.00)**
Income tax paid (net of refunds)	(1,462.20)	(922.80)
Deferred tax adjustment	0.00	0.00
NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES	**(18,849.48)**	**(19,484.80)**
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(86.52)	(33.46)
Purchase of investment property	(224.11)	-
Rental income on investment property	7.63	6.36
Proceeds from sale of property, plant and equipment	0.08	0.54
Proceeds from sale of investment property	110.00	-
Purchase of intangible assets	(27.55)	(31.99)
Purchase of investments measured at cost	(1,727.82)	-
NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES	**(1,948.29)**	**(58.53)**
CASH FROM FINANCING ACTIVITIES		
Proceeds from issue of equity shares (including securities premium)	714.39	1,015.18
Amount received from debt securities	8,000.00	30,500.00
Repayment of debt securities	(25,950.00)	(3,300.00)
Amount received from borrowings other than debt securities	56,500.00	33,730.08
Repayment of borrowings other than debt securities	(26,861.44)	(32,548.05)
Amount received from subordinated Liabilities	-	2,500.00
Repayment of subordinated debt	-	(3,000.00)
Payment of principal portion of lease liabilities	(19.13)	(41.45)
Payment of interest on lease liabilities	(2.12)	(4.77)
NET CASH GENERATED FROM / (USED IN) FROM FINANCING ACTIVITIES	**12,381.70**	**28,850.99**
Net Increase / (Decrease) in Cash and Cash Equivalents	**(8,416.07)**	**9,307.66**
Cash and Cash Equivalents at the beginning of Year	11,793.28	2,485.62
Cash and Cash Equivalents at the end of the Year	3,377.21	11,793.28

The above Cash Flow Statement has been prepared under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows'.

As per our report of even date

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

per Suresh Murarka
Partner
Membership No.044739

Date: 30 May 2022
Place: Mumbai

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

U.G.K Prasad
Chairman
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
DIN: 02161150

Sreepal Jain
Chief Financial Officer

Ch.Sreenivasa Rao
Company Secretary
M.No. ACS14723

Place: Vijayawada
Date: 30 May 2022

INDEPENDENT AUDITOR'S REPORT

To the Members of IKF Finance Limited

Report on the audit of Standalone financial statements

We have audited the accompanying Standalone financial statements of IKF Finance Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and notes to the Standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone financial statements in accordance with the Standards on Auditing (SA), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone financial statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India ("ICAI"} together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Standalone financial statements for the year ended March 31, 2023. These matters were addressed in the context of our audit of the Standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the

accompanying Standalone financial statements.

Key audit Matters	How our audit addressed the key audit matter
Impairment of Financial Instruments (expected credit Losses) has been described in Note 2.4.c, 2.6.f and 6 of the Standalone financial statements.	
Management estimates impairment provision using Expected Credit loss model for the loan exposure as per the Board approved policy which is in line with Ind AS and the Regulations. Measurement of loan impairment involves application of significant judgement by the management. The most significant judgements are: • Timely identification and classification of the impaired loans, including classification of assets to stage 1, 2, or 3 using criteria in accordance with Ind AS 109 which also include considering the impact of RBI's regulatory circulars, • The segmentation of financial assets when their ECL is assessed on a collective basis, • Determination of probability of defaults (PD) and loss given defaults (LGD) based on the default history of loans, subsequent recoveries made and other relevant factors and • Assessment of qualitative factors having an impact on the credit risk.	• We evaluated the design and operating effectiveness of controls across the processes relevant to ECL, including the judgements and estimates. • We tested the completeness of loans and advances included in the Expected Credit Loss calculations as of March 31, 2023 by reconciling it with the balances as per loan balance register and loan commitment report as on that date. • We tested assets in stage 1, 2 and 3 on sample basis to verify that they were allocated to the appropriate stage. • Tested samples to ascertain the completeness and accuracy of the input data used for determining the PD and LGD rates and agreed the data with underlying books of accounts and records. • For samples of exposure, we tested the appropriateness of determining EAD, PD and LGD. • We performed an overall assessment of the ECL provision levels at each stage including management's assessment and provision on account of Company's portfolio, risk profile, credit risk management practices. • We assessed the adequacy and appropriateness of disclosures in compliance with the Ind AS 107 in relation to ECL.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis and Directors' Report (the "Reports") but does not include Standalone financial statements and our auditors' report thereon. The reports are

expected to be made available to us after the date of this auditors' report.

Our opinion on the Standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Other Information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 (Revised) 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Those Charged with Governance for the Standalone financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5} of the Act with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards} Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively to ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone financial statements

Our objectives are to obtain reasonable assurance about whether the Standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone financial statements.

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

• Identify and assess the risks of material misstatement of the Standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3}(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

• Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the Standalone financial statements, including the disclosures, and whether the Standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare

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circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2020 ("the Order"} issued by the Central Government of India in terms of sub-section (11} of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

(b} In our opinion, proper books of account as required by law have been Kept by the Company so far as it appears from our examination of those books;

(c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid Standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of written representations received from the directors as on March 31, 2023, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;

(g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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iv. (a) The Management has represented that to the best of it's knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or other wise , that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of it's knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For SGCO & CO. LLP
Chartered Accountants
Firm Reg. No.:- 112081W/W100184

SGCO & CO LLP FRN-112081W/W100184 MUMBAI Chartered Accountants

Suresh Murarka
Partner
Membership No. :- 044739
UDIN :- 23044739BGUNOX2293
Place :- Mumbai
Date :- 30-05-2023

ANNEXURE A

REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS OF OUR REPORT OF EVEN DATE

Re: IKF Finance Limited (" the Company")

(i) (a) (1) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

(2) The Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us, as per the phase programme of physical verification of fixed assets, the Company carries out physical verification of its entire fixed assets every year and no material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in investment property are held in the name of the Company.

(d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii)(a) of the Order are not applicable to the Company

(b) The Company has been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.

(iii) During the year, in the ordinary course of its business, the Company has made investments in, provided guarantee / security to and granted loans and advances in the nature of loans, secured and unsecured, to companies, firms, limited liability partnerships and other parties. With respect to such investments, guarantees /security and loans and advances:

(a) The Company's principal business is to give loans and, accordingly, the requirements under paragraph 3(iii)(a) of the Order is not applicable to the Company.

(b) The investments made and the terms and conditions of the grant of all the loans and advances in the nature of loans, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(c) According to the information and explanations given to us and based on examination of the books and records, in respect of the loans and advances in the nature of loans granted by the company, the schedule of repayment of principle and payment of interest has been stipulated and repayments or receipts are regular, except for the credit impaired cases.

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(d) The total amount overdue for more than ninety days, in respect of loans and advances in the nature of loans, as at the year-end is Rs. 3402.44 lakhs . Reasonable steps are being taken by the company for recovery of the principal and interest as stated in the applicable regulations and loan agreements.

(e) The Company's principal business is to give loans and, accordingly, the requirements under paragraph 3(iii)(e) of the Order are not applicable to the Company.

(f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

(iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investment made and guarantees, and securities given have been complied with by the Company.

(v) The Company has not accepted any deposits from the public. Hence, reporting under clause 3(v) of the order is not applicable.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the services of the Company. Hence, reporting under clause 3 (vi) of the Order is not applicable to the Company.

(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities. As informed, the provisions relating to service tax, wealth tax, sales tax, value added tax, excise duty and customs duty are currently not applicable to the Company.

There were no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. As informed, the provisions relating to service tax, wealth tax, sales tax, value added tax, excise duty and customs duty are currently not applicable to the Company.

(b) According to the information and explanations given to us, there are no dues of income tax, goods and service tax and cess which have not been deposited on account of any dispute. As informed, the provisions of service tax, wealth tax, sales tax, value added tax, excise duty and customs duty are not applicable to the Company.

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) In our opinion and according to the information and explanations given by the management, the company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.

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(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has applied term loans for the purpose for which the loans were obtained.

(d) The Company has not utilised fund raised on short term basis for long term purposes.

(e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting on clause 3(ix)(f) of the Order is not applicable.

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) The company has made private placement of shares as well as debentures and the requirement of section 42 of the Companies Act, 2013 have been complied with and according to information and explanations given to us, the amount raised have been used for the purposes for which the funds were raised.

(xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) There were no whistle blower complaint received during the year and hence reporting under clause 3(xi)(c) of the Order is not applicable.

(xii) The Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

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(xvi) (a) According to the information and explanations given to us, we report that the Company has registered as required, under section 45-IA of the Reserve Bank of India Act, 1934.

(b) The company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) In our opinion, the Company is not a core investment company (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi) (c) and (d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of statutory auditors of the company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) There are no unspent amounts towards CSR on ongoing projects under sub-section (5) of Section 135 requiring transfer to special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.

For SGCO & CO. LLP
Chartered Accountants
Firm Reg. No.: 112081W/W100184

Suresh Murarka
Partner
Mem. Number: 044739
UDIN: 23044739BGUNOX2293

SGCO & CO. LLP FRN-112081W/W100184 MUMBAI Chartered Accountants

Place : Mumbai
Date: 30/05/2023

ANNEXURE B

REFERRED TO IN PARAGRAPH 2 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REOUIREMENTS" OF OUR REPORT OF EVEN DATE

Report on the Internal Financial Controls under Clause (i) of 5ub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of IKF Finance Limited ("the Company") as of March 31, 2023, in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these Standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the " Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these Standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these Standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these Standalone financial statements.

SGCO & CO LLP FRN-112081W Chartered Accountants MUMBAI

Meaning of Internal Financial Controls Over Financial Reporting with reference to these Standalone financial statements

A company's internal financial control over financial reporting with reference to these Standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone financial statements for external purpose in accordance with generally accepted accounting principles. A company's Internal financial control over financial reporting with reference to these Standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transaction are recorded as necessary to permit preparation of Standalone financial statements in accordance with generally accepted accounting Principles, and that receipts and expenditure of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisitions, use or disposition of the company's assets that could have a material effect on the Standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting with Reference to these Standalone financial statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these Standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these Standalone financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these Standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these Standalone financial statements and such internal financial controls over financial reporting with reference to these Standalone financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the guidance note on audit of Internal financial controls over financial reporting issued by the Institute of Chartered Accountants of India.

For SGCO & CO. LLP
Chartered Accountants
FRN :- 112081W/W100184

SGCO & CO LLP FRN-112081W/ W100184 MUMBAI Chartered Accountants

Suresh Murarka
Partner
Membership No. :- 044739
UDIN :- 23044739BGUNOX2293
Place :- Mumbai
Date :- 30/05/2023

IKF Finance Limited

Standalone Balance Sheet as at March 31, 2023

(Currency : INR in lakhs)

Particulars	Note No	As at March 31, 2023	As at March 31, 2022
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	3	23,039.43	3,377.21
(b) Bank Balance other than included in (a) above	4	5,573.17	2,208.65
(c) Loans	5	2,10,754.51	1,56,325.40
(d) Investments	7	30,810.55	6,252.92
(e) Other financial assets	6	2,251.57	1,800.96
		2,72,429.23	**1,69,965.14**
(2) Non-financial assets			
(a) Current Tax Assets (Net)		372.98	183.04
(b) Deferred Tax Assets (Net)	28	-	70.34
(c) Investment Property	10	72.14	114.31
(d) Property, Plant and Equipment	9	250.23	260.11
(e) Right of use asset	9	270.26	10.75
(f) Intangible assets	11	156.38	154.42
(g) Other non-financial assets	8	2,878.41	1,067.42
		4,000.41	**1,860.39**
Total assets		**2,76,429.64**	**1,71,825.53**
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial liabilities			
(a) Debt securities	12	18,838.54	15,186.47
(b) Borrowings (other than debt securities)	13	1,68,496.32	1,09,462.84
(c) Subordinated Liabilities	14	16,345.06	6,003.45
(d) Other financial liabilities	15	2,921.34	2,030.13
		2,06,601.26	**1,32,682.89**
(2) Non-financial liabilities			
(a) Provisions	16	210.50	306.37
(b) Deferred tax liabilities (Net)	28	188.82	-
(c) Other non-financial liabilities	17	179.07	99.50
		578.39	**405.87**
EQUITY			
(a) Equity share capital	18	6,457.51	5,265.91
(b) Other equity	19	62,792.48	33,470.86
		69,249.99	**38,736.77**
Total liabilities and equity		**2,76,429.64**	**1,71,825.53**

Significant accounting policies and key accounting estimates and judgments **2**

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

per Suresh Murarka
Partner
Membership No.044739
Place: Mumbai
Date: 30 May 2023

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

V.G.K Prasad
Chairman
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Ch.Sreenivasa Rao
Company Secretary &
Chief Financial Officer
M.No. ACS14723
Place: Vijayawada
Date: 30 May 2023

IKF Finance Limited

Standalone Statement of Profit and Loss for the year ended March 31, 2023

(Currency : INR in lakhs)

Particulars	Note No	Year ended March 31, 2023	Year ended March 31, 2022
Revenue From operations			
(i) Interest income	20	28,401.52	21,932.36
(ii) Fees and commission income	21	240.36	160.21
(I) Total revenue from operations		**28,641.88**	**22,092.57**
(II) Other income	22	17.80	30.25
(III) Total income (I + II)		**28,659.68**	**22,122.82**
Expenses			
(i) Finance costs	23	15,402.63	11,787.65
(ii) Impairment on financial instruments	24	539.85	511.78
(iii) Employee benefits expenses	25	4,297.44	3,248.03
(iv) Depreciation, amortization and impairment	26	264.23	128.96
(v) Others expenses	27	1,424.80	1,019.11
(IV) Total expenses		**21,928.95**	**16,695.53**
(V) Profit before tax (III - IV)		**6,730.73**	**5,427.29**
(VI) Tax Expense:			
(1) Current Tax	28	1,461.47	1,487.04
'(2) Deferred Tax	28	255.84	(100.25)
'(3) Adjustment of tax relating to earlier periods	28	12.91	10.06
		1,730.22	**1,396.85**
(VII) Profit for the period (V-VI)		**5,000.51**	**4,030.44**
(VIII) Other comprehensive income			
(A) Items that will not be reclassified to profit or loss (specify items and amounts)			
(a) Remeasurements of the defined benefit plans	29	13.18	11.07
Income tax relating to items that will not be reclassified to profit or loss		(3.32)	(2.79)
Other comprehensive income / (loss)		**9.86**	**8.28**
(IX) Total comprehensive income for the period (VII + VIII)		**5,010.37**	**4,038.72**
(X) Earnings per share (equity share, par value of Rs.10 each)			
Basic	30	9.31	7.80
Diluted	30	9.31	7.80

Significant accounting policies and key accounting estimates and judgments 2

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

per Suresh Murarka

Partner
Membership No.044739

Date: 30 May 2023
Place: Mumbai

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

V.G.K Prasad
Chairman
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Ch.Sreenivasa Rao
Company Secretary & Chief Financial Officer
M.No. ACS14723

Place: Vijayawada
Date: 30 May 2023

IKF Finance Limited

Standalone Cash Flow statement for the year ended March 31, 2023

(Currency : INR in lakhs)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	**6,730.73**	**5,427.28**
Adjustments for:		
Depreciation, amortisation and impairment	264.23	128.96
Interest Income	(28,401.52)	(21,932.36)
Interest expenses	15,402.63	11,787.65
Impairment on financial instrument	539.85	511.78
Share based payment expense	(3.99)	(6.03)
Provision for expenses	2.25	6.60
Employee benefit expenses	(57.21)	81.57
Rental income on Investment property	(7.63)	(7.63)
(Profit)/ Loss on sale of property, plant and equipment	1.14	(0.07)
(Profit)/ Loss on sale of immovable Property	3.15	6.10
Cash generated from / (used in) operations before working capital changes and adjustments for interest received and interest paid	**(5,526.37)**	**(3,996.15)**
Adjustments for changes in Working Capital :		
Decrease / (Increase) in trade receivable	-	26.21
Decrease / (Increase) in loans	(55,475.48)	(24,454.76)
Decrease / (Increase) in bank balances other than cash and cash equivalents	(3,364.52)	1,756.18
Decrease / (Increase) in other financial assets	12.05	126.85
Decrease / (Increase) in other non-financial assets	(1,810.98)	(685.42)
(Decrease) / Increase in other financial liabilities	622.18	(631.52)
(Decrease) / Increase in provisions	(25.48)	(39.67)
(Decrease) / Increase in other non-financial liabilities	79.57	(12.59)
Interest received	27,454.85	22,360.47
Interest paid	(15,826.72)	(11,836.88)
	(53,860.90)	**(17,387.28)**
Income tax paid (net of refunds)	(1,664.32)	(1,462.20)
Deferred tax adjustment	0.00	0.00
NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES	**(55,525.22)**	**(18,849.48)**
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(67.99)	(86.52)
Purchase of Investment property	0.00	(224.11)
Rental income on Investment property	7.63	7.63
Proceeds from sale of property, plant and equipment	0.82	0.08
Proceeds from sale of Investment property	38.85	110.00
Purchase of intangible assets	(50.25)	(27.55)
Purchase of investments measured at Amortised cost and FVTPL	(24,557.63)	(1,727.82)
NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES	**(24,628.57)**	**(1,948.29)**
CASH FROM FINANCING ACTIVITIES		
Proceeds from issue of equity shares (including securities premium)	25,506.83	714.39
Amount received from debt securities	7,000.00	8,000.00
Repayment of debt securities	(3,400.00)	(25,950.00)
Amount received from borrowings other than debt securities	1,09,340.00	56,500.00
Repayment of borrowings other than debt securities	(48,983.70)	(26,861.44)
Amount received from subordinated Liabilities	14,000.00	-
Repayment of subordinated debt	(3,500.00)	
Payment of principal portion of lease liabilities	(113.49)	(19.13)
Payment of interest on lease liabilities	(33.63)	(2.12)
NET CASH GENERATED FROM / (USED IN) FROM FINANCING ACTIVITIES	**99,816.01**	**12,381.70**
Net Increase / (Decrease) in Cash and Cash Equivalents	**19,662.22**	**(8,416.07)**
Cash and Cash Equivalents at the beginning of Year	3,377.21	11,793.28
Cash and Cash Equivalents at the end of the Year	23,039.43	3,377.21

The above Cash Flow Statement has been prepared under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows'.

As per our report of even date

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

per Suresh Murarka
Partner
Membership No.044739

Date: 30 May 2023

Place: Mumbai

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

V.G.K Prasad
Chairman
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Ch.Sreenivasa Rao
Company Secretary & Chief Financial Officer
M.No. ACS14723
Place: Vijayawada
Date: 30 May 2023

IKF Finance Limited

Statement of Changes in Equity for the year ended March 31, 2023

(Currency : INR in lakhs)

A. Equity share capital

Current Reporting Period

Particulars	Balance at the beginning of the current reporting period As at March 31, 2022	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period As at March 31, 2023
Issued, Subscribed and paid up - fully paid (Equity shares of Rs.10 each, Fully paid-up)	5,265.91	-	5,265.91	1,191.60	**6,457.51**
Issued, Subscribed and paid up - partly paid	0.00	-	0.00	-	**0.00**

Previous Reporting Period

Particulars	Balance at the beginning of the current reporting period As at March 31, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period As at March 31, 2022
Issued, Subscribed and paid up - fully paid (Equity shares of Rs.10 each, Fully paid-up)	4,747.94	-	4,747.94	517.97	**5,265.91**
Issued, Subscribed and paid up - partly paid	419.55	-	419.55	(419.55)	**0.00**

B. Other equity

Particulars	Reserves and Surplus						Total
	Statutory Reserve	Capital Reserve	Securities Premium	General Reserve	Share based payment Reserve	Retained Earnings	
Balance at April 01, 2021	**4,187.40**	**32.50**	**9,960.39**	**1,019.93**	**30.65**	**13,591.30**	**28,822.19**
Changes in Accounting Policies / Prior Period Errors	-	-	-	-	-	-	-
Restated balance as at April 01, 2021	4,187.40	32.50	9,960.39	1,019.93	30.65	13,591.30	**28,822.18**
Profit for the year	-	-	-	-	-	4,030.44	**4,030.44**
Other comprehensive income for the year	-	-	-	-	-	8.28	**8.28**
Total comprehensive income for the year (net of tax)	-	-	-	-	-	**4,038.72**	**4,038.72**
Transfer to Statutory Reserve	806.09	-	-	-	-	(806.09)	-
Transfer to General Reserve	-	-	-	201.52	-	(201.52)	-
Issue of equity shares	-	-	615.97	-	-	-	**615.97**
Share based payment expense	-	-	-	-	(6.03)	-	**(6.03)**
Balance at March 31, 2022	**4,993.49**	**32.50**	**10,576.37**	**1,221.45**	**24.62**	**16,622.41**	**33,470.84**
Changes in Accounting Policies / Prior Period Errors	-	-	-	-	-	-	-
Restated balance as at April 01, 2022	4,993.49	32.50	10,576.37	1,221.45	24.62	16,622.43	**33,470.86**
Profit for the year	-	-	-	-	-	5,000.51	**5,000.51**
Other comprehensive income for the year	-	-	-	-	-	9.86	**9.86**
Total comprehensive income for the year (net of tax)	-	-	-	-	-	**5,010.37**	**5,010.37**
Transfer to Statutory Reserve	1,000.10	-	-	-	-	(1,000.10)	-
Transfer to General Reserve	-	-	-	250.03	-	(250.03)	-
Issue of equity shares	-	-	24,315.23	-	-	-	**24,315.23**
Share based payment expense	-	-	-	-	(3.99)	-	**(3.99)**
Balance at March 31, 2023	**5,993.59**	**32.50**	**34,891.60**	**1,471.48**	**20.63**	**20,382.67**	**62,792.48**

As per our report of even date

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

per Suresh Murarka
Partner
Membership No.044739

Date: 30 May 2023
Place: Mumbai

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

V.G.K Prasad
Chairman
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
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Ch.Srinivasa Rao
Company Secretary & Chief Financial Officer
M.No. ACS14723

Place: Vijayawada
Date: 30 May 2023

S G C O & CO LLP FRN-112081W/ W100184 MUMBAI Chartered Accountants

IKF FINANCE LIMITED VIJAYAWADA

IKF Finance Limited
Notes to the financial statements for the year ended March 31, 2023
(All amount in Rs. Lakhs, unless otherwise stated)

1 Company Overview

IKF Finance Limited ('the Company') is a public company domiciled in India and incorporated under the provision of the Companies Act, 1956. The Company was registered as a non-deposit accepting Non-Banking Financial Company ('NBFC-ND') with the Reserve Bank of India ('RBI') and classified as a Non-Banking Financial Company- Asset Finance Company ('NBFC-AFC') with effect from May 12, 2014.The Company provides finance for commercial vehicles, construction equipment and other loans.

2 Significant Accounting Policies

2.1 Basis of preparation

The financial statements for the year ended March 31, 2023 have been prepared by the Company in accordance with Indian Accounting Standards ("Ind AS") notified by the Ministry of Corporate Affairs, Government of India under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016, as amended from time to time, in this regard. Any application guidance/ clarifications/ directions issued by RBI or other regulators are implemented as and when they are issued/ applicable.

2.2 Presentation of Financial Statements

The financial statement of the company are presented as per Division III of the Schedule III to the Companies Act 2013 as amended from time to time, for Non-Banking Financial Companies ('NBFCs') that are required to comply with Ind-AS. The Statement of Cash Flows has been presented as per the requirements of Ind-AS 7 Statement of Cash Flows. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non–current) is presented in Note 33 – Maturity analysis of assets and liabilities.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Company and/or its counterparties

2.3 Basis of Measurement

The financial statements have been prepared under the historical cost convention on the accrual basis except for certain financial instruments, plan assets of defined benefit plans and share based payment plans, which are measured at fair values at the end of each reporting period as explained in the accounting policies below. All amounts disclosed in the financial statements and notes have been rounded off to the nearest INR Lakhs in compliance with Schedule III of the Act, unless otherwise stated.

IKF FINANCE LIMITED VIJAYAWADA

2.4 Significant accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) at the date of the financial statements and the reported amounts of revenues and expenses for the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual results could differ from these estimates. Any revisions to accounting estimates are recognized prospectively in the current and future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Key sources of estimation of uncertainty at the date of financial statements, which may cause a material adjustment to the carrying amount of assets and liabilities within the next financial year are included in the following notes:

a. Business model assessment

Classification and measurement of financial assets depends on the results of the solely payments of principal and interest (SPPI) and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

b. Effective Interest Rate (EIR) method

The Company recognizes interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loans given / taken.

This estimation, by nature, requires an element of judgement regarding the expected behaviour and lifecycle of the instruments, as well as expected changes to other fee income/expense that are integral parts of the instrument.

c. Impairment of loans portfolio

The measurement of impairment losses on loan assets requires judgement, in estimating the amount and timing of future cash flows and recoverability of collateral values while determining the impairment losses and assessing a significant increase in credit risk.
The Company's Expected Credit Loss (ECL) calculation is the output of a complex model with a number of underlying assumptions regarding the choice of variable inputs and their

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IKF FINANCE LIMITED VIJAYAWADA

interdependencies. Elements of the ECL model that are considered accounting judgements and estimates include:

- PD calculation includes historical data, benchmarking, assumptions and expectations of future conditions.
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life-time expected credit loss and the qualitative assessment.
- The segmentation of financial assets when their ECL is assessed on a collective basis.
- Development of ECL models, including the various formulas and the choice of inputs.
  It is the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

The impairment loss on loans and advances is disclosed in more detail in Note 5-Loans and Note 41- Risk Management.

d. Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

e. Fair value measurement:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

f. Operating leases

Company as a lessee:

The Company has applied Ind AS 116 using the partial retrospective approach.

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

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Right of use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short term lease

The Company has elected not to recognise right of use asset and lease liabilities for short term leases of property that has lease term of 12 months or less. The Company recognises lease payment associated with these leases as an expense on a straight line basis over lease term.

g. Share based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

2.5 Revenue recognition

a. Interest Income on loans

Interest income is recorded using effective interest rate (EIR) method for all financial assets measured at amortised cost.

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IKF FINANCE LIMITED VIJAYAWADA

EIR is the rate that exactly discounts the estimated future cash flows through the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset except for credit impaired asset.

The calculation of the effective interest rate includes transaction costs and fees (loan processing fees, commission paid to direct selling agents and other premiums or discounts) that are an integral part of the contract. Transaction costs include incremental costs that are directly attributable to the acquisition of financial asset.

b. Rental Income

Rental income arising from operating leases is recognised on a straight-line basis over the lease term. In cases where the increase is in line with expected general inflation rental income is recognised as per the contractual terms.

Operating leases are leases where the Company does not transfer substantially all of the risk and benefits of ownership of the asset.

c. Interest income on fixed deposits

Interest on fixed deposits is recognised on a time proportion basis taking into account the amount outstanding and the applicable rate.

d. Other income

Other charges including application fees (penal interest, cheque bouncing charges, etc.) are recognised on realization basis.

2.6 Financial instruments

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Recognised financial assets and financial liabilities are initially measured at transaction price, which equates fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

A financial asset and a financial liability are offset and presented on net basis in the balance sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

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IKF FINANCE LIMITED VIJAYAWADA

a. Classification and measurement of Financial assets

Based on the business model, the contractual characteristics of the financial assets and specific elections where appropriate, the Company classifies and measures financial assets in the following categories:
- Amortised cost
- Fair value through other comprehensive income ('FVOCI')
- Fair value through profit and loss ('FVTPL')

Financial assets at amortised cost

Financial assets are measured at amortised cost using the effective interest rate (EIR) if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement and based on the assessment of the business model as asset held to collect contractual cash flows and SPPI, such financial assets are subsequently measured at amortised cost using effective interest rate ('EIR') method. Interest income and impairment expenses are recognised in statement of profit and loss. Any gain or loss on derecognition is also recognised in statement of profit and loss.

The EIR method is a method of calculating the amortised cost of a financial instrument and of allocating interest over the relevant period. The EIR is the rate that exactly discounts estimated future cash flows (including all fees paid or received that form an integral part of the EIR, transaction costs and other premiums or discounts) through the expected life of the instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

The Company records loans at amortised cost.

Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to sole payments of principal and interest on the principal amount outstanding and by selling financial assets.

Movements in the carrying amount of such financial assets are recognised in Other Comprehensive Income ('OCI'), except dividend income and interest income which is recognised in statement of profit and loss. Equity instruments at FVOCI are not subject to an impairment assessment.

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Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

b. Financial Liabilities

Financial liabilities are measured at amortised cost. The carrying amounts are determined based on the EIR method. Interest expense is recognised in statement of profit and loss. Any gain or loss on de-recognition of financial liabilities is also recognised in statement of profit and loss.

c. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company is recognised at the proceeds received, net of directly attributable transaction costs.

d. Reclassification

Financial assets and liabilities are not reclassified subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line or in the period the Company changes its business model for managing financial assets.

e. De-recognition of financial assets and financial liabilities

i. Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Company has transferred the financial asset if, and only if, either:

i. The Company has transferred its contractual rights to receive cash flows from the financial asset, or

ii. It retains the rights to the cash flows but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement.

Pass-through arrangements are transactions whereby the Company retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

i. The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.
ii. The Company cannot sell or pledge the original asset other than as security to the eventual recipients.
iii. The Company has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Company is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

i. The Company has transferred substantially all the risks and rewards of the asset, or
ii. The Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

ii. Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying value of the original financial liability and the new financial liability with modified terms is recognised in statement of profit and loss.

f. Impairment of Financial Assets

The Company recognises impairment allowances for Expected Credit Loss (ECL) on all the financial assets that are not measured at FVTPL:

The ECL provision is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss.

The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on financial assets that are possible within the 12 months after the reporting date.

The Company performs an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Company categorises its loans into three stages as described below:

For non-impaired financial instruments

- Stage 1 is comprised of all non-impaired financial instruments which have not experienced a significant increase in credit risk (SICR) since initial recognition. A 12-month ECL provision is made for stage 1 financial instruments. In assessing whether credit risk has increased significantly, the Company compares the risk of a default occurring on the financial instrument as at the reporting date, with the risk of a default occurring on the financial instrument as at the date of initial recognition.

- Stage 2 is comprised of all non-impaired financial instruments which have experienced a SICR since initial recognition. The Company recognises lifetime ECL for stage 2 financial instruments. In subsequent reporting periods, if the credit risk of the financial instrument improves such that there is no longer a SICR since initial recognition, then entities shall revert to recognizing 12 months of ECL.

For impaired financial instruments:

Financial instruments are classified as stage 3 when there is objective evidence of impairment as a result of one or more loss events that have occurred after initial recognition with a negative impact on the estimated future cash flows of a loan or a portfolio of loans. The Company recognises lifetime ECL for impaired financial instruments.

The calculation of ECLs

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

Probability of Default (PD) -

The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been

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previously derecognized and is still in the portfolio. The concept of PD is further explained in Note 41- Risk Management.

Exposure at Default - The Exposure at Default is an estimate of the exposure at a future default date, considering expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

Loss Given Default – The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive.

Collateral Valuation

To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. The collateral comes in various forms, such as movable and immovable assets, guarantees, etc. However, the fair value of collateral affects the calculation of ECLs. To the extent possible, the Company uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using other methodologies. Non-financial collateral, such as vehicles, is valued based on data provided by third parties or management judgements.

Collateral repossessed

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

Write-offs

Loans are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when it is determined that the customer does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

g. Determination of fair value

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, the Company measures certain categories of financial instruments (as explained in Note 40- Fair Value Measurement) at fair value on each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

IKF FINANCE LIMITED VIJAYAWADA

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1 financial instruments - Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2 financial instruments - Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.

Level 3 financial instruments - Those that include one or more unobservable input that is significant to the measurement as whole.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. No such instances of transfers between levels of the fair value hierarchy were recorded during the reporting period.

2.7 Property, plant and equipment

Property, plant and equipment are carried at cost of acquisition less accumulated depreciation and accumulated impairment loss (if any). The total cost of the asset comprises the purchase price, taxes, duties, freight (net of rebates and discounts) and any other directly attributable costs of bringing the assets to their working condition for their intended use. Borrowing costs

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directly attributable to acquisition of those assets which necessarily take a substantial period of time to get ready for their intended use are capitalised. Advances paid towards the acquisition of assets outstanding at each balance sheet date are disclosed as other non-financial assets. The cost of assets not ready for their intended use at each balance sheet date is disclosed as capital work-in-progress.

Depreciation is provided on a straight-line method, over the estimated useful life of each asset as prescribed in Schedule II of the Companies Act, 2013 as follows:

Asset	**Useful Life**
Building (Investment Property)	60 years
Office Equipment	5 years
Furniture and Fixture	10 years
Computers	3 years
Vehicles (Car, Lorry, Bus)	8 years
Vehicles (Bike, Moped, Cycle)	10 years
Servers	6 years

An item of property, plant and equipment, is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment, is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.8 Intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Cost comprise the purchase price and any attributable cost of bringing the asset to its working condition for its intended use

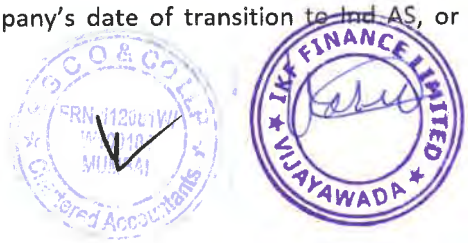
Intangible assets are amortised on a straight line basis over their estimated useful life.

The estimated useful life of intangible assets are as follows:

Asset	Useful Life
Software	6 years

2.9 Investment in Subsidiaries

Ind AS 101 permits a first time adopter to measure its investment, at the date of transition, at cost determined in accordance with Ind AS 27, or deemed cost. The deemed cost of such investment shall be its fair value at the Company's date of transition to Ind AS, or Previous



GAAP carrying amount at that date. The Company has elected to measure its investment in subsidiary at the Previous GAAP carrying amount as its deemed cost on the transition date.

2.10 Impairment of non-financial assets

Assessment is done at each balance sheet date as to whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, the recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting years may no longer exist or may have decreased.

2.11 Employee benefits

Defined Contribution Plan:

The Company has a defined contribution plan for post-employment benefits in the form of Provident Fund. Under the Provident Fund Plan, the Company contributes to a Government administered provident fund / recognized provident fund on behalf of the employees. The Company has no further obligation beyond making the contributions.

The Company's contributions to the above Plan are charged to the Statement of Profit and Loss.

Defined Benefit Plan:

The Company provides for gratuity to all employees. The benefit is in the form of lump sum payments to vested employees on resignation, retirement, or death while in employment or on termination of employment of an amount equivalent to 15 days basic salary payable for each completed year of service as required under 'The Payment of Gratuity Act, 1972'. Vesting occurs upon completion of five years of service.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit

to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:
- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non- routine settlements; and
- Net interest expense or income

An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Other Employee Benefits:

The employees of the Company are entitled to compensated absence and deferred compensation as per the policy of the Company, the liability in respect of which is provided, based on an actuarial valuation carried out by an independent actuary as at the year end. The actuarial valuation method used by the independent actuary for measuring the liability is the Projected Unit Credit Method.

Actuarial gains and losses comprise experience adjustments and the effects of changes in the actuarial assumptions are recognized immediately in the Statement of Profit and Loss in the year in which they arise.

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. Unutilised leave balance that accrues to employees as at the year end is charged to the Statement of Profit and Loss on an undiscounted basis.

2.12 Income Taxes

Income-tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income-tax expense is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in equity or in OCI.

(a) Current tax

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961, enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.
Current tax assets and liabilities are offset only if, the Company:

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- has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(b) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are reviewed at each reporting date and based on management's judgement, are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if the Company:
• has a legally enforceable right to set off current tax assets against current tax liabilities; and
• the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

2.13 Provision and contingencies

A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost.

A contract is considered as onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

2.14 Earnings per share

The Company reports basic and diluted earnings per share in accordance with Indian Accounting Standard 33 – "Earnings Per Share". Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share reflects the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by weighted average number of equity shares considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all potential equity shares.

2.15 Cash and cash equivalent

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

2.16 Statement of cash flows

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash future, any deferrals or accruals of past or future operating cash receipts or payments and item of expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.17 Share based payments

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting year, based on the Company`s estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting year, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in

Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve.

2.18 Statutory Reserve

In accordance with section 45-IC of the RBI Act, 1934, the Company creates a reserve fund and transfers therein a sum not less than twenty per cent of its net profit every year as disclosed in the Statement of Profit and loss before any dividend is declared.

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Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

3 Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	221.31	96.00
Balances with banks in current accounts	22,818.12	3,281.21
Total	**23,039.43**	**3,377.21**

Increase of cash and cash equivalents is on account of equity raised during the end of the financial year

4 Bank balance other than cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks to the extent held as margin money*	5,573.17	2,208.65
Total	**5,573.17**	**2,208.65**

*Represent margin money deposits placed to avail term loans from banks, financial institutions and as cash collateral in connection with securitisation transactions.

5 Loans (at Amortised Cost)

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Term loans	2,13,644.56	1,59,308.77
(ii) term loans - related parties	0.00	-
(iii) Staff loans	83.39	35.04
Total	**2,13,727.95**	**1,59,343.81**
Less: Impairment loss allowance	2,973.44	3,018.42
Total - Net of impairment loss allowance	**2,10,754.51**	**1,56,325.40**
(i) Secured by tangible assets*	2,13,644.56	1,59,308.77
(i) Secured by intangible assets	-	-
(ii) Covered by Bank/ Government Guarantees	-	-
(iii) Unsecured	83.39	35.04
Total	**2,13,727.95**	**1,59,343.81**
Less: Impairment loss allowance	2,973.44	3,018.42
Total - Net of impairment loss allowance	**2,10,754.51**	**1,56,325.40**
(i) Public sectors	-	-
(ii) Others	2,13,727.95	1,59,343.81
Total	**2,13,727.95**	**1,59,343.81**
Less: Impairment loss allowance	2,973.44	3,018.42
Total - Net of impairment loss allowance	**2,10,754.51**	**1,56,325.40**
(i) Loans in India	2,13,727.95	**1,59,343.81**
(ii) Loans outside India		
Total	**2,13,727.95**	**1,59,343.81**
Less: Impairment loss allowance	2,973.44	3,018.42
Total - Net of impairment loss allowance	**2,10,754.51**	**1,56,325.40**

*Secured against hypothecation of automobiles, book debts, equitable mortgage of immovable property etc.

5.1 The table below discloses credit quality and the maximum exposure to credit risk based on the company's year end stage classification. The numbers presented are gross of impairment loss allowance:

Particulars	As at March 31, 2023	As at March 31, 2022
Term loans		
Stage I	1,69,430.51	1,29,809.42
Stage II	38,155.73	25,161.20
Stage III	6,058.32	4,338.15
Total	**2,13,644.56**	**1,59,308.77**

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Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

5.2 Gross movement of loans for the year ended March 31, 2023:-

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount as at April 1, 2022				
Term loans	**1,29,809.42**	**25,161.20**	**4,338.15**	**1,59,308.77**
Staff loans	**35.04**	**-**	**-**	**35.04**
New loans originated during the year				
Term loans	1,18,581.75	7,959.69	729.63	1,27,271.07
Staff loans	48.80			48.80
Inter-stage movements:				
-Term loans				
Transfers to Stage 1	1,555.80	(1,542.59)	(13.21)	-
Transfers to Stage 2	(21,396.99)	21,423.38	(26.39)	
Transfers to Stage 3	(1,577.21)	(1,524.33)	3,101.54	-
Interest on stage 3 loans	-	-	69.56	69.56
Amounts written off				
Term loans	(123.40)	(27.92)	(343.48)	(494.81)
Staff loans	-	-	-	-
Assets derecognised or repaid (excluding write offs)				
Term loans	(57,418.86)	(13,293.70)	(1,797.48)	(72,510.03)
Staff loans	(0.45)	-	-	(0.45)
Gross carrying amount as at March 31, 2023				
Term loans	**1,69,430.51**	**38,155.74**	**6,058.32**	**2,13,644.56**
Staff loans	**83.39**	**-**	**-**	**83.39**

5.3 Gross movement of loans for the year ended March 31, 2022:-

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount as at April 1, 2021				
Term loans	**82,084.22**	**56,993.86**	**4,275.96**	**1,43,354.04**
Staff loans	**49.69**	**-**	**-**	**49.69**
New loans originated during the year				
Term loans	80,082.60	2,782.07	104.43	82,969.10
Staff loans	6.35			-
Inter-stage movements:				
-Term loans				
Transfers to Stage 1	17,315.85	(17,251.52)	(64.34)	-
Transfers to Stage 2	(8,774.35)	8,849.51	(75.16)	-
Transfers to Stage 3	(527.83)	(1,672.81)	2,200.63	-
Interest on stage 3 loans	-	-	84.13	84.13
Amounts written off				
Term loans	(48.00)	(103.66)	(584.28)	(735.94)
Staff loans	-	-	-	-
Assets derecognised or repaid (excluding write offs)				
Term loans	(40,323.07)	(24,436.26)	(1,603.23)	(66,362.56)
Staff loans	(14.65)	-	-	(14.65)
Gross carrying amount as at March 31, 2022				
Term loans	**1,29,809.42**	**25,161.20**	**4,338.15**	**1,59,308.77**
Staff loans	**35.04**	**-**	**-**	**35.04**

5.4 ECL movement of term loans during the year ended March 31, 2023:-

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount as at April 1, 2022	**989.64**	**563.47**	**1,465.31**	**3,018.42**
New loans originated during the year	709.16	140.40	87.58	937.14
Inter-stage movements:				
Transfers to Stage 1	45.96	(42.41)	(3.55)	-
Transfers to Stage 2	(276.13)	294.27	(18.14)	-
Transfers to Stage 3	(18.96)	(53.80)	72.76	-
Amounts written off	(4.80)	(4.38)	(320.19)	(329.36)
Assets derecognised or repaid (excluding write offs)	(130.05)	(150.56)	(321.64)	(602.25)
Net Remeasurement of ECL arising from transfer of stage	(341.49)	(35.09)	326.07	(50.50)
Gross carrying amount as at March 31, 2023	**973.33**	**711.90**	**1,288.21**	**2,973.44**

5.5 ECL movement of term loans during the year ended March 31, 2022:-

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount as at April 1, 2021	**678.70**	**1,355.87**	**1,208.00**	**3,672.10**
New loans originated during the year	648.57	68.49	39.11	756.16
Inter-stage movements:				
Transfers to Stage 1	654.22	(623.13)	(31.09)	
Transfers to Stage 2	(100.45)	140.51	(40.06)	
Transfers to Stage 3	(5.99)	(50.47)	56.46	
Amounts written off	(1.49)	(14.10)	(395.79)	(411.38)
Assets derecognised or repaid (excluding write offs)	(130.09)	(190.49)	(194.01)	
Net Remeasurement of ECL arising from transfer of stage	(753.83)	(123.21)	822.67	(54.36)
Gross carrying amount as at March 31, 2022	**989.64**	**563.47**	**1,465.31**	**3,018.42**

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Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

6 Other Financial Assets

Particulars	As at March 31, 2023	As at March 31, 2022
Rent and utility deposit	239.69	217.70
Excess Interest Spread (EIS) Receivables	1,926.33	1,450.27
Other -unsecured, considered good	85.55	132.99
Total	**2,251.57**	**1,800.96**

7 Investments

Particulars	As at March 31, 2023	As at March 31, 2022
Investment in Equity instruments		
- Subsidiary (at cost)		
IKF Home finance limited*	10,762.73	6,252.92
(March 31,2023:5,74,04,177 Equity shares of Rs 10 each fully paid ; March 31, 2022: 3,76,14,747 Equity shares of Rs. 10 each, fully paid & 1,97,89,430 Equity shares of Rs. 2.77, partly paid)		
Investment in Market Linked Debentures(at Fair Value through Profit or loss)	15,960.75	-
Investment in Debentures(at Amortised cost)	4,087.07	-
Total (A)	**30,810.55**	**6,252.92**
(i) Investments in India	30,810.55	6,252.92
(ii) Investments outside India		-
Total (B)	**30,810.55**	**6,252.92**

8 Other Non-Financial Assets

Particulars	As at March 31, 2023	As at March 31, 2022
Prepaid expenses	354.73	161.05
Advances to employees	0.27	2.39
GST input credit	523.41	403.98
Advance given for purchase of property	2,000.00	500.00
Total	**2,878.41**	**1,067.42**

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Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

9 Property, plant and equipment

Particulars	Furniture and Fixtures	Computer & Printer	Office equipment	Vehicles	Total	Right to Use Assets
Gross carrying amount						
As at March 31, 2021	**270.52**	**81.96**	**11.16**	**75.51**	**439.16**	**130.15**
Additions	28.52	58.05	-	-	86.57	4.92
Disposals		(0.25)	-	-	(0.25)	(1.67)
As at March 31, 2022	**299.04**	**139.76**	**11.16**	**75.51**	**525.48**	**133.39**
Additions	6.35	55.80	5.84	-	67.99	399.37
Disposals	(2.47)	(27.70)	(0.54)	-	(30.71)	(13.97)
As at March 31, 2023	**302.92**	**167.86**	**16.46**	**75.51**	**562.76**	**518.79**
Accumulated depreciation and impairment:						
As at March 31, 2021	**96.45**	**61.20**	**5.44**	**35.56**	**198.64**	**105.39**
Depreciation for the year	36.50	17.68	1.76	11.00	66.93	18.17
Disposals	-	(0.20)	-	-	(0.20)	(0.93)
As at March 31, 2022	**132.95**	**78.68**	**7.20**	**46.56**	**265.37**	**122.64**
Depreciation for the year	33.60	29.55	2.24	10.52	75.91	139.86
Disposals	(1.96)	(26.31)	(0.48)	- .00	(28.75)	(13.97)
As at March 31, 2023	**164.59**	**81.92**	**8.96**	**57.08**	**312.53**	**248.53**
Net book value						
As at March 31, 2021	174.07	20.76	5.72	39.95	240.52	24.77
As at March 31, 2022	166.09	61.09	3.97	28.94	260.11	10.75
As at March 31, 2023	138.33	85.94	7.50	18.43	250.23	270.26

Note: The Company has not revalued any of its property, plant and equipment during the years ended March 31, 2023 and March 31, 2022. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is nil.

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Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

10 Investment Property

Particulars	Buildings	Land	Total
Gross carrying amount			
As at March 31, 2021	**6.98**		**6.98**
Additions	-	224.11	224.11
Disposals	-	(116.10)	(116.10)
As at March 31, 2022	**6.98**	**108.01**	**114.99**
Additions	-	-	-
Disposals	-	(42.00)	(42.00)
As at March 31, 2023	**6.98**	**66.01**	**72.99**
As at March 31, 2021	**0.51**	-	**0.51**
Depreciation for the year	0.17	-	0.17
Disposals	-	-	-
As at March 31, 2022	**0.68**	-	**0.68**
Depreciation for the year	0.17	-	0.17
Disposals	-	-	-
As at March 31, 2023	**0.85**	-	**0.85**
Net book value			
As at March 31, 2021	6.47	-	6.47
As at March 31, 2022	6.30	108.01	114.31
As at March 31, 2023	6.13	66.01	72.14

(i) Amounts recognised in Statement of Profit and Loss for Investment Property

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Rental Income	7.63	7.63
Direct operating expense from property that generated rental income		-
Profit from investment properties before depreciation	**7.63**	**7.63**
Depreciation	0.17	0.17
Profit from investment properties	**7.46**	**7.46**

(ii) Contractual obligations

The Company has no contractual obligations to purchase, construct or develop investment property. However, the responsibility for its repairs, maintenance or enhancements is with the Company.

(iii) Fair value

The fair valuation of investment property as at March 31, 2023 is INR 394.18 lakhs(PY: INR 389.65 lakhs)

(iv) Pledged details

Building is pledged in favor of consortium leader central bank for cash credit facility.

(v) Estimation of fair value

The fair values of investment property is determined by guidance value given by the local government of the area where the investment properties are located.

(vi) Revaluation

The Company has not revalued any of its investment property during the years ended March 31, 2023 and March 31, 2022. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is nil.

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IKF FINANCE LIMITED VIJAYAWADA

IKF Finance Limited

Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

11 Intangible assets

Particulars	Computer software
Gross carrying amount	
As at March 31, 2021	**270.24**
Additions	27.54
Disposal	-
As at March 31, 2022	**297.78**
Additions	50.25
Disposal	-
As at March 31, 2023	**348.03**
Accumulated amortisation and impairment	
As at March 31, 2021	**99.67**
Amortisation for the year	43.70
Disposal	-
As at March 31, 2022	**143.37**
Amortisation for the year	48.29
Disposal	-
As at March 31, 2023	**191.65**
Net book value	
As at March 31, 2021	170.57
As at March 31, 2022	154.42
As at March 31, 2023	156.38

Note: The Company has not revalued any of its intangible assets during the years ended March 31, 2023 and March 31,2022. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is nil.

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IKF FINANCE LIMITED VIJAYAWADA

IKF Finance Limited

Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

12 Debt Securities

Particulars	As at March 31, 2023	As at March 31, 2022
At amortised cost		
Secured		
Non convertible debentures	10,125.66	11,369.58
Unsecured		
Other non convertible debentures	8,712.88	3,816.89
Total	**18,838.54**	**15,186.47**
Debt Securities:		
Within India	18,838.54	15,186.47
Outside India	-	-
Total	**18,838.54**	**15,186.47**

Nature of security

Non convertible debentures (secured)

Non convertible debentures are secured by an exclusive charge by way of hypothecation of specific loan receivable created out of the loan proceeds and mortgage of personal properties of directors in addition to their personal guarantees.

The Company has utilised the funds raised from banks and financial institutions for the specific purpose for which they were borrowed.

The Company has borrowed funds from banks and financial institutions on the basis of security of current assets. It has filed quarterly returns or statements of current assets with banks and financial institutions and the said returns/statements are in agreement with books of accounts.

Terms of repayment of Debt securities as on March 31, 2023

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Monthly repayment schedule								
1-7 Years	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Quarterly repayment schedule								
1-5 Years	9.01%-10.00%	-	-	-	-	-	-	-
	10.01%-11.00%	4	3,500.00	4	3,500.00	-	-	7,000.00
	11.01%-12.00%	-	-	-	-	-	-	-
	12.01%-12.50%	-	-	-	-	-	-	-
Bullet repayment schedule								
1-7 Years	8.51%-9.50%	1	5,000.00	-	-	-	-	5,000.00
	9.51%-10.50%	2	6,500.00	-	-	-	-	6,500.00
	10.51%-11.50%	-	-	-	-	-	-	-
	11.51%-12.50%	-	-	-	-	-	-	-
Total			**15,000.00**	**-**	**3,500.00**	-	-	**18,500.00**
Add : Interest accrued but not due								385.72
Less : Unamortized Finance Cost								(47.18)
Total Amortized Cost			**15,000.00**		**3,500.00**		-	**18,838.54**

Terms of repayment of Debt securities as on March 31, 2022

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Monthly repayment schedule								
1-7 Years	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Quarterly repayment schedule								
1-5 Years	9.01%-10.00%	-	-	-	-	-	-	-
	10.01%-11.00%	-	-	-	-	-	-	-
	11.01%-12.00%	-	-	-	-	-	-	-
	12.01%-12.50%	5	650.00	-	-	-	-	650.00
Bullet repayment schedule								
1-7 Years	8.51%-9.50%	1	1,250.00	1	5,000.00	-	-	6,250.00
	9.51%-10.50%	1.00	1,500.00	2	6,500.00	-	-	8,000.00
	10.51%-11.50%	-	-	-	-	-	-	-
	11.51%-12.50%	-	-	-	-	-	-	-
Total			**3,400.00**	**-**	**11,500.00**	-	-	**14,900.00**
Add : Interest accrued but not due								299.41
Less : Unamortized Finance Cost								(12.95)
Total Amortized Cost			**3,400.00**		**11,500.00**		-	**15,186.47**

CHARTERED ACCOUNTANTS FRN-112001W/W100044 MUMBAI

IKF FINANCE LIMITED VIJAYAWADA

IKF Finance Limited

Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

13 Borrowings (other than debt securities)

Particulars	As at March 31, 2023	As at March 31, 2022
At amortised cost		
Term loans (Secured)		
from banks	1,11,172.40	59,562.30
from non banking financial companies	26,757.56	10,993.61
from financial institutions	4,454.33	5,344.18
Loans repayable on demand (Secured):		
Cash credit from Bank	26,112.03	32,691.04
Associated liabilities in respect of securitisation transactions	-	871.72
Total	**1,68,496.32**	**1,09,462.84**
Borrowings:		
Within India	1,68,496.32	1,09,462.84
Outside India		
Total	**1,68,496.32**	**1,09,462.84**

Nature of security

Term loans (secured)

Term Loans from bank, financial institutions and NBFCs are secured by an exclusive charge by way of hypothecation of specific loan receivable created out of the loan proceeds and cash collateral by way of fixed deposits and mortgage of personal properties of directors in addition to their personal guarantees.

Loans repayable on demand (Secured)

These loans are secured against the first pari passu charge on current assets, book debts and receivables including loans & advances of the Company as per the agreement. Further, the loan has been guaranteed by personal guarantee of director/promoter to the extent of INR 332.20 Cr (March 31, 2022: INR 342.20 Cr).

The Company has utilised the funds raised from banks and financial institutions for the specific purpose for which they were borrowed

The Company has borrowed funds from banks and financial institutions on the basis of security of current assets. It has filed quarterly returns or statements of current assets with banks and financial institutions and the said returns/statements are in agreement with books of accounts.

Terms of repayment of borrowings (other than debt) as on March 31, 2023

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Monthly repayment schedule								
1-7 Years	6.00%-7.00%	-	-	-	-	-	-	-
	7.01%-8.00%	-	-	-	-	-	-	-
	8.01%-9.00%	71	5,190.28	100	7,240.50	-	-	12,430.78
	9.01%-10.50%	275	22,070.18	417	32,909.19	-	-	54,979.37
	10.51%-11.50%	36	2,262.97	38	2,463.37	-	-	4,726.34
	11.51%-12.50%	3	115.38	-	-	-	-	115.38
Quarterly repayment schedule								
1-5 Years	6.00%-7.00%	-	-	-	-	-	-	-
	7.01%-8.00%	4	1,820.00	7	3,180.00	-	-	5,000.00
	8.01%-9.00%	25	6,060.44	37	9,988.05	-	-	16,048.49
	9.01%-10.50%	62	14,416.67	112	26,683.06	-	-	41,099.73
	10.51%-11.50%	9	3,333.20	16	5,380.49	-	-	8,713.69
	11.51%-12.50%	-	-	-	-	-	-	-
Total			**55,269.12**		**87,844.66**		-	**1,43,113.78**
Add : Interest accrued but not due								196.30
Less : Unamortized Finance Cost								(925.79)
Total Amortized Cost			**55,269.12**	-	**87,844.66**	-	-	**1,42,384.29**

Terms of repayment of borrowings (other than debt) as on March 31, 2022

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Monthly repayment schedule								
1-7 Years	6.00%-7.00%	4	5,335.00	-	-	-	-	5,335.00
	7.01%-8.00%	12	930.71	11	869.33	-	-	1,800.04
	8.01%-9.00%	150	7,993.59	270	15,973.10	-	-	23,966.69
	9.01%-10.50%	35	1,250.32	21	1,175.66	-	-	2,425.98
	10.51%-11.50%	14	698.81	-	-	-	-	698.81
	11.51%-12.50%	28	1,692.40	-	-	-	-	1,692.40
Quarterly repayment schedule								
1-5 Years	6.00%-7.00%	-	-	-	-	-	-	-
	7.01%-8.00%	-	-	-	-	-	-	-
	8.01%-9.00%	47	9,853.33	93	19,850.83	-	-	29,704.16
	9.01%-10.50%	12	3,566.67	18	6,155.76	-	-	9,722.43
	10.51%-11.50%	5	832.98	-	-	-	-	832.98
	11.51%-12.50%	-	-	-	-	-	-	-
Total			**32,153.80**		**44,024.68**		-	**76,178.48**
Add : Interest accrued but not due								153.74
Less : Unamortized Finance Cost								(432.14)
Total Amortized Cost			**32,153.80**	-	**44,024.68**	-	-	**75,900.08**

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IKF FINANCE LIMITED VIJAYAWADA

IKF Finance Limited

Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

14 Subordinated Liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured - At amortised cost		
Non convertible debentures (Tier-II)	16,345.06	4,505.22
Indian rupee loan from banks (Tier-II)	-	1,498.23
Total	**16,345.06**	**6,003.46**
Subordinated Liabilities:		
Within India	**16,345.06**	**6,003.45**
Total	**16,345.06**	**6,003.45**

Terms of repayment of subordinated liabilities as on March 31, 2023

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Bullet repayment schedule								
1-7 Years	11.51%-12.50%	-	-	-	-	-	-	-
	>13.50%			1	2,500.00	1	14,000.00	16,500.00
Total					**2,500.00**		**14,000.00**	**16,500.00**
Add : Interest accrued but not due								8.98
Less : Unamortized Finance Cost								(163.92)
Total Amortized Cost					**2,500.00**		**14,000.00**	**16,345.06**

Terms of repayment of subordinated liabilities as on March 31, 2022

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Bullet repayment schedule								
1-7 Years	11.51%-12.50%	1.00	1,500.00	2	4,500.00	-	-	6,000.00
	>13.50%							-
Total					**4,500.00**		**-**	**6,000.00**
Add : Interest accrued but not due								37.37
Less : Unamortized Finance Cost								(33.92)
Total Amortized Cost					**4,500.00**		**-**	**6,003.45**

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IKF FINANCE LIMITED VIJAYAWADA

IKF Finance Limited

Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

15 Other financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Lease Liabilities	278.39	11.61
Employee benefits payable	318.14	216.76
Expenses payable	26.79	4.45
Other Payables	233.80	204.17
Deposit from franchisees	431.47	341.41
Payable towards securitisation / assignment transactions	1,632.75	1,251.73
Total	**2,921.34**	**2,030.13**

16 Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for gratuity	154.38	122.20
Provision for leave benefits	56.12	184.17
Total	**210.50**	**306.37**

17 Other non-financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory dues payable	179.07	99.50
Total	**179.07**	**99.50**

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IKF FINANCE LIMITED VIJAYAWADA

IKF Finance Limited

Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

18. Equity share capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number	Amount	Number	Amount
Authorised Capital				
Equity shares of INR 10 each	8,00,00,000	8,000.00	6,00,00,000	6,000.00
Preference shares of INR 100 each	25,00,000	2,500.00	25,00,000	2,500.00
	8,25,00,000	**10,500.00**	**6,25,00,000**	**8,500.00**
Issued, subscribed and fully paid-up shares				
Equity Shares of INR 10 each fully paid up	6,45,75,050	6,457.51	4,74,79,379	4,747.94
Coverted from Partly Paid to Fully Paid Equity Shares	-	-	51,79,688	517.97
	6,45,75,050	**6,457.51**	**5,26,59,067**	**5,265.91**
Issued, subscribed and fully paid-up shares				
Equity Shares of INR 10 each, Fully paid up INR 10 per share				
	-	-	51,79,688	517.97
Converted to Fully Paid Equity Shares			(51,79,688)	(517.97)
	-	-	-	-
Total	**6,45,75,050**	**6,457.51**	**5,26,59,067**	**5,265.91**

A. Reconciliation of number of shares

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number	Amount	Number	Amount
Fully paid equity share of INR 10 each				
At the beginning of the year	5,26,59,067	5,265.91	4,74,79,379	4,747.94
Shares issued during the year	1,19,15,983	1,191.60		
Coverted from Partly Paid to Fully Paid Equity Shares	-	-	51,79,688	517.97
Outstanding at the end of the year	**6,45,75,050**	**6,457.51**	**5,26,59,067**	**5,265.91**
Partly paid up equity share of INR 10 each, partly paid up INR 10 per share				
At the beginning of the year	-	-	51,79,688	419.55
Amount called/Issued during the year	-	-	-	98.41
Converted to Fully Paid Equity Shares	-	-	**-51,79,688**	(517.97)
Outstanding at the end of the year	-	-	-	-

Notes:

B. Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of INR 10 per share fully paid up. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend if and when proposed by the Board of Directors will be subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, if any, in proportion to the number of equity shares held by the shareholder.

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IKF FINANCE LIMITED VIJAYAWADA

IKF Finance Limited

Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

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

Name of shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of shares held	% Holding	No. of shares held	% Holding
Equity shares of INR 10 each fully paid up				
Vupputuri Gopala Kishan Prasad	1,98,53,581	30.74%	1,97,43,156	37.49%
India Business Excellence Fund-IIA	1,30,51,546	20.21%	1,30,51,546	24.78%
Vistra ITCL (India) Limited (formerly known as IL and FS Trust Company Limited) (Trustee of Business Excellence Trust-II - India Business Excellence Fund II)	78,04,018	12.09%	78,04,018	14.82%
Koganti Vasumathi Devi	26,47,266	4.10%	26,47,266	5.03%
Accion Digital Transformation Fund , LP	55,81,395	8.64%	-	-

As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

D. Shareholding of Promotors

Shares held by promotors at the end of the year	As at March 31, 2023			As at March 31, 2022		
	No. of Shares	% of Total Shares	% Change during the year	No. of Shares	% of Total Shares	% Change during the year
a. Equity shares of INR 10 each fully paid up *						
Vupputuri Gopala Kishan Prasad	1,98,53,581	30.74%	0.56%	1,97,43,156	37.49%	24.36%
Vupputuri Indira Devi	16,48,142	2.55%	0.00%	16,48,142	3.13%	24.21%
Koganti Vasumathi Devi	26,47,266	4.10%	0.00%	26,47,266	5.03%	24.21%
Devineni Vasantha Lakshmi	24,91,794	3.86%	0.00%	24,91,794	4.73%	24.21%
Vupputuri Raghu Ram	18,00,670	2.79%	0.00%	18,00,670	3.42%	24.21%
Durga Rani Chunduri	14,94,100	2.31%	0.00%	14,94,100	2.84%	0.00%
Sinha Satyanand Chunduri	1,17,700	0.18%	0.00%	1,17,700	0.22%	0.00%

* Partly paid shares are full paid and converted to fully paid equity shares in March 22

E. Aggregate number of equity shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

Particular	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Equity shares of ₹ 10 each, fully paid up, allotted on conversion of 19,53,125/- 0.01% Compulsorily convertible preference share of INR 100 each, Fully paid-up	-	-	-		195.31

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IKF FINANCE LIMITED VIJAYAWADA

IKF Finance Limited

Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

19. Other equity

Particulars	As at March 31, 2023	As at March 31, 2022
Capital reserve	32.50	32.50
Securities premium reserve	34,891.60	10,576.37
Share Based Payment reserve	20.63	24.62
Statutory Reserve under section 45-IC of the Reserve Bank of India Act, 1934	5,993.60	4,993.50
General reserve	1,471.49	1,221.46
Retained earnings	20,382.66	16,622.42
Total	**62,792.48**	**33,470.86**

Nature and purpose of reserve

a. Capital reserve

This reserve was created to record the excess carrying value of optionally convertible debentures provided through securities premium. The excess value is recorded by reversing the capital reserve with corresponding debit to debentures.

b. Securities premium reserve

The securities premium reserve is used to record the premium received on issue of shares. The reserve cab be utilised only for limited purpose such as issuance of bonus shares in accordance with provision of the Companies Act, 2013.

c. Statutory reserve

Reserves created under Section 45IC of The Reserve Bank of India Act, 1934

d. Share based payment reserve

The share based payment reserve is used to recognise the grant date fair value of options issued to employees of the Company and its subsidiaries under stock option schemes of the Company.

e. Retained earnings

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

f. General Reserve

It is a free reserve which is created by appropriation from profits of the current year and/or undistributed profits of previous years, before declaration of dividend duly complying with any regulations in this regard.

B. Movement in Other equity

Particulars	As at March 31, 2023	As at March 31, 2022
I. Capital Reserve		
Opening balance	32.50	32.50
Add : Share issued during the year	-	-
	32.50	**32.50**
II. Securities premium reserve		
Opening balance	10,576.37	9,960.39
Add : Premium received on issue of securities	24,315.23	615.97
Impact of first time adoption of Ind AS	-	-
	34,891.60	**10,576.37**
III. Share Based Payment reserve		
Opening balance	24.62	30.65
Add : During the year	-3.99	(6.03)
	20.63	**24.62**
IV. Statutory Reserve under section 45-IC of the Reserve Bank of India Act, 1934		
Opening balance	4,993.50	4,187.41
Add : Transfer from retained earnings	1,000.10	806.09
	5,993.60	**4,993.50**
V. General Reserve		
Opening balance	1,221.46	1,019.94
Add : Transfer from retained earnings	250.03	201.52
	1,471.49	**1,221.46**
VI. Retained earnings		
Opening balance	16,622.42	13,591.31
Add : Profit for the year	5,000.51	4,030.44
Add : Other comprehensive income	9.86	8.28
Appropriations:		
Transfer to Statutory Reserve u/s 45-IC of the Reserve Bank of India, 1934	(1,000.10)	(806.09)
Transfer to General reserve	(250.03)	(201.52)
Total	**20,382.66**	**16,622.42**

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IKF FINANCE LIMITED VIJAYAWADA

IKF Finance Limited

Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

20 Interest income

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
On financial assets measured at amortised cost		
Interest on loans	27,672.71	21,757.50
Interest on deposits with banks	122.43	141.80
Interest on investment in debentures	606.38	33.06
Total	**28,401.52**	**21,932.36**

21 Fees and commission income

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Other fees and charges	240.36	160.21
Total	**240.36**	**160.21**

22 Other income

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest on income tax refund	-	-
Rental income	7.63	7.63
Miscellaneous Income	10.17	22.61
Total	**17.80**	**30.25**

23 Finance costs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
On financial liabilities measured at amortised cost		
Interest on deposits	50.07	70.16
Interest on borrowings	11,440.35	6,879.65
Interest on commercial paper and bonds	-	-
Interest on debentures	1,354.17	2,720.03
Interest on subordinated liabilities	1,506.21	800.06
Interest on ICD	126.42	265.90
Interest on lease liabilities	33.63	2.12
Interest on securitisation	99.70	475.13
Bank Charges	5.51	9.57
Other finance cost	786.57	565.04
Total	**15,402.63**	**11,787.65**

24 Impairment on financial instruments

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
On financial instruments measured at amortised cost		
Loans	(44.98)	(224.16)
Trade receivables	-	(26.21)
Bad debts and write offs	584.83	762.15
Total	**539.85**	**511.78**

25 Employee benefits expenses

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries and wages	4,057.01	2,964.03
Contribution to provident and other funds	216.75	165.42
Share based payment to employees	(3.99)	(6.03)
Staff welfare expenses	84.87	43.05
Gratuity	47.37	34.49
Leave encashment	(104.57)	47.07
Total	**4,297.44**	**3,248.03**

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26 Depreciation, amortization and impairment

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation on property, plant and equipment	215.77	85.10
Depreciation on investment property	0.17	0.17
Amortization of intangible assets	48.29	43.70
Total	**264.23**	**128.96**

27 Other expenses

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Rent	245.30	200.31
Communication cost	75.23	49.06
Travelling and conveyance	212.14	113.57
Rates and taxes	379.17	224.80
Insurance	3.31	3.83
Commission and Brokerage	49.38	17.20
Repairs and maintenance	72.54	66.61
Printing and stationary	40.64	28.68
Payment to auditors (Refer Note 27.1)	26.20	32.97
Advertisement, publicity and sales promotion expenses	11.49	3.36
Operation Cost	31.30	29.84
Legal and professional fees	144.54	128.29
Corporate social responsibility (Refer Note 27.2)	91.29	96.53
Director sitting fees	7.50	1.00
Loss on sale of property, plant and equipment	1.91	-
Loss on sale of Investment Property	3.15	6.10
Miscellaneous expenses	29.71	16.97
Total	**1,424.80**	**1,019.11**

27.1 Payment to the auditors:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Auditor's remuneration		
- Audit fees (including Limited review fees)	25.00	31.00
In other capacity		
- Certification services	1.20	1.91
Other of pocket expenses	-	0.06
Total	**26.20**	**32.97**

27.2 Corporate social responsibility:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
a) Amount required to be spent by the company during the year	90.94	88.85
b) Amount of expenditure incurred		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	91.29	96.53
c) Shortfall at the end of the year	-	-
d) Total of previous years shortfall	-	-
e) Net Shortfall	-	-
f) Reason for shortfall	NA	NA
g) Nature of CSR activities	Disaster relief, Sanitation and Hygiene.	Disaster relief, Sanitation and Hygiene.
h) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting	-	-
i) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	-	-

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Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

28 Income tax

(a) Income tax expense

Particulars	Year ended March 31, 2023 INR	Year ended March 31, 2022 INR
Current tax		
Current tax on profits for the year	1,461.47	1,487.04
Adjustment for current tax of the prior periods	12.91	10.06
Subtotal (A)	**1,474.38**	**1,497.10**
Deferred tax		
Decrease/(Increase) in deferred tax assets	(91.42)	52.59
(Decrease)/Increase in deferred tax liabilities	343.94	(155.62)
Subtotal (B)	**252.53**	**(103.03)**
Deferred tax asset/ (liability) relating to items recognised in other Comprehensive Income (C)	**(3.32)**	**(2.79)**
Income tax expense for the year (A+B+C)	**1,730.22**	**1,396.85**

(b) Deferred tax

The major components of deferred tax (liabilities) arising on account of timing differences for the year ended March 31, 2023:

Particulars	Net balance March 31, 2022	Recognised in profit or loss	Recognised in OCI	Net balance March 31, 2023
Deferred tax assets				
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	77.11	(20.81)	(3.32)	52.98
Impact of provision for expected credit loss on loans	617.45	(11.97)		605.48
Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	4.98	3.70		8.68
Impact of leases under Ind AS 116	2.92	67.14		70.06
Share based payment	6.21	(1.01)		5.20
Others	-	-		-
EIR impact of financial asssets and liabilities	(39.98)	51.05		11.06
(A)	**668.67**	**88.10**	**(3.32)**	**753.46**
Deferred tax liabilities				
Impact of amortisation of anciallary borrowing cost	120.56	165.58		286.13
EIR impact of financial asssets and liabilities				
Impact of direct assignment and securitisaton transactions	379.46	95.55		475.01
Interest income recognised on stage 3 loans	95.60	17.51		113.11
Others	2.71	65.31		68.03
(B)	**598.33**	**343.94**	**-**	**942.28**
Deferred tax assets (net) (A-B)	**70.34**	**(255.84)**	**(3.32)**	**(188.82)**

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Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

The major components of deferred tax (liabilities) arising on account of timing differences for the year ended March 31, 2022:

Particulars	Net balance March 31, 2021	Recognised in profit or loss	Recognised in OCI	Net balance March 31, 2022
Deferred tax assets				
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	69.35	10.55	(2.79)	77.11
Impact of provision for expected credit loss on loans	680.46	(63.01)	-	617.45
Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	2.58	2.40	-	4.98
Impact of leases under Ind AS 116	6.71	(3.79)	-	2.92
Share based payment	7.72	(1.52)	-	6.21
Others	-		-	-
(A)	**766.82**	**(55.38)**	**(2.79)**	**708.66**
Deferred tax liabilities				
Impact of amortisation of anciallary borrowing cost	119.00	1.56	-	120.56
EIR impact of financial asssets and liabilities	86.49	(46.51)	-	39.98
Impact of direct assignment and securitisaton transactions	507.77	(128.31)	-	379.46
Interest income recognised on stage 3 loans	74.43	21.17	-	95.60
Others	6.24	(3.53)	-	2.71
(B)	**793.94**	**(155.62)**	**-**	**638.31**
Deferred tax assets (net) (A-B)	**(27.11)**	**100.25**	**(2.79)**	**70.34**

(c) Reconciliation of effective tax rate

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
	INR	INR
Profit before tax as per Statement of profit and loss (A)	6,730.73	5,427.29
Applicable income tax rate	25.17%	25.17%
Expected Income Tax Expense (B)	1,693.99	1,365.94
Tax effect of:		
Effect of income exempt from tax	(0.55)	(0.55)
Effect of expenses/provisions not deductible in determining taxable profit	23.31	24.31
Effect of differential tax rate	-	-
Adjustment related to tax of prior years	12.91	10.06
Others	0.56	(2.92)
Income tax expense	**1,730.22**	**1,396.85**

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Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

29 Employee Benefits

a. Defined contribution plan - provident funds

In accordance with Employees' Provident Fund and Miscellaneous Provisions Act, 1952, employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which, both the employee and the Company contribute monthly at a determined rate. These contributions are made to a recognized provident fund administered by Regional Provident Fund Commissioner. The employees contribute 12% of their basic salary and the Company contributes an equal amount.

The Company recognised INR 216.75 lakhs (PY: INR 165.42 lakhs) for year ended March 31, 2023, for provident fund and other contributions in the Statement of profit and loss.

b. Defined Benefit Plan - Gratuity

The Company has a defined benefit gratuity plan (unfunded). Every employee who has completed five years or more of service is eligible for gratuity on cessation of employment and it is computed at 15 days salary (last drawn salary) for each completed year of service subject to limit of INR 20 lakhs as per The Payment of Gratuity Act. 1972.

The following tables summarizes the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the Balance Sheet for the gratuity plan.

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of obligation (A)	154.38	122.20
Fair Value of plan assets (B)	-	-
Present value of obligation (A- B)	154.38	122.20

Particulars	As at March 31, 2023	As at March 31, 2022
Obligation expected to be settled in the next 12 months	15.02	9.62
Obligation expected to be settled beyond next 12 months	139.37	112.58

Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

Particulars	Defined Benefit Obligation		Fair Value of plan assets		Net defined benefit (asset) liability	
	March 31, 2023.	March 31, 2022.	March 31, 2023.	March 31, 2022.	March 31, 2023.	March 31, 2022.
Opening balance	122.20	110.45	-	-	122.20	110.45
Current service cost	38.50	27.26	-	-	38.50	27.26
Past service cost	-	-	-	-	-	-
Interest cost (income)	8.87	7.23	-	-	8.87	7.23
Defined benefit cost included in P&L	**47.37**	**34.49**	**-**	**-**	**47.37**	**34.49**
Other comprehensive income						
Remeasurement loss (gain) due to:						
Demographic assumptions	-	-	-	-	-	-
Financial assumption	(1.89)	(3.69)	-	-	(1.89)	(3.69)
Experience adjustments	(10.87)	(7.38)	-	-	(10.87)	(7.38)
Total remeasurements in OCI	**(12.77)**	**(11.07)**	**-**	**-**	**(12.77)**	**(11.07)**
Others						
Benefits paid	(2.42)	(11.67)	-	-	(2.42)	(11.67)
Closing balance	**154.38**	**122.20**	**-**	**-**	**154.38**	**122.20**

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

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate	7.51%	7.33%
Salary escalation rate	6.00%	6.00%
Withdrawal/attrition rate (based on categories)	9.00%	9.00%
Mortality rate (as % of IALM (2012-14) Ult. Mortality Table)	100.00%	100.00%
Disability rate	0.00%	0.00%
Expected weighted average remaining working lives of employees	25.36 years	24.90 years

Notes:
a) The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields / rates available on applicable bonds as on the current valuation date.

b) The salary growth rate indicated above is the Company's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

c) Attrition rate indicated above represents the Company's best estimate of employee turnover in future (other than on account of retirement, death or disablement) determined considering various factors such as nature of business, retention policy, industry factors, past experience, etc.

Sensitivity analysis:
Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	As at March 31, 2023		As at March 31, 2022	
	Increase	Decrease	Increase	Decrease
Salary escalation Rate (+/- 1%)	165.19 7.00%	144.64 -6.31%	130.98 7.20%	114.20 -6.50%
Discount Rate (+/- 1%)	144.60 -6.34%	165.47 7.18%	114.15 -6.60%	131.33 7.50%
Withdrawal Rate (+/- 1%)	154.54 0.10%	154.13 -0.17%	122.42 0.20%	121.90 -0.20%

The Sensitivity is performed on the defined benefit obligation at the respective valuation date by modifying one parameter whilst retaining other parameters constant. There are no changes from the previous year to the methods and assumptions underlying the sensitivity analyses.

Expected future contributions
The Best Estimate Contribution for the Company during the next year would be INR Nil

Expected cash flow for following years:

Maturity Profile of Defined Benefit Obligations	
Year 1	15.12
Year 2	13.52
Year 3	26.88
Year 4	12.57
Year 5	19.90
Year 6	13.51
Year 7	12.26
Year 8	12.33
Year 9	14.05
Year 10	14.41
Year 11+	138.94

The weighted average duration of the defined benefit obligation is 7.77

c. **Compensated absences :**
The Company provides for accumulated compensated absences as at the balance sheet date using projected unit credit method based on actuarial valuation.

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of unfunded obligation	56.12	184.17
Expenses recognised in the Statement of Profit and Loss	(104.57)	47.07

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Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

30 Earnings per share

Particulars	As at March 31, 2023	As at March 31, 2022
Profit for the year	**5,000.51**	**4,030.44**
Weighted average number of equity shares used in calculating basic earnings per share	536.99	516.78
Effect of potential dilutive Equity Shares on account of unexercised employee stock options	0.19	0.23
Weighted average number of equity shares and potential equity shares used in calculating diluted earnings per share	**537.18**	**517.01**
Basic earnings per share	**9.31**	**7.80**
Diluted earnings per share	**9.31**	**7.80**

31 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Promoters of the Company. The Company operates only in one Business Segment i.e. lending, since the nature of the loans are exposed to similar risks and return profiles, hence they are collectively operating under a single segment. Accordingly the Company does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

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32 Transfer of financial assets

Transfer of financial assets that are not derecognised in their entirety

(i) Securitisations:
The Company uses securitisations as a source of finance. Such transactions generally result in the transfer of contractual cash flows from portfolios of financial assets to holders of issued debt securities. Securitisation has resulted in the continued recognition of the securitised assets.

The table below outlines the carrying amounts and fair values of all financial assets transferred that are not derecognised in their entirety and associated liabilities.

Particulars	As at March 31, 2023	As at March 31, 2022
Carrying amount of transferred assets measured at amortised cost	-	1,195.10
Carrying amount of associated liabilities	-	871.72

The carrying amount of above assets and liabilities is a reasonable approximation of their fair values.

Transfer of financial assets which qualify for derecognition in their entirety

(i) Assignment transaction

The Company has sold loans and advances measured at amortised cost under assignment deals, as a source of finance. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the buyer, the assets have been derecognised from the Company's balance sheet.

The gain arising on said transactions are recorded upfront by discounting the future cash flows accruing in the form of differential interest on such assigned loan to their present values.

The table below summarises the carrying amount of the Excess Interest Spread (EIS) receivable on above transaction which are derecognised

Particulars	As at March 31, 2023	As at March 31, 2022
Carrying amount of EIS receivable	1,926.33	1,450.27

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Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

33 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulars	As at March 31, 2023			As at March 31, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	23,039.43		23,039.43	3,377.21	-	3,377.21
Bank Balance other than cash and cash equivalents	4280.30	1292.87	5,573.17	1274.79	933.86	2,208.65
Loans	76173.43	134581.08	2,10,754.51	65514.88	90810.52	1,56,325.40
Investments	20,047.82	10,762.73	30,810.55	-	6,252.92	6,252.92
Other Financial assets	1,417.27	834.30	2,251.57	1,173.95	627.01	1,800.96
Sub total	**1,24,958.25**	**1,47,470.98**	**2,72,429.23**	**71,340.83**	**98,624.31**	**1,69,965.14**
Non-financial assets						
Current Tax assets (Net)	372.98		372.98	183.04	-	183.04
Deferred Tax assets (Net)		-	-	-	70.34	70.34
Investment Property		72.14	72.14	-	114.31	114.31
Property, plant and equipment		250.23	250.23	-	260.11	260.11
Right to Use Assets		270.26	270.26	-	10.75	10.75
Intangible assets		156.38	156.38	-	154.42	154.42
Other non-financial assets	0.27	2,878.14	2,878.41	2.39	1,065.03	1,067.42
Sub total	**373.25**	**3,627.16**	**4,000.41**	**185.43**	**1,674.96**	**1,860.39**
Total assets	**1,25,331.50**	**1,51,098.13**	**2,76,429.64**	**71,526.26**	**1,00,299.26**	**1,71,825.53**
LIABILITIES AND EQUITY						
LIABILITIES						
Financial liabilities						
Debt Securities	15,385.72	3,452.82	18,838.54	3,699.42	11,487.05	15,186.47
Borrowings (Other than Debt Securities)	81,577.44	86,918.88	1,68,496.32	65,827.60	43,635.24	1,09,462.84
Subordinated Liabilities	8.98	16,336.07	16,345.06	1,537.37	4,466.08	6,003.45
Other Financial liabilities	2,641.02	280.32	2,921.34	1,808.65	221.48	2,030.13
Sub total	**99,613.16**	**1,06,988.10**	**2,06,601.26**	**72,873.04**	**59,809.85**	**1,32,682.89**
Non-Financial liabilities						
Provisions	26.62	183.87	210.50	31.70	274.67	306.37
Deferred tax liabilities (Net)	188.82		188.82	-	-	-
Other non-financial liabilities	179.07		179.07	99.50	-	99.50
Sub total	**394.51**	**183.87**	**578.38**	**131.20**	**274.67**	**405.87**
Total liabilities	**1,00,007.67**	**1,07,171.97**	**2,07,179.64**	**73,004.24**	**60,084.52**	**1,33,088.76**

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Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

34 Changes in liabilities arising from financing activities

Particulars	As at March 31, 2022	Cash Flows (net)	Others (net)*	As at March 31, 2023
Subordinated liabilities	6,003.44	10,500.00	(158.39)	16,345.05
Debt securities	15,186.48	3,600.00	52.07	18,838.55
Borrowing other than debt securities	1,09,462.84	60,356.30	(1,322.82)	1,68,496.31
	1,30,652.75	**74,456.30**	**(1,429.14)**	**2,03,679.91**

Particulars	As at March 31, 2021	Cash Flows (net)	Others (net)*	As at March 31, 2022
Subordinated liabilities	5,986.80	-	16.65	6,003.44
Debt securities	33,687.94	(17,950.00)	(551.48)	15,186.48
Borrowing other than debt securities	85,755.90	29,638.55	(5,931.61)	1,09,462.84
	1,25,430.64	**11,688.55**	**(6,466.44)**	**1,30,652.75**

* Others column includes the effect of accrued but not paid interest on borrowing, amortisation of processing fees and cash flows from securitisation etc.

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35 Employee Stock Option Plan (ESOP)

The Company had granted 5,62,860 Equity shares (face value of INR 10/- each) under Employee Stock Option Plan 2019 on June 11, 2019 to the employees of IKF Finance Limited. The shares will vest gradually and vesting of these shares is dependent on continued employment with the company.

A. Expenses arising from share-based payment transactions

Total expenses arising from equity - settled share-based payment transaction recognised in profit or loss as part of employee benefit expense for the year ended March 31, 2023 is INR (4.00) lakhs (March 31, 2022 - INR (6.03) lakhs).

B. Movement during the year

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year:

Particulars	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2022
	Number	WAEP	Number	WAEP
Outstanding at 1 April	2,06,000.00	120.00	3,56,930.00	120.00
Granted during the year	-		-	
Forfeited during the year	59,200.00	120.00	1,50,930.00	120.00
Exercised during the year	-		-	
Expired during the year	-		-	
Outstanding at 31 March	1,46,800.00	120.00	2,06,000.00	120.00
Exercisable at 31 March	1,02,760.00	120.00	92,700.00	120.00

No Share options granted during the year. No options were vested or exercised during the year.

The weighted average remaining contractual life for the share options outstanding as at March 31, 2023 is 0.15 years (March 31, 2022: 0.58 years).

The weighted average fair value of options granted during the year ending March 31, 2020 was 14.79

C. Fair value of options granted

The weighted average fair value of options granted during the year ending March 31, 2020 was 14.79. The fair value of options was determined using the Black Scholes Model using the following inputs as follows :

Particulars	As at March 31, 2023	As at March 31, 2022
Weighted average fair values at the measurement date	14.79	14.79
Expected volatility (%)	0.36%	0.36%
Risk--free interest rate (%)	4.50%	4.50%
Expected life of share options/SARs (years)	1.30 years to 4.30 years	1.30 years to 4.30 years
Weighted average share price (INR)	120.00	120.00

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

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36 Contingent liabilities and commitments

In the ordinary course of business, the Company faces claims and assertions by various parties. The Company assesses such claims and assertions and monitors the legal environment on an ongoing basis, with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

The Company believes that the outcome of these proceedings will not have a materially adverse effect on the Company's financial position and results of operations.

36.1 Contingent Liability

There are no Contingent Liabilities as on March 31, 2023 (March 31, 2022: INR 0.)

36.2 Commitment

There are no commitment as on March 31, 2023 (March 31, 2022: INR 0.)

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37 Leases

Company as a Lessee

The Company's lease asset classes primarily consist of leases for office spaces. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:(i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) . For these short-term leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Following are the changes in the carrying value of right of use assets

Particulars	As at March 31, 2023	As at March 31, 2022
Opening	10.78	24.77
Additions	399.37	4.92
Deletion	-	(0.74)
Depreciation	(139.86)	(18.17)
Closing Balance	**270.29**	**10.78**

The following is the movement in lease liabilities :

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning	11.61	26.68
Additions	380.28	4.80
Finance cost accrued during the period	33.63	2.12
Payment of lease liabilities	(147.12)	(21.99)
Balance at the end	**278.39**	**11.61**

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at March 31, 2023	As at March 31, 2022
Less than 3 months	38.51	2.61
Over 3 months & upto 6 months	38.51	2.76
Over 6 months & upto 1 year	77.05	3.18
Over 1 year & upto 3 years	164.28	9.81
Over 3 years	-	6.41

The following are the amounts recognised in statement of profit or loss:

Particulars	As at March 31, 2023	As at March 31, 2022
Depreciation expense of right-of-use assets	139.86	18.17
Interest expense on lease liabilities	33.63	2.12
Expense relating to short-term leases	245.30	200.31
Total amount recognised in profit or loss	**418.79**	**220.60**

Future Commitments:

Particulars	As at March 31, 2023
Future undiscounted lease payments for which the leases have not yet commenced	-

Extension / Termination Options:

Some of the leases contain extension and termination options. Such options are taken into account in the determination of the lease term only if extension or non-termination can be assumed with reasonable certainty. On this basis, there were no such amounts included in the measurement of lease liabilities as at March 31, 2023.

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38 Capital Management

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements iron its regulators and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

39 Analytical Ratios

Particulars	As at March 31, 2023			As at March 31, 2022	% Variance	Reasons for Variance (if above 25%)
	Numerator	Denominator	Ratio	Ratio		
Capital to Risk Weighted Assets Ratio (CRAR)	80,338.70	243322.36	33.02%	24.11%	36.95%	
Tier I CRAR	63,863.99	243322.36	26.25%	21.55%	21.79%	Increase on account of New equity raised during the year
Tier II CRAR	16,474.70	243322.36	6.77%	2.56%	164.62%	Increase on account of new tier II Capital raised during the year
Liquidity Coverage Ratio			NA	NA		

Note: As per the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, liquidity coverage ratio is not applicable on the company.

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40 Fair Value Measurement:

A. Valuation Principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques:

Level 1 - Valuation technique using quoted market price: financial instruments with quoted prices for identical instruments in active markets that Company can access at the measurement date.

Level 2 - Valuation technique using observable inputs: Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life.

Level 3 - Valuation technique with significant unobservable inputs: Those that include one or more unobservable input that is significant to the measurement as whole.

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

Particulars	Fair Value			Fair Value Hierarchy	Valuation Technique	Key Inputs for Level 2 & Level 3	Significant unobservable input(s) for Level 3
Financial Assets	Category	As at March 31, 2023	As at March 31, 2022				
Investment in Market Linked Debentures	FVTPL	15,960.75	0.00	Level 2	Mark-to-Market of the debt insrument	Valuation received from the rating agency	NA

B. Fair value of financial instrument not measured at fair value:

The table below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non-financial assets and non-financial liabilities.

Particulars	Level	Carrying value		Fair value	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Financial Assets					
Cash and cash equivalents	1	23,039.43	3,377.21	23,039.43	3,377.21
Bank Balance other than cash and cash equivalents	1	5,573.17	2,208.65	5,573.17	2,208.65
Loans	2	210,754.51	156,325.40	212,021.80	161,025.03
Rent and utility deposits	2	239.69	217.70	239.69	217.70
EIS receivable	2	1,926.33	1,450.27	1,926.33	1,450.27
Other financial assets	2	85.55	132.99	85.55	132.99
Investment in debentures	2	4,087.07	-	4,087.07	-
		245,705.75	**163,712.21**	**246,973.05**	**168,411.85**
Financial Liabilities					
Debt securities	2	18,838.54	15,186.47	19,252.78	15,506.33
Borrowings (other than debt securities)	2	168,496.32	109,462.84	168,231.86	109,459.96
Subordinated Liabilities	2	16,345.06	6,003.45	16,458.38	6,099.99
Other financial liabilities	2	2,921.34	2,030.13	2,921.34	2,030.13
Total Financial liabilities		**206,601.26**	**132,682.89**	**206,864.36**	**133,096.40**

Investment in subsidiary is measured at cost in accordance with Ind AS 27.

Valuation Methodologies of Financial Instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables and, as such, may differ from the techniques and assumptions explained in notes.

Short Term Financial Assets and Liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, bank balance other than cash and cash equivalents, trade receivables, rent and utility deposits and other financial liabilities.

Loans and advances to customers

The fair values of loans are estimated by discounted cash flow models based on contractual cash flows using actual or estimated yields.

Borrowings other than debt securities, Debt securities and Subordinated liabilities

The fair value of issued debt is estimated by a discounted cash flow model incorporating the Company's own credit risk.

EIS receivable

EIS receivable is calculated by discounting the contractual future cash flows. The carrying value closely approximates its fair value.

C. Categories of Financial Instruments :

Particulars	As at March 31, 2023			
	Amortised cost	At Fair Value Through profit or loss	At Deemed Cost	Total
Cash and cash equivalents	23,039.43	-	-	23,039.43
Bank Balance other than included in (a) above	5,573.17	-	-	5,573.17
Loans	210,754.51	-	-	210,754.51
Investments	4,087.07	15,960.75	10,762.73	30,810.55
Other financial assets	2,251.57	-	-	2,251.57
Total	**245,705.75**	**15,960.75**	**10,762.73**	**272,429.23**
Debt securities	18,838.54	-	-	18,838.54
Borrowings (other than debt securities)	168,496.32	-	-	168,496.32
Subordinated Liabilities	16,345.06	-	-	16,345.06
Other financial liabilities	2,921.34	-	-	2,921.34
Total	**206,601.26**	-	-	**206,601.26**

Particulars	As at March 31, 2022			
	Amortised cost	At Fair Value Through profit or loss	At Deemed Cost	Total
Cash and cash equivalents	3,377.21	-	-	3,377.21
Bank Balance other than included in (a) above	2,208.65	-	-	2,208.65
Loans	156,325.40	-	-	156,325.40
Investments	-	-	6,252.92	6,252.92
Other financial assets	1,800.96	-	-	1,800.96
Total	**163,712.22**	-	**6,252.92**	**169,965.14**
Debt securities	15,186.47	-	-	15,186.47
Borrowings (other than debt securities)	109,462.84	-	-	109,462.84
Subordinated Liabilities	6,003.45	-	-	6,003.45
Other financial liabilities	2,030.13	-	-	2,030.13
Total	**132,682.89**	-	-	132,682.89

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41 Risk management

Risk is an integral part of the Company's business and sound risk management is critical to the success. As a financial intermediary, the Company is exposed to risks that are particular to its lending and the environment within which it operates and primarily includes credit, liquidity and market risks. The Board of Directors of the Company are responsible for the overall risk management approach and for approving the risk management strategies and principles. The Company has a risk management policy which covers all the risk associated with its assets and liabilities.

41.1 Introduction and Risk Profile

Risk management and mitigation

The Company's risks are measured using a method that reflects both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the ultimate actual loss. The models make use of probabilities derived from historical experience, adjusted to reflect the economic environment, as necessary.

The Company's policy is to measure and monitor the overall risk-bearing capacity in relation to the aggregate risk exposure across all risk types and activities.

It is the Company's policy to ensure that a robust risk awareness is embedded in its organisational risk culture. Employees are expected to take ownership and be accountable for the risks the Company is exposed to that they decide to take on. The Company's continuous training and development emphasises that employees are made aware of the Company's risk appetite and they are supported in their roles and responsibilities to monitor and keep their exposure to risk within the Company's risk appetite limits.

The Company is generally exposed to credit risk, liquidity risk, market risk, prepayment risk and operational risk.

41.2 Credit Risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical concentrations, and by monitoring exposures in relation to such limits.
Credit risk is monitored by the credit department of the Company. It is their responsibility to review and manage credit risk. Credit risk consists of line credit managers who are responsible for their business lines and manage specific portfolios and experts who support both the line credit manager, as well as the business with tools like credit risk systems, policies, models and reporting.
The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

Impairment assessment

The references below show where the Company's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the summary of significant accounting policies.

Definition of default and cure

The Company considers a financial instrument as defaulted and therefore Stage 3 (credit-impaired) for Expected Credit Loss (ECL) calculations in all cases when the borrower becomes more than 3 months past due on its contractual payments.

The staging criteria used by the Company is as below:

Loans months past due	Stage
Upto 1 month	Stage 1
Between 1 month to 3 months	Stage 2
More than 3 months	Stage 3

The Company considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes past due for more than 3 months on its contractual payments.

It is the Company's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage 3 when the due amount have been paid. The decision whether to classify an asset as Stage 2 or Stage 1 once cured depends on the updated credit grade, at the time of the cure, and whether this indicates there has been a significant increase in credit risk compared to initial recognition.

Exposure at default (EAD)

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the ability to increase its exposure while approaching default and potential early repayments too.

To calculate the EAD for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12 months ECL.
For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments.

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Probability of default (PD)

The Probability of Default is an estimate of the likelihood of default over a given time horizon. To calculate the ECL for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12month ECL. For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments. The Company uses historical information wherever available to determine PD

Loss given Default (LGD)

LGD is the estimated loss that the Company might bear if the borrower defaults. The Company determines its recovery (net present value) by analysing the recovery trends, borrower rating, collateral value and expected proceeds from sale of asset.

LGD Rates have been computed internally based on the discounted recoveries in defaulted accounts that are closed/ written off/ repossessed and upgraded during the year.

When estimating ECLs on a collective basis for a group of similar assets, the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

Significant increase in credit risk

The Company continuously monitors all assets subject to ECLs in order to determine whether an instrument or a portfolio of instruments is subject to 12 month ECL or lifetime ECL. The Company assesses whether there has been an event which could cause a significantly increase in the credit risk of the underlying asset or the customers ability to pay and accordingly change the 12 month ECL to a lifetime ECL.

If contractual payments are more than 30 days past due, the credit risk is deemed to have increased significantly since initial recognition.

Concentration of Credit Risk

Company's loan portfolio is predominantly to finance commercial vehicle loans. The Company manages concentration of risk primarily by geographical region. The following tables show the region-wise concentrations of net terms loans.

Geography	March 31, 2023.	March 31, 2022.
West	59,658.29	37,808.22
Central	8,709.95	5,531.19
South	1,45,276.32	1,15,969.36
	2,13,644.56	**1,59,308.77**

Quantitative Information of Collateral

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

As at March 31, 2023	Loan to value			
	Upto 50%	51%-70%	More than 70%	Total
Cars & Muvs	1130.94	23,463.73	12,695.19	37,289.86
Commercial Vehicles	1,578.17	31,736.73	29,246.64	62,561.54
Construction Equipment	4,047.76	17,681.56	23,318.34	45,047.66
Three Wheeler	34.88	10,852.93	1,572.51	12,460.32
Tractor	152.27	2,362.86	408.85	2,923.98
Two Wheeler	894.05	1,080.67	462.34	2,437.06
SME	39,829.78	4,335.27	6,759.09	50,924.14
Total	**47,667.85**	**91,513.75**	**74,462.96**	**2,13,644.56**

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As at March 31, 2022	Loan to value			
	Upto 50%	51%-70%	More than 70%	Total
Cars & Muvs	1,224.12	19,288.11	10,382.32	30,894.55
Commercial Vehicles	2,350.49	28,154.20	14,292.21	44,796.91
Construction Equipment	3,477.80	14,367.04	12,146.46	29,991.30
Three Wheeler	48.26	9,201.86	1,808.16	11,058.28
Tractor	203.45	2,018.47	381.49	2,603.41
Two Wheeler	1,139.12	1,041.94	772.97	2,954.04
SME	6,491.94	4,304.85	26,213.51	37,010.29
Total	**14,935.19**	**78,376.45**	**65,997.12**	**1,59,308.77**

41.3 Liquidity Risk

In assessing the Company's liquidity position, consideration shall be given to: (1) present and anticipated asset quality (2) present and future earnings capacity (3) historical funding requirements (4) current liquidity position (5) anticipated future funding needs, and (6) sources of funds. The Company maintains a portfolio of marketable assets that are assumed to be easily liquidated and undrawn cash credit limits which can be used in the event of an unforeseen interruption in cash flow. The Company also enters into securitization deals (direct assignment as well as pass through certificates) of their loan portfolio, the funding from which can be accessed to meet liquidity needs. Net liquid assets consist of cash and short–term bank deposits. Borrowings from banks and financial institutions and issue of Non convertible debentures are considered as important sources of funds to finance lending to customers.

Analysis of financial assets and liabilities by remaining contractual maturities:

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at March 31, 2023.

Particulars	Less than 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years	Total
Financial assets						
Cash and cash equivalents	6,239.43	-	16,800.00	-	-	23,039.43
Bank Balance other than included in (a) above	3,587.71	514.95	294.64	1,389.27	-	5,786.57
Loans	24,272.24	27,193.57	52,365.27	1,39,232.39	24,521.28	2,67,584.76
Investments	20,047.82	-	-	-	10,762.73	30,810.55
Other financial assets	521.66	385.06	580.15	692.05	254.36	2,433.27
Total undiscounted financial assets	**54,668.86**	**28,093.58**	**70,040.06**	**1,41,313.70**	**35,538.36**	**3,29,654.57**
Financial liabilities						
Subordinated Liabilities	566.01	571.32	1,137.10	4,539.82	20,644.59	27,458.84
Debt securities	6,310.82	2,983.62	7,116.57	3,732.82	-	20,143.83
Borrowings (other than debt securities)	20,277.82	17,255.58	56,758.18	85,377.77	11,035.39	1,90,704.73
Other financial liabilities	2,470.62	55.10	123.90	279.57	51.21	2,980.40
Total undiscounted financial liabilities	**29,625.26**	**20,865.62**	**65,135.76**	**93,929.97**	**31,731.19**	**2,41,287.80**
Net undiscounted financial assets / (liabilities)	**25,043.60**	**7,227.96**	**4,904.30**	**47,383.73**	**3,807.17**	**88,366.77**

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at March 31, 2022.

Particulars	Less than 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years	Total
Financial assets						
Cash and cash equivalents	3,377.21	-	-	-	-	3,377.21
Bank Balance other than included in (a) above	267.49	906.32	122.85	999.25	-	2,295.91
Loans	32,748.04	19,308.14	33,438.99	96,340.47	16,332.84	1,98,168.48
Investments	-	-	-	-	6,252.92	6,252.92
Other financial assets	493.84	292.83	440.36	480.51	221.30	1,928.84
Total undiscounted financial assets	**36,886.58**	**20,507.29**	**34,002.20**	**97,820.23**	**22,807.06**	**2,12,023.36**
Financial liabilities						
Subordinated Liabilities	198.70	1,696.45	304.02	1,221.46	5,084.17	8,504.80
Debt securities	1,949.37	377.48	2,640.40	12,296.95	-	17,264.20
Borrowings (other than debt securities)	13,263.27	10,566.57	49,799.03	44,216.10	4,158.98	1,22,003.95
Other financial liabilities	1,723.42	18.60	77.09	275.92	-	2,095.03
Total undiscounted financial liabilities	**17,134.76**	**12,659.10**	**52,820.54**	**58,010.43**	**9,243.15**	**1,49,867.98**
Net undiscounted financial assets / (liabilities)	**19,751.82**	**7,848.19**	**(18,818.34)**	**39,809.80**	**13,563.91**	**62,155.38**

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The table below shows the contractual expiry by maturity of the Company's contingent liabilities and commitments. Each undrawn loan commitment is included in the time band containing the earliest date it can be drawn down.

Particulars	On demand	Less than 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years
As at March 31, 2023						
Guarantees and counter guarantees	-	-	-	-	-	-
Estimated amount of contracts remaining to be executed on capital account, net of advances	-	-	-	-	-	-
Total commitments	-	-	-	-	-	-
As at March 31, 2022						
Guarantees and counter guarantees	-	-	-	-	-	-
Estimated amount of contracts remaining to be executed on capital account, net of advances	-	-	-	-	-	-
Total commitments	-	-	-	-	-	-

41.4 Market Risk

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity, and other market changes. The objective of market risk management is to avoid excessive exposure of our earnings and equity to loss and reduce our exposure to the volatility inherent in financial instruments. There are broadly two types of market risks: (1) Interest rate risk, and (2) Price risk. The Company has not made investments in quoted equity instruments or other quoted investments and hence is not exposed to Equity price risk. Interest rate risk is discussed below:

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is subject to interest rate risk, primarily since it lends to customers at fixed rates and for maturity periods shorter than the funding sources.

The Company has taken borrowings at floating rates gives rise to interest rate risk. Interest rates are highly sensitive to many factors beyond control, including the monetary policies of the Reserve Bank of India, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. In order to manage interest rate risk, the Company seek to optimize borrowing profile between short-term and long-term loans. The Company adopts funding strategies to ensure diversified resource-raising options to minimize cost and maximize stability of funds. Assets and liabilities are categorized into various time buckets based on their maturities. The Interest Rate Risk is mitigated by availing funds at very competitive rates through diversified borrowings and for different tenors.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the portion of borrowings affected. With all other variables held constant, the profit before taxes affected through the impact on floating rate borrowings are as follows:

Impact on Profit before taxes	As at March 31, 2023	As at March 31, 2022
On Floating Rate Borrowings:		
1% increase in interest rates	(1,215.02)	(523.75)
1% decrease in interest rates	1,215.02	523.75

41.5 Prepayment risk

Prepayment risk is the risk that the Company will incur a financial loss because its customers and counterparties repay or request repayment earlier or later than expected, such as fixed rate loans like ours when interest rates fall.

41.6 Operational and business risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

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(Currency : INR in lakhs)

42 Related Party Disclosure

a. Name of related party and nature of relationship:

Enterprises having a significant influence	India Business Excellence Fund -IIA Vistra ITCL (india) Limied (formerly known as IL and FS trust Company Limited) (Trustee of Business Excellence Trust -II - India Business Excellence Fund - II)
Subsidiary	IKF Home Finance Limited (formerly known as IKF Housing Finance Private Limited)
Enterprises in which directors are interested	SVR Finance & Leasing Private Limited
Enterprises significantly influenced by Key Management Personnel and their relatives	IKF Infratech Private Limited
Relative of Key Management Personnel	Mrs. D. Vasantha Lakshmi Mr. V. Raghu Ram Mr. Sinha Satyanand Chunduri Mrs. Durga Rani Chunduri
Key Management Personnel (KMP)	Mr V.G.K.Prasad — Chairman Mrs. V. Indira Devi — Whole time Director Mrs. K Vasumathi Devi — Managing Director Mr.Sreepal Gulabchand Jain-Chief Financial Officer(Upto 10th February 2023) Mr. Ch.Sreenivasa Rao - Company Secretary and Chief Financial Officer

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42 Related Party Disclosure (continued)
b. Transaction with related parties:

Name of related party	Nature of transaction	For the FY 2022					For the FY 2023			
		As at March 31, 2021	Transaction value for the year ended March 31, 2022	Received During the year	Paid During The year	As at March 31, 2022	Transaction value for the year ended March 31, 2023	Received During the year	Paid During the Year	As at March 31, 2023
Key management personnel										
Mr. V G K Prasad	Rent paid	-	21.60	-	-	-	21.60	-	-	-
	Director's remuneration	-	75.83	-	-	-	84.00	-	-	-
	Director Commission Payable	41.55	51.02	-	41.55	51.02	63.27	-	51.02	63.27
	Rent deposit given	50.00	-	-	-	50.00	-	-	-	50.00
	Advance Received	-	-	-	-	-	-	-	-	-
	Interest paid on advance	-	-	-	-	-	-	-	-	-
	Share Capital (INR 10/- Paid up)	1587.56*	-	-	-	1974.32*	-	-	-	1985.36*
	Partly paid up shares (Rs 10 Paid Up) **	283.97	-	66.61	-	-	-	-	-	-
	Premium Received on Allotment of Partly Paid up Shares **	1,777.38	-	416.92	-	-	-	-	-	-
Mrs. V Indira Devi	Rent paid	-	48.00	-	-	-	48.00	-	-	-
	Director's remuneration	-	32.50	-	-	-	36.00	-	-	-
	Director Commission Payable	17.68	21.71	-	17.68	21.71	26.92	-	21.71	26.92
	Rent deposit given	38.50	-	-	-	38.50	-	-	-	38.50
	Share Capital (INR 10/- Paid up)	132.69	-	-	-	164.81	-	-	-	164.81
	Partly paid up shares (Rs 10 Paid Up) **	26.02	-	6.10	-	-	-	-	-	-
	Premium Received on Allotment of Partly Paid up Shares **	162.86	-	38.20	-	-	-	-	-	-
Mrs.K.Vasumathi Devi	Director's remuneration	-	54.17	-	-	-	60.00	-	-	-
	Director Commission Payable	29.17	35.82	-	29.17	35.82	44.42	-	35.82	44.43
	Share Capital (INR 10/- Paid up)	213.13	-	-	-	264.73	-	-	-	264.73
	Partly paid up shares (Rs 10 Paid Up) **	41.79	-	9.80	-	-	-	-	-	-
	Premium Received on Allotment of Partly Paid up Shares **	261.59	-	61.36	-	-	-	-	-	-
Mr.Sreepal Gulabchand Jain	Salary Paid	-	51.05	-	-	-	55.40	-	-	-
Mr.Ch.Sreenivasa Rao	Salary Paid	-	23.10	-	-	-	25.41	-	-	-
	Staff Loan	-	(10.00)	10.00	-	-	-	-	-	-
	Interest Received		0.04	-	-	-	-			
	ESOP Compensation	-	-	-	-	-	-	-	-	-
Relatives of key management personnel										
Mrs. D Vasantha Lakshmi	Share Capital (INR 10/- Paid up)	200.61	-		-	249.18	-	-	-	249.18
	Partly paid up shares (Rs 10 Paid Up) **	39.34	-	9.23		-	-	-	-	
	Premium Received on Allotment of Partly Paid up Shares **	246.23		57.76		-	-	-	-	
	Purchase of IKF Home Finance Limited Shares	-	-		-	-	-	-	-	-
Mr. V Raghu Ram	Share Capital (INR 10/- Paid up)	144.97	-		-	180.07	-	-	-	180.07
	Partly paid up shares (Rs 10 Paid Up) **	28.43	-	6.67	-	-	-	-	-	-
	Premium Received on Allotment of Partly Paid up Shares **	177.93	-	41.74	-	-	-	-	-	
Mr. Sinha Satyanand Chunduri	Share Capital (INR 10/- Paid up)	11.77	-	-	-	11.77	-	-	-	11.77
Mrs. Durga Rani Chunduri	Share Capital (INR 10/- Paid up)	149.41	-	-	-	149.41	-	-	-	149.41
IKF Home Finance Limited	Loan given	-	-	-	-	-	-	(400.00)	400.00	-
	Interest Received	-	-	-	-	-	1.42		-	-
	Inter Corporate deposits taken ***	-	-	(48,200.00)	48,200.00	-	-	(27,000.00)	27,000.00	-
	Interest Paid	-	265.90	-	-	-	126.42	-	-	-
	Direct Assignment	3,487.22	-	(704.24)	-	2,782.98	-	(803.10)	-	1,979.88
	Interest Receivable on Direct Assignment	22.85	441.76	(430.15)	-	34.46	313.39	(318.87)	-	28.98
	Investments in equity shares by IKF Finance Ltd.,	4,525.10	-	-	1,727.82	6,252.92	-	-	4,509.81	10,762.73
	Investments in equity shares Refundable				1.75	1.75		(1.75)	-	-
	Service Fee Collected	-	28.89	-	-	-	28.35	-	-	
	Service Fee Paid	-	-	-	-	-	-	-	-	
	Purchase of IKF Home Finance Limited Shares	-	-	-	-	-		-	-	
Enterprises significantly influenced by key management personnel or their relatives										
IKF Infratech Private Limited	Non Convertible Debentures	58.20*	-	-	58.20	-	-	-	-	-
	Interest Paid	1.38	0.76	-	2.14	-	-	-	-	-

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42 Related Party Disclosure (continued)

b. Transaction with related parties:

Name of related party	Nature of transaction	For the FY 2022					For the FY 2023			
		As at March 31, 2021	Transaction value for the year ended March 31, 2022	Received During the year	Paid During The year	As at March 31, 2022	Transaction value for the year ended March 31, 2023	Received During the year	Paid During the Year	As at March 31, 2023
Enterprises in which Directors are interested										
SVR Finance & Leasing Private Limited	Trade Advance	-	-	-	-	-	-	-	-	-
	Interest Paid	-	-		-	-	-	-	-	-
Enterprises having a significant influence										
India Business Excellence Fund-IIA	Share Capital (INR 10/- Paid up)	1,305.16	-	-	-	1,305.16	-	-	-	1,305.16
	Share Premium	-	-	-	-	-	-	-	-	
	Compulsorily Convertible Preference Shares of Rs 100/- Each (Converted into equity shares during the FY 2018-19)			-						
	Share premium on preference shares	-	-	-	-	-				
Vistra ITCL (India) Limited (formerly	Share Capital (INR 10/- Paid up)	780.40	-	-	-	780.40	-	-	-	780.40
	Share premium on preference shares	-	-		-	-				

Particulars	As at March 31, 2023	As at March 31, 2022
Short-term employee benefits	395.42	345.20
Post-employment benefits#	-	-
Long-term employee benefits	-	-
Termination benefits	-	-
Employee-share based payment	-	-
Total compensation	**395.42**	**345.20**

#As the provision for gratuity is made for the Company as a whole, the amount pertaining to the Key Management Personnel is not specifically identified and hence is not included above.
* The increased/Decreased value is relating to purchase of shares/debentures from the public.
** Partly paid shares are full paid and converted to fully paid equity shares
*** Inter Corporate Deposits taken from IKF Home Finance Ltd are at Interest of 8%

Notes:
(i) Transaction values are excluding taxes and duties.
(ii) Name of the related parties and nature of their relationships where control exists have been disclosed irrespective of whether or not there have been transactions with the Company. In other cases,
(iii) Related parties as defined under clause 9 of the Ind AS 24 'Related party disclosures' have been identified based on representations made by key managerial personnel and information available with the Company. All above transactions are in the ordinary course of business
(iv) The Company has not granted loans or advances to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, that is repayable on demand or without specifying any terms or period of repayment for the financial years ended March 31, 2023 and March 31, 2022.

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43 Disclosure pursuant to Reserve Bank of India notification DOR (NBFC).CC.PD.No.109 /22.10.106/2019-20 dated 13th March 2020 - Implementation of Indian Accounting Standards:
A comparison between provision required under IRACP and impairment allowances under Ind AS 109:
As at March 31, 2023

Asset Classification as per RBI Norms	Asset Classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provision required as per IRACP norms*	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard	Stage 1	1,69,430.51	973.33	1,68,457.18	678.69	294.65
	Stage 2	38,155.74	711.90	37,443.83	151.10	560.80
Subtotal for Performing Assets		**2,07,586.24**	**1,685.23**	**2,05,901.01**	**829.79**	**855.45**
Non-Performing Assets (NPA)						
Substandard	Stage 3	2,337.17	716.21	1,620.96	623.18	93.03
Doubtful - upto 1 year	Stage 3	3,721.15	572.00	3,149.15	351.53	220.47
Doubtful - 1 to 3 years	Stage 3	-	-	-	-	-
Doubtful - more than 3 years	Stage 3	-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**6,058.32**	**1,288.21**	**4,770.11**	**974.71**	**313.50**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal for other items		**-**	**-**	**-**	**-**	**-**
Total	**Stage 1**	**1,69,430.51**	**973.33**	**1,68,457.18**	**678.69**	**294.65**
	Stage 2	**38,155.74**	**711.90**	**37,443.83**	**151.10**	**560.80**
	Stage 3	**6,058.32**	**1,288.21**	**4,770.11**	**974.71**	**313.50**
	Total	**2,13,644.56**	**2,973.44**	**2,10,671.12**	**1,804.50**	**1,168.95**

* Provision required as per IRACP norms is excluding provision on interest income from Stage 3 loans.

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44 RBI Disclosures

The following additional information is disclosed in the terms of Master Direction - Non-Banking Financial Company - Systematically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 issued vide Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 01, 2016 as amended.

44.01 Capital to Risk Asset Ratio (CRAR)

Particulars	As at March 31, 2023	As at March 31, 2022
Tier I Capital	63,863.99	35,287.42
Tier II Capital	16,474.70	4,189.64
Total Capital	80,338.70	39,477.07
Total Risk Weighted Assets	2,43,322.36	1,63,803.79
CRAR (%)	33.02%	24.11%
CRAR - Tier I Capital (%)	26.25%	21.55%
CRAR - Tier II Capital (%)	6.77%	2.56%
Amount of subordinated debt raised as Tier - II Capital	16,500.00	6,000.00
Amount raised by issue of perpetual debt instruments	-	-

"Tier I capital", "Tier II capital", "Owned fund" and Capital adequacy ratio are calculated as defined in Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 and notification RBI/2019-20/170 DO R (NBFC).CC .PD.No.109/22.10.106/2019-20 "Implementation of Indian Accounting Standards" issued by RBI on March 13, 2020 as amended.

44.02 Investments

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Value of Investments		
(I) Gross value of investments		
(a) In India	30,810.55	6,252.92
(a) Outside India	-	-
(II) Provisions for Depreciation		
(a) In India	-	-
(a) Outside India	-	-
(III) Net value of investments		
(a) In India	30,810.55	6,252.92
(a) Outside India	-	-
(b) Movements of provisions held towards impairment on investments		
(I) Opening balance	-	-
(II) Add : Provisions made during the year	-	-
(III) Less : Write-off/ Written- back of excess provisions during the year	-	-
(IV) Closing balance	-	-

44.03 Derivatives

The Company has not entered into any forward rate agreements, interest rate swaps, and exchange traded interest rate derivatives. Hence, no disclosure is made for the same

IKF Finance Limited

Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

44.04 Disclosure Relating to Securitisation for STC Transactions as per Master Direction – Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021 dated September 24, 2021

Particulars	As at March 31, 2023	As at March 31, 2022
(I) No of SPEs holding assets for securitisation transactions originated by the originator	-	1.00
(II) Total amount of securitised assets as per books of the SPEs	-	1,104.05
(III) Total amount of exposure retained by the originator to comply with MRR as on date of balance sheet		
(a) Off-balance sheet exposure towards credit enhancements		
(i) First Loss	-	
(ii) Others	-	
(a) On-balance sheet exposure towards credit enhancements		
(i) First Loss	-	352.00
(ii) Others	-	-
(IV) Amount of exposures to securitisation transactions other than MRR		
(a) Off-balance sheet exposure		
(i) Exposure to own securitisations		
(1) First Loss	-	-
(2) Others	-	-
(i) Exposure to third party securitisations		
(1) First Loss	-	-
(2) Others	-	-
(b) On balance sheet exposure		
(i) Exposure to own securitisations		
(1) First Loss	-	232.33
(2) Others	-	-
(i) Exposure to third party securitisations		
(1) First Loss	-	-
(2) Others	-	-
(V) Sale consideration received for the securitised assets	-	2,749.59
Gain/loss on sale on account of securitisation	-	-
(VI) Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	Credit Enhancement, Servicing Agent	Credit Enhancement, Servicing Agent
(VII) Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided. **(Credit Enhancement)**		
(a) Amount paid	-	-
(b) Repayment received	-	2,349.16
(c) Outstanding amount	-	352.00
(VIII) Average default rate of portfolios observed in the past.		
(a) Vehicle Loans	-	1.97
(b) Others	-	-
(IX) Amount and number of additional/top up loan given on same underlying asset.		
(a) Vehicle Loans	-	-
(b) Others	-	-
(X) Investor complaints (a) Directly/Indirectly received and; (b) Complaints outstanding	-	-

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Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

44.05 Details of financial assets sold to securitisation / reconstruction company for asset reconstruction.

The Company has not sold financial assets to Securitisation / Reconstruction companies for asset reconstruction in the current and previous year

44.06 Details of loans transferred / acquired during the quarter ended March 31, 2023 under RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021

(i) Details of loans not in default transferred / acquired through assignment during the Year ended March 31, 2023

Particulars	Transferred	Acquired
Aggregate amount of loans transferred	22575.80	6356.72
Weighted average maturity (in years)	29.31	21.19
Weighted average holding period (in ye	8.39	9.50
Retention of beneficial economic intere	10.00%	12.01%
Tangible security Coverage	100.00%	100.00%
Rating-wise distribution of rated loans	Not Applicable	Not Applicable

* Represents the total Pool Value

(ii) The Company has not transferred any non-performing assets (NPAs)

(iii) The Company has not transferred any Special Mention Account (SMA) and loan not in default.

(iv) The Company has not acquired any loans not in default through assignment.

(v) The Company has not acquired any stressed loan.

44.07 Value of Imports calculated on CIF basis

The Company has not imported any goods therefore value of import on CIF basis is Nil

44.08 Expenditure in Foreign Currency

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Legal and professional fees	0.51	0.90
Total	**0.51**	**0.90**

44.09 Earnings in Foreign Currency

The Company does has not have any earnings in foreign currency

44.10 Details of credit impaired assets purchased / sold

The Company has not purchased / sold non-performing financial assets in the current and previous year

44.11 Exposure to Real estate sector

The Company has no exposure to the real estate sector directly or indirectly in the current and previous year.

44.12 Exposure to Capital Market

The Company has no exposure to the capital market directly or indirectly in the current and previous year.

44.13 Financing of Parent Company Product

This disclosure is not applicable as the Company does not have any holding / parent company

44.14 Single Borrower Limit / Group Borrower Limit

The Company has not lent / invested / lent and invested in any borrower / group of borrower in excess of limits prescribed by the RBI.

44.15 Unsecured Advances

The Company has no unsecured advances given against rights, licenses, authorizations etc. during the year and for previous year.

44.16 Registration from Other Financial Sector Regulators

The Company is registered with following other financial sector regulators (Financial regulators as described by Ministry of Finance):

i. R.B.I. - B-09.00172

ii. Ministry of Corporate Affairs - U65992AP1991PLC012736

iii. Ministry of Finance (Financial Intelligence Unit) - FINBF13220

IKF Finance Limited

Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

44.17 Penalty

No penalties were imposed by RBI and other regulators during the current year

44.18 Credit Rating

Particulars	As at March 31, 2023	As at March 31, 2022
Nature of borrowing	**Rating / Outlook**	**Rating / Outlook**
	CARE	**CARE**
Long term bank facilities	A (Stable)	A (Stable)
Commercial Paper	-	-
Non - Convertible Debentures	A (Stable)	A (Stable)

Particulars	As at March 31, 2023	As at March 31, 2022
Nature of borrowing	**Rating / Outlook**	**Rating / Outlook**
	Brickwork Ratings	**Brickwork Ratings**
Long term bank facilities	A (Stable)	A (Stable)
Non - Convertible Debentures	A (Stable)	A (Stable)

44.19 Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
1. Provisions towards income tax	1,461.47	1,487.04
2. Provisions towards loans	-44.98	-224.16
3. Provisions towards trade receivables	-	-26.21

44.20 Draw down from Reserves:

There has been no draw down from reserves during the year ended March 31, 2023 (previous year: Nil)

44.21 Concentration of Loans

Particulars	As at March 31, 2023	As at March 31, 2022
Total Loans to twenty largest borrowers	27,668.83	17,475.78
Percentage of Loans to twenty largest borrowers to total advances of the NBFC	12.95%	10.97%

44.22 Concentration of All Exposure (including off - balance sheet exposures)

Particulars	As at March 31, 2023	As at March 31, 2022
Total Exposure to twenty largest borrowers / customers	27,668.83	17,576.15
Percentage of exposure to twenty largest borrowers / customers to total exposure of the NBFC on borrowers / customers.	12.95%	10.09%

44.23 Concentration of credit impaired loans

Particulars	As at March 31, 2023	As at March 31, 2022
Total Exposure to top ten credit impaired accounts	1,178.46	674.31

44.24 Sector Wise Credit-Impaired Assets under Ind AS

Particulars	As at March 31, 2023	As at March 31, 2022
1. Agriculture & allied activities	2.14%	1.24%
2. MSME	-	-
3. Corporate Borrowers	-	-
4. Services	-	-
5. Unsecured Personal Loans	-	-
6. Auto Loans	3.12%	3.01%
7. Others	2.03%	1.76%

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Notes to financial statements for the year ended March 31, 2023
(Currency : INR in lakhs)

44.25 Movement of Credit-Impaired Loans under Ind AS

Particulars	As at March 31, 2023	As at March 31, 2022
(I) Net impaired loss allowance to Net loans (%)	2.26%	1.84%
(II) Movement of Credit impaired loans under Ind-AS (Gross)		
(a) Opening Balance	4,338.15	4,275.96
(b) (Deletion)/Addition during the year	1,720.17	62.19
(c) Closing balance	6,058.32	4,338.15
(III) Movement of Net Impaired loss		
(a) Opening Balance	2,872.82	3,067.95
(b) (Deletion)/Addition during the year	1,897.29	(195.10)
(c) Closing balance	4,770.11	2,872.84
(III) Movement of impairment loss allowance on credit impaired loans		
(a) Opening Balance	1,465.32	1,208.00
(b) (Deletion)/Addition during the year	(177.11)	257.31
(c) Closing balance	1,288.21	1,465.31

44.26 Overseas Assets

The Company does not have any joint venture or subsidiary abroad; hence this disclosure is not applicable.

44.27 Off Balance Sheet SPVs sponsored (which are required to be consolidated as per accounting norms)

The Company has not sponsored any off-Balance Sheet SPV

44.28 Customer Complaints

Sr No		Particulars	Year ended March 31, 2023	Year ended March 31, 2022
		Complaints received by the Company from its customers		
1		Number of complaints pending at beginning of the year	-	2
2		Number of complaints received during the year	48	13
3		Number of complaints disposed during the year	48	15
	3.1	*Of which, number of complaints rejected by the Company* - -		
4		Number of complaints pending at the end of the year	-	-
		Maintainable complaints received by the Company from Office of ombudsman		
5		Number of maintainable complaints received by the Company from Office of Ombudsman	4	2
	5.1	Of 5, number of complaints resolved in favour of the Company by office of Ombudsman	4	2
	5.2	Of 5,number of complaints resolved through conciliation/ mediation/ advisories issued by Office of Ombudsman		-
	5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the Company	-	-
6		Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

Top five grounds of complaints received by the NBFCs from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
		Year ended March 31, 2023			
Credit reports related		11	1000%	-	-
Document related		22	450%	-	-
Loan related		9	125%	-	-
Payment related		6	50%	-	-
Others		-	-	-	-
Total		48	269%	-	-
		Year ended March 31, 2022			
Credit reports related		1	-	-	-
Document related		4	-	-	-
Loan related		4	-	-	-
Payment related		4	-	-	-
Others		-	-	-	-
Total		13	-	-	-

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44.29 As required by the RBI Master Direction DNBS. PPD.01/66.15.001/2016-17 dated September 29, 2016 the details of frauds noticed / reported are as below:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Amount Involved	-	-
Amount Recovered	-	-
Amount Written off/provided	-	-
Balance	-	-

44.30 Transactions with Non-Executive Directors

Name of Non-Executive Director	Transaction Type	Year ended March 31, 2023	Year ended March 31, 2022
Nageswara Rao Yalamanchili	Payment of Sitting Fees	3.50	1.00
Sunil Rewachand Chandiramani	Payment of Sitting Fees	2.00	
Gopalakrishna Gurrappa	Payment of Sitting Fees	2.00	

44.31 Postponement of Revenue Recognition

Refer note 2.5 Revenue from operations for the circumstances in which revenue recognition has been postponed pending uncertainty of realisation.

44.32 Dues to micro, small and medium enterprises

There are no amounts that need to be disclosed in accordance with the Micro Small and Medium Enterprise Development Act, 2006 (the 'MSMED') pertaining to micro or small enterprises.

For the year ended March 31, 2023, no vendor / supplier has intimated the Company about its status as micro or small enterprises or its registration with the appropriate authority under MSMED

44.33 Disclosure on Resolution Framework – 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses in terms of RBI circular RBI / 2021-22 / 31 DOR. STR. REC.11 /21.04.048 / 2021-22 dated May 5, 2021:

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year **
Personal Loans	-	-	-	-	-
Corporate Persons*	-	-	-	-	-
of which MSMEs		-	-	-	-
Others	82.81	-	-	1.66	81.15
Total	82.81	-	-	1.66	81.15

* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

Disclosures for Reserve Bank of India circular on Resolution Framework for Covid-19 related stress dated August 6, 2020 are not applicable to the Company as none of the borrowers opted for the resolution plan.

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(Currency : INR in lakhs)

44.34 Asset liability management

Maturity pattern of certain items of asset and liabilities - As at March 31, 2023

Pattern	1 day to 7 days	8 day to 14 days	15 day to 30-31 days	Over 1 month to 2 months	Over 2 months upto 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 to 3 years	Over 3 to 5 years	Over 5 years	Total
Liabilities*											
Borrowings from banks	1,618.57	182.85	1,492.20	2,271.40	8,495.92	11,376.44	45,944.26	61,404.77	9,739.36	-	**1,42,525.78**
Other Borrowings	279.91	484.30	408.43	787.36	725.44	2,479.97	5,030.38	16,075.54	625.00	-	**26,896.33**
Market Borrowings	-	-	5,116.25	-	905.82	2,622.63	6,750.00	3,500.00	2,500.00	14,000.00	**35,394.70**
Assets											
Advances*	2,532.52	800.91	220.49	6,341.17	6,490.64	19,853.22	39,934.49	1,16,682.44	18,356.87	2,515.22	**2,13,727.95**
Investments	-	-	9,202.03	10,845.80	-	-	-	-	-	10,762.73	**30,810.55**

Maturity pattern of certain items of asset and liabilities - As at March 31, 2022

Pattern	1 day to 7 days	8 day to 14 days	15 day to 30-31 days	Over 1 month to 2 months	Over 2 months upto 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 to 3 years	Over 3 to 5 years	Over 5 years	Total
Liabilities*											
Borrowings from banks	322.18	1,356.58	915.01	2,307.85	7,038.92	9,396.89	39,773.42	34,389.76	3,984.25	-	**99,484.87**
Other Borrowings	166.67	73.68	278.31	617.54	554.06	1,592.67	2,938.52	5,693.37	-	-	**11,914.83**
Market Borrowings	22.05	-	108.91	134.36	1,429.90	125.00	1,911.87	11,500.00	4,500.00	-	**19,732.08**
Assets											
Advances*	6,671.61	2,335.89	8,536.77	4,687.83	4,694.78	13,957.78	24,471.36	79,657.94	12,877.30	1,293.70	**1,59,184.95**
Investments	-	-	-	-	-	-	-	-	-	6,252.92	**6,252.92**

*The amount appearing above for gross loans and borrowings excludes the impact of EIR.

44.35 Disclosure on liquidity risk under RBI circular no. RBI/2019-20/88 DOR.NBFC (PD) CC. No. 102/03.10.001/2019-20 dated November 04, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies as on March 31, 2023.

i) Funding Concentration based on significant counterparty (both deposits and borrowings)

Sr. No	No of Significant Counterparties	As at March 31, 2023			As at March 31, 2022		
		Amount #	% of total Deposits	% of Total Liabilities*	Amount #	% of total Deposits	% of Total Liabilities*
1	39	2,00,998.87	NA	97.02%	1,27,107.49	NA	95.51%

ii) Top 20 large deposits – Not Applicable

iii) Top 10 Borrowings

As at March 31, 2023		As at March 31, 2022	
Amount #	% of Total Liabilities*	Amount #	% of Total Liabilities*
88,858.07	42.89%	83,507.47	62.75%

iv) Funding Concentration based on significant instrument/product

Sr. No.	Name of the instrument	As at March 31, 2023		As at March 31, 2022	
		Amount #	% of Total Liabilities*	Amount #	% of Total Liabilities*
1	Term Loan	1,43,113.79	69.08%	76,193.48	57.25%
2	Non Convertible Debentures	35,000.00	16.89%	14,945.00	11.23%
3	Working capital / short term facilities	26,112.03	12.60%	32,691.04	24.56%
	Total	**2,04,225.82**	**98.57%**	**1,23,829.52**	**93.04%**

v) Stock Ratios

Sr. No.	Particulars	31 March, 2023	31 March, 2022
1	Commercial Papers to Total Liabilities	0.00%	0.00%
2	Commercial Papers to Total Assets	0.00%	0.00%
3	NCDs (Original Maturity < 1 year) to Total Liabilities	0.00%	0.00%
4	NCDs (original Maturity < 1 year) to Total Assets	0.00%	0.00%
5	Other Short Term Liabilities # to Total Liabilities*	1.47%	1.97%
6	Other Short Term Liabilities # to Total Assets	1.10%	1.55%

vi) Institutional set-up for liquidity risk management:

The Company has an Asset Liability Management Committee (ALCO), a management level committee to handle liquidity risk management. The ALCO meetings are held at periodic intervals. At the apex level, the Risk Management Committee (RMC), a sub-committee of the Board of Directors of the Company, oversees the liquidity risk management. The RMC subsequently updates the Board of Directors on the same.

Amount does not include accrued but not paid interest on borrowing and amortisation of processing fees.
* Total Liabilities does not include Net Worth.

44.36 Sectoral Exposure

Sr. No.	Sectors	Current Year			Previous Year		
		Total Exposure	GNPA(In Lacs)	GNPA(%)	Total Exposure	GNPA(In lacs)	GNPA(%)
1	**Agriculture & Allied Activities**	2923.98	62.56	2.14%	2603.41	32.18	1.24%
	Total	**2923.98**	**62.56**	**2.14%**	**2603.41**	**32.18**	**1.24%**
2	**Industry**						
	Others	548.42	0.00	0.00%	309.61	0.00	0.00%
	Total	**548.42**	**0.00**	**0.00%**	**309.61**	**0.00**	**0.00%**
3	**Services**						
	Transport Operators	81929.05	2640.49	3.22%	62767.87	2412.38	3.84%
	NBFC	27079.61	0.00	0.00%	16121.21	0.00	0.00%
	Service - Others	12650.17	699.56	5.53%	10699.74	304.47	2.85%
	Construction Equipment	44570.91	1045.57	2.35%	29957.01	671.30	2.24%
	Others	7603.59	221.54	2.91%	6216.83	176.65	2.84%
	Total	**173833.33**	**4607.16**	**2.65%**	**125762.66**	**3564.80**	**2.83%**
4	**Personal loans**						
	Vehicle/Auto Loans	34077.2	1298.1	3.81%	27728.92	646.02	2.33%
	Others	2345.0	90.5	3.86%	2939.22	95.15	3.24%
	Total	**36422.23**	**1388.59**	**3.81%**	**30668.14**	**741.17**	**2.42%**
	Grand Total	**213727.95**	**6058.32**	**2.83%**	**159343.81**	**4338.15**	**2.72%**

44.37 Intra Group Exposure

The Company has no exposure to the Intra Group Exposures for the financial years ended March 31,2023 and March 31,2022

44.38 Unhedged Foreign Currency Exposure

The Company does not have any unhedged foreign currency exposures for the financial years ended March 31, 2023 and March 31, 2022

44.39 Breach of Covenant

There were no instances of default or breaches of covenant in respect of loan availed or debt securities issued during the financial years ended March 31, 2023 and March 31, 2022.

44.40 Divergence in Asset Classification and Provisioning

The RBI has neither assessed any additional provisioning requirements in excess of 5 percent of the reported profits before tax and impairment loss on financial instruments for the financial year ended March 31, 2022, nor identified any additional Gross NPAs in excess of 5% of the reported Gross NPAs for the said period.

44.41 Corporate Governance

As per RBI Guidelines, Specific Disclosures relating to Corporate Governance should be disclosed under the Corporate Governance section of the Annual Report

Notes to financial statements for the year ended March 31, 2023

Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

44.42 Disclosure on related Party Transactions as per the RBI notification No.RBI/2022-23/26DOR.ACC.REC.No.20/21.04.018/2022-23 on Disclosure Requirements Under Scale Based Regulation for NBFCs dated April 19,2022

Related Party/Items	Parent(as per ownership/Control)		Subsidiaries		Associates/Joint venture		Key Management Personnel		Relatives of Key Management Personnel		Others		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Maximum Outstanding during the Year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	10,762.73	6,252.92	-	-	-	-	-	-	-	-	10,762.73	6,252.92
Share Capital	-	-	-	-	-	-	2,414.90	2,403.86	590.43	590.43	2,085.56	2,085.56	5,090.89	5,079.85
Balance Outstanding at the Year End	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	88.50	88.50	-	-	-	-	88.50	88.50
Placement of Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	10,762.73	6,252.92	-	-	-	-	-	-	-	-	10,762.73	6,252.92
Purchase of Fixed / Other Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Fixed / Other Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Paid	-	-	126.42	265.90	-	-	-	-	-	-	-	-	126.42	265.90
Interest Received	-	-	1.42	-	-	-	-	-	-	-	-	-	1.42	-
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent paid	-	-	-	-	-	-	69.60	69.60	-	-	-	-	69.60	69.60
Director's Remuneration	-	-	-	-	-	-	180.00	162.50	-	-	-	-	180.00	162.50
Director's Commission Payable	-	-	-	-	-	-	134.62	108.55	-	-	-	-	134.62	108.55
Share Capital	-	-	-	-	-	-	2,414.90	2,403.86	590.43	590.43	2,085.56	2,085.56	5,090.89	5,079.85
Salary Paid	-	-	-	-	-	-	80.81	74.15	-	-	-	-	80.81	74.15
Service Fee Collected	-	-	28.35	28.89	-	-	-	-	-	-	-	-	28.35	28.89
Direct Assignment	-	-	1,979.88	2,782.98	-	-	-	-	-	-	-	-	1,979.88	2,782.98
Interest Receivable on Direct Assignment	-	-	28.98	34.46	-	-	-	-	-	-	-	-	28.98	34.46

IKF Finance Limited

Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

45 Registration of charges or satisfaction with Registrar of Companies (ROC)

All charges or satisfaction are registered with ROC within the statutory period for the financial years ended March 31, 2023 . No charges or satisfactions are yet to be registered with ROC beyond the statutory period.

46 Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended March 31, 2023 and March 31, 2022.

47 Compliance with approved Scheme(s) of Arrangements

The Board of Directors of the Company did not approve any scheme of Arrangements during the financial year ended March 31, 2023 and March 31, 2022.

48 Utilisation of Borrowed funds and share premium

The Company, as part of its normal business, grants loans and advances, makes investment. These transactions are part of Company's normal non-banking finance business, which is conducted ensuring adherence to all regulatory requirements.

Other than the transactions described above, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has also not received any fund from any parties (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

49 Undisclosed income

There are no transactions not recorded in the books of accounts.

50 Title deeds of Immovable Properties not held in name of the Company

The Company does not possess any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the Company during the financial year ended March 31, 2023 and March 31, 2022.

51 Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual currency during the financial years ended March 31, 2023 and March 31, 2022.

52 Details of Benami Property Held

No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder in the financial years ended March 31, 2023 and March 31, 2022.

53 Wilful Defaulter

The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender in the financial years ended March 31, 2023 and March 31, 2022.

54 Relationship with Struck off Companies

The company does not have any transactions with companies whose names have been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 in the financial years ended March 31, 2023 and March 31, 2022.

55 Investment in Associates and Structured Entities

The Company does not have any Associates and Structured Entities

IKF FINANCE LIMITED VADODARA

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56 Note on Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which subsumes the Provident Fund and the Gratuity Act and rules thereunder. The Ministry of Labour and Employment has also released draft rules thereunder on November 13, 2020 and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will evaluate the rules, assess the impact, if any and account for the same once the rules are notified and become effective

57 Previous year's information have been regrouped/reclassified wherever necessary to correspond with current year's classification/disclosure.

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

per Suresh Murarka
Partner
Membership No.044739
Place: Mumbai
Date: 30 May 2023

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65922AP1991PLC012736

V.G.K Prasad
Chairman
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Ch. Sreenivasa Rao
Company Secretary & Chief Financial Officer
M.No. ACS14723
Place: Vijayawada
Date: 30 May 2023

IKF Finance Limited

Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

Schedule to Balance Sheet

Particulars		As at March 31, 2023	
Liabilities side		**Amount outstanding**	**Amount overdue**
(1)	**Loans and advances availed by the non- banking financial company inclusive of interest accrued thereon but not paid :**		
	(a) Debentures : Secured	10,125.66	-
	: Unsecured	8,712.88	-
	(other than falling within the meaning of public deposits*)		
	(b) Deferred Credits	-	-
	(c) Term Loans	1,42,384.29	-
	(d) Inter-corporate loans and borrowing	-	-
	(e) Commercial Paper	-	-
	(f) Public Deposits*	-	-
	(g) Other Loans - Subordinate Debts	16,345.06	-
	- Cash Credit	26,112.03	-
	- Securitization Transaction	-	-
	* Please see Note 1 below		
(2)	**Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :**		
	(a) In the form of Unsecured debentures	-	-
	(b) In the form of partly secured debentures i.e. debentures where there is a	-	-
	(c) Other public deposits	-	-
	* Please see Note 1 below		
Assets side		**Amount outstanding**	
(3)	**Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :**		
	(a) Secured	2,13,727.95	
	(b) Unsecured	-	
(4)	**Break up of Leased Assets and stock on hire and other assets counting towards**		
	(i) Lease assets including lease rentals		
	(a) Financial lease	-	
	(b) Operating lease	-	
	(ii) Stock on hire including hire charges		
	(a) Assets on hire	-	
	(b) Repossessed Assets	-	
	(iii) Other loans counting towards asset financing activities		
	(a) Loans where assets have been repossessed	-	
	(b) Loans other than (a) above	-	

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IKF FINANCE LIMITED VIJAYAWADA

(5)	**Break-up of Investments**	
	Current Investments	
	1. Quoted	
	(i) Shares	
	(a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	20,047.82
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others (please specify)	-
	2. Unquoted	
	(i) Shares	
	(a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others (please specify)	-
	Long Term investments	
	1. Quoted	
	(i) Share	
	(a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others (please specify)	-
	2. Unquoted	
	(i) Shares	
	(a) Equity	10,762.73
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others (please specify)	-

(6) **Borrower group-wise classification of assets financed as in (3) and (4) above :**
Please see Note 2 below

Category	Amount net of provisions	
	Secured	Unsecured
1. **Related Parties ****		
(a) Subsidiaries	-	-
(b) Companies in the same group	-	-
(c) Other related parties	-	-
2. Other than related parties	2,13,727.95	-
Total	2,13,727.95	-

(7)	**Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :** Please see note 3 below	
	Category	**Market Value / Break up or fair value or NAV**
	1. Related Parties **	
	(a) Subsidiaries	10,762.73
	(b) Companies in the same group	-
	(c) Other related parties	-
	2. Other than related parties	-
	Total	10,762.73
	** As per Accounting Standard of ICAI (Please see Note 3)	
(8)	**Other information**	
	Particulars	**Amount**
	(i) Gross Non-Performing Assets	
	(a) Related parties	-
	(b) Other than related parties	6,058.32
	(ii) Net Non-Performing Assets	
	(a) Related parties	-
	(b) Other than related parties	4,770.11
	(iii) Assets acquired in satisfaction of debt	66.01

Notes :

1. As defined in point xxvii of paragraph 3 of Chapter II of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank)Directions, 2016.

2. Provisioning norms shall be applicable as prescribed in Indian Accounting Standards by MCA.
3. All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above.

S G C O & CO LLP Chartered Accountants FRN-112081W/W100149 MUMBAI

IKF FINANCE LIMITED VADODARA

ANNEXURE VI: IN-PRINCIPLE APPROVAL

(As specified in the relevant Key Information Document)

ANNEXURE VII: ALM STATEMENTS AS ON 31ST MARCH 2023

A. Details with regard to lending done out of the issue proceeds of earlier issuances of debt securities (whether public issue or private placement) by NBFC

(i) Lending Policy:

The management of the Company, with the prior approval of the Executive Directors of the Company, is empowered to sanction loans subject to the following guidelines

Vehicle / Construction Equipment / Tractors & Agri Machinery Loans

Particulars	Vehicles (CVs (both Goods & Passenger), Cars & MUVs (Both Taxi Plate & Personal), Two & Three Wheelers	Construction Equipment	Tractors & Agri Machinery
Maximum Tenure	72 Months	72 Months	72 Months
Minimum Rate of Interest	2% over and above the lowest Cost of Funds	2% over and above the lowest Cost of Funds	2% over and above the lowest Cost of Funds
Maximum Rate of Interest	30.00%	30.00%	30.00%
Intervals for receipt of Principle & Interest	Monthly / Quarterly	Monthly / Quarterly	Monthly / Quarterly/ Half yearly / Yearly

- ***Applicable to Channel Business / Franchisee Borrowers and underlying Borrowers of Direct Assignment & Securitization Transactions***

Business / SME / Mortgage / Warehouse Receipt Loans

Particulars	Business / SME	Mortgage	Warehouse Receipt Loans
Maximum Tenure	96 Months	96 Months	12 Months
Minimum Rate of Interest	2% over and above the lowest Cost of Funds	2% over and above the lowest Cost of Funds	2% over and above the lowest Cost of Funds
Maximum Rate of Interest	30.00%	30.00%	30.00%
Intervals for receipt of Principle & Interest	Monthly / Quarterly/ Half yearly / Yearly / Bullet Payment	Monthly / Quarterly/ Half yearly / Yearly / Bullet Payment	Monthly / Quarterly/ Half yearly / Yearly / Bullet Payment

- ***Applicable to Channel Business / Franchisee Borrowers and underlying Borrowers of Direct Assignment & Securitization Transactions***
- ***Demarcated / Distinguished Properties shall be considered as Collateral Security. However, in exceptional cases considering the integrity and standing of the borrower, the Executive Directors have the power to accept un-demarcated / undivided property as security with lower LTV.***

Demand / Call Loans

Particulars	Demand / Call Loans
Maximum Tenure	36 Months
Minimum Rate of Interest	2% over and above the lowest Cost of Funds
Maximum Rate of Interest	30.00%

Intervals for receipt of Principle & Interest	Monthly / Quarterly/ Half yearly / Yearly / Bullet Payment

- ***Applicable to Channel Business / Franchisee Borrowers and underlying Borrowers of Direct Assignment & Securitization Transactions***

Working Capital / Short Term Loans

Particulars	Working Capital Loans	Top Up Loans	Additional Finance
Maximum Tenure	36 Months or Original Tenor of the existing Loan whichever is lower	36 Months or Original Tenor of the existing Loan whichever is lower	36 Months or Original Tenor of the existing Loan whichever is lower
Minimum Rate of Interest	2% over and above the lowest Cost of Funds	2% over and above the lowest Cost of Funds	2% over and above the lowest Cost of Funds
Maximum Rate of Interest	30.00%	30.00%	30.00%
Intervals for receipt of Principle & Interest	Due Date or on Demand whichever is earlier	Due Date or on Demand whichever is earlier	Due Date or on Demand whichever is earlier

- ***Applicable to Channel Business / Franchisee Borrowers and underlying Borrowers of Direct Assignment & Securitization Transactions***

Fees & Charges

Particulars	Minimum	Maximum
Delayed / Late Payment / Additional Finance Charges	1% per Month	3% per Month
Cheque Bounce Charges	Rs.50/- per Instance	Rs.1000/- per Instance
Collection Charges	Rs.25/- per every 10 days delay	Rs.200/- per every 10 days delay
Prepayment / Fore Closure Charges	0.50% of the Principle loan outstanding	5.00% of the Principle loan outstanding
Processing Fee / Documentation Charges	Rs.100/- or 0.10% of Loan Amount whichever is higher	Rs.10000/- or 3.00% of Loan Amount whichever is higher
Overdue Reminder & Other Notice Charges	Rs.100/- per Notice / Reminder	Rs.500/- per Notice / Reminder
Legal Notice Charges	Rs.500/- per Notice	Rs.5000/- per Notice

The Credit / Risk team is at liberty;

- To insist for Security Deposit, based on the Borrower / Product Profile, to lower the effective Loan to Value.
- To charge extra rate of interest, over and above the stipulated interest rate, in specific cases like small ticket loans and where the borrower situated at a distance / remote places etc., with the concurrence of the Borrower.

Security Cheques are to be collected in all the possible cases except for Three Wheelers, Small Commercial Vehicles, Loans below Rs.2 lacs.

Collection of Installments / Principle, in all possible cases based on borrower's convenience, is to be made through electronic means.

Expenses, like Stamp Duty, Repossession / Collection Agency, Parking Yard, Legal etc., incurred with respect to the borrower loan account are to be recovered from borrower.

Executive Directors are authorized;

(1) To determine Rate of Interest, Tenor etc. for sub products within the given Product category, from time to time, based on market dynamics subject to the overall limits mentioned hereinabove.

(2) To determine other terms like Loan to Value (LTV), Processing / Documentation Fee, Late Payment / Additional Finance Charges, Prepayment / Foreclosure Charges, Cheque bounce Charges, Collection Charges, Notice Charges etc. for sub products within the given Product category, from time to time, based on market dynamics.

(3) To waive Processing / Documentation, Late Payment / Additional Financial Charges, Prepayment / Fore Closure Charges, Cheque bounce Charges, Collection Charges, Notice Charges etc. & expenses incurred with respect to the loan accounts, on case to case basis, from time to time.

(4) To defer collection of delayed payment charges, collection and other charges instead of monthly, from time to time, keeping in view the market practices

For the sake of operational convenience as the Company is engaged in retail lending, the Executive Directors are empowered to delegate the above to the key employees of the Company, from time to time.

Board Approval is required for any deviation from the policy.

(ii) Classification of Loans given to associate or entities related to Board, Senior management, promoters, etc: Nil

(iii) Classification of loans into several maturity profile denomination:

Liabilities	0-7 days	8-15 days	15-30 days	1-2 Months	2-3 Months	3-6 Months	6-12 months	1-3 Years	3-5 Years	More than 5 Years	Total
Loans & Advances (Standard)	2434.5	764.03	203.42	6155.61	6312.11	19400.86	39290.84	112484.7	18125.58	2502.41	2434.5
Loans & Advances (Sub-Standard)	0	0	0	0	0	0	0	0	3703.99	12.81	0

Loans & Advances (Doubtful)	0	0	0	0	0	0	0	0	0	2337.1	0

(iv) Aggregated exposure to top 20 borrowers: Rs. 275.43 Cr – 12.88% as of March 31, 2023 as per the Financial Statements

(v) Details of loans, overdue and classified as NPA: Rs.60.58 Cr and 2.83% as of March 31, 2023 as per the Financial Statements

B. Details of borrowings made by NBFC

(i) Portfolio Summary of borrowings made by NBFC: Refer below

(ii) Quantum and percentage of Secured vs. Unsecured borrowings: Refer below

Rs.0.00 Cr (0.0%) are unsecured loans and rest Rs.2137.28 (100.00%) are secured loans as of March 31, 2023.

C. Details of change in shareholding

(i) Any change in promoters holding in NBFC during last financial year beyond the threshold prescribed by Reserve Bank of India: There was no change in the promoters holding during last financial year beyond the threshold prescribed by Reserve Bank of India

D. Disclosure of Assets under management

(i) Segment wise break up and Type of loans:
As on March 31, 2023

Product	AUM
Cars & Muvs	457.07
Commercial Vehicles	794.41
Construction Equipment	546.55
SME & Other Advances	247.18
Three Wheeler	148.91
Tractor	33.52
Two Wheelers	204.12
LAP Pool Buyout	20.10
Grand Total	**2451.86**

E. Details of borrowers

(i) Geographical location wise:
As on March 31,2023

State	AUM
Andhra Pradesh	646.42
Gujarat	334.08
Karnataka	109.63

Kerala	0.70
Madhya Pradesh	102.14
Maharashtra	260.88
Rajasthan	105.96
Tamilnadu	246.30
Telangana	645.75
Grand Total	**2451.86**

F. Details of Gross NPA

(i) Segment wise:

Sr. No.	Segment-wise gross NPA	Gross NPA (%) March' 23
A.	Mortgages (home loans and loans against property)	0.00%
B.	Vehicle finance	2.14%
C.	Others	3.12%

G. Details of Assets and Liabilities

(i) Residual maturity profile wise into several bucket:

Mar 31 2023

Liabilities	0-7 days	8-15 days	15-30 days	1-2 months	2-3 months	>3 <6 months	>6 <12 months	>12 <36 months	>36 <60 months	>60 months	Total
Equity Capital	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	64.58	64.58
Reserves & Surplus	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	627.92	627.92
Tier II Capital	0.00	0.00	0.09	0.00	0.00	0.00	0.00	0.00	23.36	140.00	163.45
Secured NCDs	0.00	0.00	50.97	0.00	0.31	0.00	49.98	0.00	0.00	0.00	101.26
Working Capital Limits	0.00	0.00	0.00	0.00	25.00	0.00	236.12	0.00	0.00	0.00	261.12
Term Loan from Banks	16.19	0.04	14.92	21.18	58.43	109.17	214.14	580.25	97.39	0.00	1111.72

Term Loan from NBFCs	2.80	4.84	4.08	7.87	7.25	24.80	50.30	159.37	6.25	0.00	267.58
Term Loan from Financial Institutions	0.00	1.79	0.00	1.53	1.53	4.51	9.18	26.01	0.00	0.00	44.54
Associated liabilities in respect of securitisation transaction	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Un-Secured NCDs	0.00	0.00	0.10	0.00	8.75	26.23	17.50	34.55	0.00	0.00	87.13
Security Deposits	0.02	0.00	2.17	0.06	0.03	0.22	0.51	1.00	0.32	0.00	4.31
Statutory Dues Payable	0.00	1.79	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.79
Other Current Liabilities	0.00	0.27	21.95	0.10	0.10	0.32	0.66	3.38	0.00	0.00	26.79
Provision for NPA	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12.57	0.00	0.00	12.57
Provision for Standard Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	17.16	0.00	0.00	17.16
Provision	0.00	0.00	0.00	0.00	0.00	0.00	0.27	1.84	0.00	0.00	2.10

for Employee Benefits											
Total	**19.00**	**8.73**	**94.29**	**30.75**	**101.41**	**165.24**	**578.66**	**836.13**	**127.32**	**832.50**	**2794.03**
Assets											
Fixed Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.49	7.49
Cash on Hand	2.21	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.21
Cash at Bank	20.18	5.00	0.00	0.00	35.00	0.00	168.00	0.00	0.00	0.00	228.18
FDs with Banks	0.00	0.00	20.01	15.38	0.00	4.93	2.49	12.93	0.00	0.00	55.73
Loans & Advances-Standard	24.35	7.64	2.03	61.56	63.12	194.01	392.91	1124.85	181.26	25.02	2076.74
Loans & Advances-Sub-Standard	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	37.04	0.13	37.17
Loans & Advances-Doutful	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	23.37	23.37
Short Term Investment in MLDs	0.00	0.00	92.02	108.46	0.00	0.00	0.00	0.00	0.00	0.00	200.48
Investment in Subsidiary	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	107.63	107.63
Other Assets	0.00	0.00	1.37	1.45	2.32	3.69	9.08	14.62	2.50	20.00	55.03
Total	**46.74**	**12.64**	**115.43**	**186.85**	**100.44**	**202.62**	**572.48**	**1152.40**	**220.79**	**183.64**	**2794.03**

Mismatch	27.74	3.91	21.14	156.10	-0.97	37.38	-6.18	316.27	93.47	-648.86	0.00
Cumulative Mismatch	27.74	31.65	52.79	208.89	207.92	245.30	239.11	555.39	648.86	0.00	0.00

H. Additional details of loans made by, Housing Finance Company: Nil

Disclosure of latest ALM statements to stock exchange: The Company has not submitted any disclosure of ALM to BSE.

ANNEXURE VIII: BOARD RESOLUTION

(The remainder of this page is intentionally left blank)

EXTRACTS OF MINUTES OF THE BOARD OF DIRECTORS MEETING OF IKF FINANCE LIMITED HELD ON MINUTES OF THE BOARD OF DIRECTORS MEETING OF IKF FINANCE LIMITED HELD ON WEDNESDAY, THE 21ST DAY OF JULY, 2021 AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT 40-1-144, CORPORARE CENTRE, M.G.ROAD, VIJAYAWADA-520010 AT 11.00 A.M.

DELEGATION OF POWERS TO THE MANAGEMENT COMMITTEE

The Chairman has drawn the attention of the Board about the frequent requirements of transactions with various Banks, Financial Institutions, Non Banking Financial Companies and other statutory authorities in between the Board meetings and the practical difficulties being faced by the management to convene the Board Meeting frequently to obtain concurrence of the Board of Directors and resolutions thereof and has requested the Board to approve delegation of exercise of such powers to the Management Committee in between the two Board Meetings.

The Board considered and after due discussions it was approved to delegate some of the powers to the Management Committee and the following resolution was passed unanimously:

"RESOLVED THAT the Management Committee of the Board shall comprise of the following members and all proposal and resolutions must be passed by the members, physically present and voting. The quorum of such Management Committee must be 100% of the members physically present for the meeting.

Members of the Management Committee:

(1) Mr.V.G.K.Prasad, Managing Director

(2) Mrs.K.Vasumathi Devi, Executive Director

(3) Mr.S.Veerabhadra Rao, Independent Director

"RESOLVED THAT the Management Committee of the Board shall have the power to deal with issuance of non-convertible debentures within the overall limit of INR 20,00,00,00,000/- (Indian Rupees Two Thousand Crore only).
"RESOLVED THAT the Management Committee of the Board be and is hereby approved to exercise the following powers on behalf of the Board:

i) negotiate, approve of and decide the terms and conditions of the issue of the said debentures,

ii) execute term sheet/s,

iii) finalize terms and conditions of the appointment of an arranger, a debenture trustee, a registrar and transfer agent, a credit rating agency, a depository and such other intermediaries as may be required to be appointed, including their successors and their agents,

iv) Decide upon any security, guarantee or any other comfort which is to be provided for the issuance of the debentures,

v) Request any third party to provide security, guarantee or any other comfort for the purpose of issue of the said debentures,

vi) decide upon the date of opening and closing of the debenture issue and the period for which the aforesaid issue will remain open,

vii) finalize the date of allocation and deemed date of allotment of the debentures;

viii) negotiate, execute, file and deliver any documents, instruments, deeds, amendments, papers, applications, notices or letters as may be required in connection with the debenture issue and deal with regulatory authorities in connection with the debenture issue including but not limited to SEBI, Registrar of Companies, Ministry of Corporate Affairs, Company Law Board, BSE and such other authorities as may be required,

ix) including without limitation, approve, negotiate, sign, execute, amend, supplement and / or issue the following:

(a) information memorandum / private placement offer letter/ disclosure document for the Debenture Issue (the "**Information Memorandum**");

(b) tripartite agreement between the Company, the depository and the registrar and transfer agent;

(c) the memorandum of understanding between the Company and the registrar and transfer agent;

(d) debenture certificate for the debentures;

(e) debenture trust deed, mortgage, deed, deed of hypothecation and other requisite documents for the creation of a security over the Company's movable properties and assets, (including any powers of attorney in connection thereto);

(f) documents for opening of bank accounts and issuing instructions of bank accounts related thereto in connection with the Debentures including without limitation for the purposes of recognizing the rights of the debenture trustee to operate such bank accounts;

(g) any other documents required for the purposes of the debenture issue and the transactions contemplated thereby, including but not limited to letters of undertaking, declarations, agreements, reports; and

(h) any other document designated as a security document by the debenture trustee.

x) do all acts necessary for the proposed listing of the debentures in accordance with the terms set out in the Information Memorandum, wherever applicable and

xi) do all other acts, deeds and things as may be deemed necessary to give effect to the foregoing and the other terms of this resolution."

"**RESOLVED FURTHER THAT** the Management Committee shall from time to time appoint any of the Authorised Officers, namely, Sri. V. G. K. Prasad (Managing Director), Smt V. Indira Devi (Whole-time Director), Smt. K. Vasumathi Devi (Executive Director), Sri.Sreepal Gulabchand Jain, Chief Financial Officer, Sri. Ch. Sreenivasa Rao (Company Secretary) to do the following:

(a) to take all necessary steps relating to the creation, perfections and registration of charges and also to sign and submit the necessary forms with the Registrar of Companies and other relevant governmental authorities

(b) to pay all stamp duty required to be paid for the debenture issue in accordance with the laws of the Republic of India and procure the stamped documents from the relevant governmental authorities.

(c) to approve and finalise, sign, execute and deliver documents in relation to the debenture issue as set out in this resolution and such other agreements, deeds, undertakings, indemnity and documents as may be required by the debenture trustee, or any of them in connection with the debentures to be issued by the Company.

(d) to register or lodge for registration upon execution documents, letter(s) of undertakings, declarations, agreements and other papers or documents as may be required in relation to any of the above with any registering authority or governmental authority competent in that behalf.

(e) to affix the Common Seal of the Company on the documents related to debenture issue, and any of the said agreements and documents, and any further documents and agreements that may be required in the presence of any one of the Directors of the Company and the Company Secretary in accordance with the Articles of Association of the Company

(f) to delegate the powers to such official/s of the company as may be deemed necessary to do such acts and execute such documents as may be required in connection with any of the matters relating to the issue of the debentures.

"RESOLVED FURTHER THAT the minutes of the Management Committee(s) shall be placed before the Board for their review in the immediate board meeting which gets conducted after a meeting of the Management Committee "

//Certified True Copy//
For IKF Finance Limited

CHAPALAMADUGU SREENIVASA RAO
Digitally signed by CHAPALAMADUGU SREENIVASA RAO
Date: 2023.07.29 17:39:55 +05'30'

Ch Sreenivasa Rao)
Company Secretary

Place: Vijayawada
Date: 29.07.2023

EXTRACTS OF MINUTES OF THE BOARD OF DIRECTORS MEETING OF IKF FINANCE LIMITED HELD ON MINUTES OF THE BOARD OF DIRECTORS MEETING OF IKF FINANCE LIMITED HELD ON WEDNESDAY, THE 21ST DAY OF JULY, 2021 AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT 40-1-144, CORPORARE CENTRE, M.G.ROAD, VIJAYAWADA-520010 AT 11.00 A.M.

DELEGATION OF POWERS TO THE MANAGEMENT COMMITTEE

The Chairman has drawn the attention of the Board about the frequent requirements of transactions with various Banks, Financial Institutions, Non Banking Financial Companies and other statutory authorities in between the Board meetings and the practical difficulties being faced by the management to convene the Board Meeting frequently to obtain concurrence of the Board of Directors and resolutions thereof and has requested the Board to approve delegation of exercise of such powers to the Management Committee in between the two Board Meetings.

The Board considered and after due discussions it was approved to delegate some of the powers to the Management Committee and the following resolution was passed unanimously:

"RESOLVED THAT pursuant to the provisions of Section 179(3), 180 and 186 of the Companies Act, 2013 and the rules made there under (including any statutory modification(or re-enactments thereof for the time being in force), the Management Committee of the Board comprise the members i) Mr .V.G.K.Prasad, Manging Director, ii) Mrs.K.Vasumathi Devi, Executive Director and iii) Mr.S.Veerabhadra Rao, Independent Director to exercise the following powers on behalf of the Board of Directors from time to time

i) To finalize and approve the terms and conditions of various credit facilities on behalf of the Board, and to exercise the borrowing powers within the limits of borrowing powers of the Board, with all NBFCs, Banks and other Financial Institutions

ii) To finalize the terms and conditions and approve the assignment and securitization transaction with all NBFCs, Banks and other Financial Institutions

iii) To approve the day to day management transactions

iv) To open any Bank Account and approve the authorities to operate the accounts or to close any inoperative Bank accounts

v) To apply for any approvals, permissions with Statutory authorities like Registrar of Companies, Reserve Bank of India

vi) To give authorization to the Directors and other authorities to execute the documents on behalf of the Company"

"RESOLVED FURTHER THAT the minutes of the Management Committee(s) shall be placed before the Board for their review regularly"

//Certified True Copy//
For IKF Finance Limited

CHAPALAMADUGU SREENIVASA RAO

Digitally signed by CHAPALAMADUGU SREENIVASA RAO
Date: 2023.07.29 17:40:15 +05'30'

Ch Sreenivasa Rao)
Company Secretary

Place: Vijayawada
Date: 29.07.2023

ANNEXURE IX: SHAREHOLDERS RESOLUTION

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EXTRACT OF THE RESOLUTIONS PASSED BY THE SHAREHOLDERS OF THE COMPANY AT THE ANNUAL GENERAL MEETING HELD ON FRIDAY, THE 30TH DAY OF SEPTEMBER, 2022, AT 11.00 A.M., THROUGH VIDEO CONFERENCE ("VC")/ OTHER AUDIO VISUAL MEANS ("OAVM")

Authorization to issue of Non Convertible Debentures (NCD)/Tier II Debt(s)/Commercial Papers/Bonds on Private Placement Basis.(***Special Resolution)***

"**RESOLVED THAT** pursuant to the provisions of Section 42, 71 and other applicable provisions of the Companies Act, 2013, read with Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable provisions of the Companies Act, 2013, as amended and in force, in accordance with the memorandum and Articles of Association, the Board of Directors of the Company be and is hereby authorized to issue, offer or invitation and allot secured/unsecured, redeemable, non-convertible, listed / unlisted, senior/subordinated bonds/debentures/Commercial Paper/ Tier II Debt/ Other debt securities ("Bonds") of value aggregating upto Rs.2,000 Cr (Rupees Two Thousand Crores Only) through private placement offer letter(s) in one or more tranches in conformity and in compliance with the all applicable rules, regulation, directions made in this regard, as amended from time to time to such person or persons, including one or more companies, bodies corporate(s), statutory corporations, commercial banks, lending agencies, financial institutions, insurance companies, mutual funds, alternative investment funds, pension/provident funds and individuals, as the case may be or such other person/persons as the board of directors may decide so."

"**RESOLVED FURTEHR THAT** the Board be and is hereby authorized to do all such acts, deeds and things as may be deemed necessary in respect of issue of Bonds/ Debenture including but not limited to number of issues/ tranches, face value, issue price, issue size, timing, amount, security, coupon/interest rate(s), yield, listing, allotment and other terms and conditions of issue Bonds as they may, in their absolute discretion, deemed necessary to take all necessary steps."

//Certified True Copy//
For IKF Finance Limited

CHAPALAMADUGU SREENIVASA RAO
Digitally signed by CHAPALAMADUGU SREENIVASA RAO
Date: 2023.07.25 11:40:52 +05'30'

(Ch Sreenivasa Rao)
Company Secretary
ACS :014723

Place: Vijayawada
Date: 25.07.2022

IKF FINANCE

EXTRACT OF THE RESOLUTIONS PASSED BY THE SHAREHOLDERS OF THE COMPANY AT THE ANNUAL GENERAL MEETING HELD ON TUESDAY, THE 30TH DAY OF SEPTEMBER, 2022, AT 11.00 A.M., THROUGH VIDEO CONFERENCE ("VC")/ OTHER AUDIO VISUAL MEANS ("OAVM") AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT D.NO: 40-1-144, CORPORAE CENTRE, M.G.ROAD, VIJAYAWADA-520010, ANDHRA PRADESH

Renew the Borrowing Powers of the Company of Rs 5000Crores

"**RESOLVED THAT** pursuant to the provisions of Section 180 (1) (c) and other applicable provisions, if any, and the Companies Act, 2013 including any statutory modifications or re-enactments thereof and in supersession of all the earlier resolutions passed in this regard, the Board of Directors (hereinafter referred to as the Board, including any committee thereof for the time being exercising the powers conferred on them by this resolution), be and are hereby authorized to borrow money, as and when required, from, including without limitation, any Bank and/or Public Financial Institution as defined under Section 2(72) of the Companies Act, 2013 and/or eligible foreign lender and/or any entity/ entities and/or authority/ authorities and/ or through suppliers credit, any other securities or instruments, such as floating rate notes, fixed rate notes, syndicated loans, debentures, commercial papers, short term loans or any other instruments etc. and/or through credit from official agencies and/or by way of commercial borrowings from the private sector window of multilateral financial institution, either in rupees or in such other foreign currencies as may be permitted by law from time to time, as may be deemed appropriate by the Board for an aggregate amount not exceeding Rs.5000 Crores (Rupees Five Thousand Crores Only), notwithstanding that money so borrowed together with the monies already borrowed by the Company, if any (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company, its free reserves and securities premium that is to say, reserves not set apart for any specified purpose."

"**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

For IKF FINANCE LTD.

Ch. Sreenivasa Rao
Company Secretary
M. No. 14723

//Certified True Copy//
For IKF Finance Limited

(Ch Sreenivasa Rao)
Company Secretary
ACS :014723

Place: Vijayawada
Date: 25.10.2022

IKF FINANCE

EXTRACT OF THE RESOLUTIONS PASSED BY THE SHAREHOLDERS OF THE COMPANY AT THE ANNUAL GENERAL MEETING HELD ON TUESDAY, THE 30TH DAY OF SEPTEMBER, 2022, AT 11.00 A.M., THROUGH VIDEO CONFERENCE ("VC")/ OTHER AUDIO VISUAL MEANS ("OAVM") AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT D.NO: 40-1-144, CORPORAE CENTRE, M.G.ROAD, VIJAYAWADA-520010, ANDHRA PRADESH

Renew the power of Board of Directors of the Company to lease and mortgage of the property (ies) of the Company

"**RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, consent of the Company be and is hereby given to the Board of Directors of the company to create charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the company, on such assets and properties of the company, both present and future and in such manner as the Board may direct, in favour of all or any Banks, financial institutions, investments institutions and their subsidiaries, any other bodies corporate and any other lenders (hereinafter collectively referred to "the lending agencies") and/ or Trustees for the holders of debentures/ bonds/ other instruments to secure borrowing of the Company by way of loans/ issue of debentures/ bonds/ other instruments which may be issued for a sum not exceeding Rs.5000 Crore (Rupees Five Thousand Crore only) over and above the aggregate of the paid up capital of the company, its free reserves and securities premium which have been /or propose to be obtained from or privately placed with the lending agencies together with interest there on at agreed rates, further interest, liquidated damages, premium on prepayment or on redemption, costs, charges, expenses, and all other monies payable by the company to *the* trusties under the trust deeds and/or to the lending agencies under their respective agreements/loan agreements /debentures trust deeds entered into/to be entered by the company in respect of said borrowings."

"**RESOLVED FURTHER THAT** the Board be and is hereby authorized to finalize with the Lending Agencies / Trustees, the documents for creating the aforesaid mortgages, charges and/or hypothecations and to accept any modifications to, or to modify, alter or vary, the terms and conditions of the aforesaid documents and to do all such acts and things and to execute all such documents as may be necessary for giving effect to this Resolution."

For IKF FINANCE LTD.

Ch. Sreenivasa Rao
Company Secretary
M. No. 14723

//Certified True Copy//
For IKF Finance Limited

(Ch Sreenivasa Rao)
Company Secretary
ACS :014723

IKF FINANCE LTD. VIJAYAWADA

Place: Vijayawada
Date: 25.10.2022

ANNEXURE X: DUE DILIGENCE CERTIFICATES

(As specified in the relevant Key Information Document)

ANNEXURE XI: STATUTORY AUDITOR PEER REVIEW CERTIFICATE

(As attached separately)

The Institute of Chartered Accountants of India

(Setup by an Act of Parliament)

Peer Review Board

Peer Review Certificate No.: 014642

This is to certify that the Peer Review of

M/s S G C O & Co LLP

4/A, Kaledonia-HDIL, 2nd Floor, Sahar Road,

Near Andheri Station, Andheri-East,

Mumbai-400069

FRN No. 112081W/W100184

has been carried out for the period

2018-2021

pursuant to the *Peer Review Guidelines 2022*, issued by the Council of the Institute of Chartered Accountants of India.

This Certificate is effective from: 14-10-2022

The Certificate shall remain valid till: 31-10-2025

Issued at New Delhi on 19-10-2022

CA. Chandrashekhar Vasant Chitale **Chairman** **Peer Review Board**	**CA. Anuj Goyal** **Vice-Chairman** **Peer Review Board**	**CA. Nidhi Singh** **Secretary** **Peer Review Board**

Note : The Certificate is issued on behalf of the Peer Review Board of ICAI and ICAI or any of its functionaries are not liable for any non-compliance by the Practice Unit. The Certificate can be revoked for the reason stated in the '*Peer Review Guidelines 2022*'.

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

KEY INFORMATION DOCUMENT

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

A public limited company incorporated and validly existing under the Companies Act 1956 and validly existing under the Companies Act, 2013.

Key Information Document for issue of Debentures on a private placement basis dated: 21st March 2024

ISSUE OF UP TO 5000 (FIVE THOUSAND) SECURED, LISTED, RATED, UNSUBORDINATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES HAVING A FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH, FOR CASH, AT PAR, AGGREGATING UP TO INR 50,00,00,000/- (INDIAN RUPEES FIFTY CRORES ONLY) EACH, IN A DEMATERIALISED FORM ON A PRIVATE PLACEMENT BASIS (THE "ISSUE") (HEREINAFTER REFFERED TO AS "DEBENTURES") BY IKF FINANCE LIMITED (THE "COMPANY") OR ("ISSUER").

This Key Information Document shall be read in conjunction with the General Information Document dated 4th August 2023

PART A: DISCLOSURES AS PER SEBI NCS Regulations:

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

S. No.	Particulars	Relevant Disclosure
1.	**Details of debenture trustee for the Issue:**	Name: Vardhman Trusteeship Private Limited Address: Unit No 15, Turner Morrison, 6 Lyons Range, Kolkata, West Bengal - 700001 and branch office at The Capital, A Wing, 412A, Bandra Kurla Complex, Bandra (East), Mumbai, Maharashtra - 400051 Logo: Telephone Number: +91 22 4264 8335 Email address: compliance@vardhmantrustee.com Contact person: Rushabh Desai Or such other Debenture Trustee as shall be set out in the respective Key Information Document.
2.	**Details of credit Rating Agent for the Issue:**	Name: CARE Ratings Limited Address: 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai - 400 022 Logo: Telephone Number: +91-22- 6754 3456 Email address: care@careratings.com

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

		Contact person: Mr. Ravi Or such other Rating Agent as shall be set out in the respective Key Information Document.
3.	**Date of Key Information Document**	21st March 2024
4.	**Type of Key Information Document**	This Key Information Document is being issued in relation to the private placement issue of Debentures.
5.	**The nature, number, price and amount of securities offered and issue size (base issue or green shoe), as may be applicable**	**Base Issue:** Issue of up to 5,000 (Five Thousand) secured, listed, rated, unsubordinated, redeemable, transferable, non-convertible debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh only) aggregating to INR 50,00,00,000/- (Indian Rupees Fifty Crores Only) each, for cash, at par, on a private placement basis. **Green Shoe:** Not Applicable
6.	**The aggregate amount proposed to be raised through all the stages of offers of non-convertible securities made through the shelf prospectus (applicable only in case of public issuance);**	Not applicable.
7.	**Details of Registrar to the Issue:**	Name: Bigshare Services Private Limited Address: E-2, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai 400 072 Logo: Bigshare Services Pvt. Ltd. Telephone Number: +022 2847 0652 Website: https://www.bigshareonline.com/ Email address: mohan@bigshareonline.com Contact Person: Mr. N. V. K. Mohan Or such other Registrar as shall be set out in the respective Key Information Document.
8.	**Legal Counsel**	Name: Juris Corp, Advocates & Solicitors Logo: Juris Corp advocates & solicitors Contact Person: Partner, Securities Address: 302, Century Bhavan, 3rd Floor, Dr Annie Besant Road, Worli, Mumbai - 400 030, India Email: securities@jclex.com Tel: 022 6720 5555 Website: www.jclex.com

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		Or such other Legal Counsel as shall be set out in the respective Key Information Document.
9.	**Statutory Auditor**	Logo: SGCO & Co.LLP Chartered Accountants Name: M/s. SGCO & Co., L.L.P., Chartered Accountants Address: 4A, Kaledonia, 2nd Floor, Sahar Road, Near Andheri Station, Andheri (East), Mumbai - 400 069 Website: www.sgco.co.in Email address: ammit.vira@sgco.co.in Telephone Number: +91 22 6625 6363 Contact Person: Ammit Vira Or such other Statutory Auditor as shall be set out in the respective Key Information Document.
10.	**Issue Schedule**	Date of opening of the Issue: 26th March 2024 Date of closing of the Issue: 26th March 2024 Date of earliest closing of the Issue (if any): 26th March 2024 Pay-in date: 27th March 2024 Deemed Date of Allotment: 27th March 2024 Redemption Date: 27th March 2027
11.	**Credit Rating of the Issue**	The Rating Agent has vide its letter dated March 19, 2024 and rating rationale and its press release assigned a rating of "CARE A (Stable)" in respect of the Debentures. Please refer to **Annexure I** of this Key Information Document for the credit rating letter and rating rationale received from the Rating Agent assigning the credit rating abovementioned and the press release by the Rating Agent in this respect.
12.	**All the ratings obtained for the private placement of Issue**	Please refer to S.no 11 (*Credit Rating of the Issue*) above. No other ratings have been obtained for the purposes of this Issue.
13.	**The name(s) of the stock exchanges where the securities are proposed to be listed, subject to change**	The Debentures are proposed to be listed on the wholesale debt market of the BSE Limited (**"BSE"**). Please refer to **Annexure IX** (*In-Principle approval)* of the Key Information Document for the in-principle approval for listing obtained from BSE in relation to the General Information Document as issued by the Issuer. BSE shall be the 'Designated Stock Exchange' for the purpose of maintenance of the recovery expense fund prescribed by SEBI under the SEBI Debenture Trustees Circular, as may be amended from time to time.
14.	**The details about eligible investors;**	The following categories of investors, when specifically approached and have been identified upfront, are eligible to apply for this private placement of Debentures subject to fulfilling their respective investment norms/rules and compliance with laws applicable to

		them by submitting all the relevant documents along with the application Form (**"Eligible Investors"**): (a) Companies and Bodies Corporate eligible to invest in the Debentures; (b) Financial Institutions eligible to invest in the Debentures; (c) Foreign Portfolio Investors; (d) Mutual Funds; (e) Alternative Investment Funds; and (f) Any other investor eligible to invest in these Debentures. All potential Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures. **Note:** Participation by potential investors in the Issue may be subject to statutory and/or regulatory requirements applicable to them in connection with subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that they comply with all regulatory requirements applicable to them, including exchange controls and other requirements. Applicants ought to seek independent legal and regulatory advice in relation to the laws applicable to them.
15.	**Coupon rate, coupon payment frequency, redemption date, redemption amount and details of debenture trustee**	In respect of the Coupon Rate, the Coupon Payment Frequency, the Redemption Date and Redemption Amount in respect of the Debentures, please refer to Section 2.8 (*Issue Details*) of this Key Information Document. The details of Debenture Trustee are provided under S. No. 1 of this table above.
16.	**Nature and issue size, base issue and green shoe option, if any, shelf or tranche size, each as may be applicable**	**Issue Size:** Issue of up to 5000 (Five Thousand) secured, listed, rated, unsubordinated, redeemable, transferable, non-convertible debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh only) each aggregating to INR 50,00,00,000/- (Indian Rupees Fifty Crores Only) for cash, at par, on a private placement basis. **Base Issue Size:** Issue of up to 5000 (Five Thousand) secured, listed, rated, unsubordinated, redeemable, transferable, non-convertible debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh only) each aggregating to INR 50,00,00,000/- (Indian Rupees Fifty Crores Only) for cash, at par, on a private placement basis. **Green Shoe option:** Not Applicable
17.	**Details about underwriting of the issue including the amount undertaken to be underwritten by the underwriters:**	Not Applicable.

<table>
<tr><td>18.</td><td>Inclusion of a compliance clause in relation to electronic book mechanism and details pertaining to the uploading the Key Information Document on the Electronic Book Provider Platform, if applicable.</td><td>The final subscription to the Debentures shall be made by the Eligible Investors through the electronic book mechanism as prescribed by SEBI under the EBP Guidelines by placing bids on the electronic book platform during the Issue period. In case the Eligible Investors are not registered on the EBP, they will have to register themselves as investor on the said platform (as a one-time exercise) and also complete the mandatory KYC verification process. The Eligible Investors should also refer to the operational guidelines of the EBP in this respect. The disclosures required pursuant to the EBP Guidelines are set out hereinbelow:
<table>
<tr><td>Details of size of the Issue including green shoe option, if any</td><td>Total Issue size of Issue: INR 50,00,00,000/- (Indian Rupees Fifty Crores Only)</td></tr>
<tr><td>Bid opening and closing date</td><td>Bid opening date: 26th March 2024; and
Bid closing date: 26th March 2024.</td></tr>
<tr><td>Minimum Bid lot</td><td>100 (One Hundred) Debentures (aggregating to INR 1,00,00,000 (Indian Rupees One Crore), and 1 (one) Debenture thereafter.</td></tr>
<tr><td>Manner of bidding in the Issue</td><td>Closed Bidding</td></tr>
<tr><td>Manner of allotment in the Issue</td><td>The allotment will be done on Uniform Yield basis in accordance with EBP Guidelines.</td></tr>
<tr><td>Manner of settlement in the Issue</td><td>Pay-in of funds through ICCL and the account details are given in the Section 4.2 (Process flow of settlement) of this Key Information Document.</td></tr>
<tr><td>Settlement cycle</td><td>T+1, where T refers to the date of bid opening date / issue opening date</td></tr>
</table></td></tr>
<tr><td>19.</td><td>Specific declaration requested by BSE: non-equity regulatory capital</td><td>This issue of Debentures does not form part of non-equity regulatory capital mentioned under Chapter V of the SEBI NCS Regulations.
The face value of each Debenture is INR 1,00,000 (Indian Rupees One Lakh Only).</td></tr>
</table>

Background
This Key Information Document (as defined below) is related to the issue of up to 5,000 (Five Thousand) secured, listed, rated, unsubordinated, redeemable, transferable, non-convertible debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh only) each, aggregating to INR 50,00,00,000/- (Indian

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Rupees Fifty Crores Only) for cash, at par, on a private placement basis to be issued by **IKF Finance Limited** (the **"Issuer"** or **"Company"**) on a private placement basis and contains relevant information and disclosures required for the purpose of issuing of the Debentures and must be read along with the General Information Document issued by the Issuer. The issue of the Debentures comprised in the Issue and described under this Key Information Document has been authorised by the Issuer through resolutions passed by the shareholders of the Issuer on 30th September 2022, the Board of Directors of the Issuer on 10th November, 2023 and the resolution of the management committee of the Board dated 20th March 2024 and Memorandum and Articles of Association of the Company. Pursuant to the resolution passed by the Company's shareholders dated 30th September 202 in accordance with provisions of the Companies Act, 2013, the Company has been authorised to raise funds, by way of issuance of non-convertible debentures, upon such terms and conditions as the Board may think fit for aggregate amounts not exceeding 5000,00,00,000/-(India Rupees Five Thousand Crores only). The present issue of Debentures in terms of this Key Information Document is within the limits as prescribed in such relevant resolution.

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

THIS KEY INFORMATION DOCUMENT IS PREPARED AND ISSUED IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021, ISSUED VIDE NOTIFICATION NUMBER SEBI/LAD-NRO/GN/2021/39 DATED 09TH AUGUST 2021, AS AMENDED FROM TIME TO TIME, READ WITH THE CIRCULARS ISSUED THEREUNDER; THE MASTER CIRCULAR FOR ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES, SECURITISED DEBT INSTRUMENTS, SECURITY RECEIPTS, MUNICIPAL DEBT SECURITIES AND COMMERCIAL PAPER ISSUED BY SECURITIES AND EXCHANGE BOARD OF INDIA, ISSUED VIDE CIRCULAR NO. SEBI/HO/DDHS/PoD1/P/CIR/2023/119 DATED 10TH AUGUST, 2021, AS AMENDED FROM TIME TO TIME, THE PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER PURSUANT TO SECTION 42 OF THE COMPANIES ACT, 2013 READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014 AND PURSUANT TO SECTION 71 OF THE COMPANIES ACT, 2013 READ WITH RULE 18 OF THE COMPANIES (SHARE CAPITAL AND DEBENTURES) RULES, 2014 FOR ISSUE OF NON-CONVERTIBLE DEBENTURES ON A PRIVATE PLACEMENT BASIS. THIS KEY INFORMATION DOCUMENT SHALL BE READ IN CONJUNCTION WITH THE GENERAL INFORMATION DOCUMENT DATED 08th AUGUST 2023.

Particulars	Date
Issue Opening Date	26th March 2024
Issue Closing Date	26th March 2024
Pay In Date	27th March 2024
Deemed Date of Allotment	27th March 2024

Listing
The Debentures are proposed to be listed on the wholesale debt market of the BSE. The Issuer has obtained an in-principle approval in relation to the General Information Document from the Stock Exchange on 07th August 2023. The Issuer, with prior notice to the Debenture Trustee, may get the Debentures listed on other material stock exchanges as it deems fit. The Issuer shall comply with the requirements of the listing agreement to the extent applicable to it on a continuous basis.

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SECTION 1: DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or requires and if not otherwise defined in the General Information Document, the following terms shall have the meanings given below in this Key Information Document.

Business Day	shall be any day (other than a Sunday or a public holiday) under Section 25 of the Negotiable Instruments Act, 1881, on which scheduled commercial banks are open for general business in Mumbai and Vijayawada, India. Additionally, the day on which payment of interest/redemption with respect to debt securities falls due, it has been decided that interest/ redemption payments shall be made only on the days when the money market is functioning in Mumbai and Vijayawada, India. "Business Days" shall be construed accordingly.
CARE	shall mean CARE Ratings Limited a company incorporated under the Companies Act, 1956 and validly existing under the Companies Act, 2013 having corporate identification number L67190MH1993PLC071691 and its registered office at Godrej Coliseum, 4th Floor, Somaiya Hospital Road, Off E - Express Highway Sion East, Mumbai - 400022, Maharashtra, India.
Conditions Precedent	means the conditions precedent set out under the heading in Section 2.8 (*Issue Details*) of this Key Information Document.
Conditions Subsequent	Means the conditions subsequent set out in Section 2.8 (*Issue Details*) of this Key Information Document.
Debenture Trust Deed	means the trust deed executed / to be executed by and between the Debenture Trustee and the Issuer which will set out the terms upon which the Debentures are being issued and shall include the representations and warranties and the covenants to be provided by the Issuer on or around the date of this Key Information Document.
Debenture Trustee	Vardhman Trusteeship Private Limited. A copy of the consent letter has been annexed hereto in **Annexure II** of this Key Information Document Further, a copy of the due diligence certificate is set out in **Annexure VII** of this Key Information Document hereto.
Debenture Trustee Agreement	means the agreement executed by and between the Debenture Trustee and the Issuer for the purposes of appointment of the Debenture Trustee to act as debenture trustee in connection with the issuance of the Debentures on or around the date of this Key Information Document.
Debentures	Issue of up to 5,000 (Five Thousand) secured, listed, rated, unsubordinated, redeemable, transferable, non-convertible debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh only) aggregating to INR 50,00,00,000/- (Indian Rupees Fifty Crores Only) each, for cash, at par, on a private placement basis pursuant to the terms of the General Information Document read along with this Key Information Document. **Base Issue:** Issue of up to 5,000 (Five Thousand) secured, listed, rated, unsubordinated, redeemable, transferable, non-convertible debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh only) aggregating to INR 50,00,00,000/- (Indian Rupees

	Fifty Crores Only) each, for cash, at par, on a private placement basis. **Green Shoe option:** Not Applicable
Deed of Hypothecation	Shall mean the deed of hypothecation dated on or around the date of the Debenture Trust Deed to create a first ranking, exclusive, current and continuing charge over the Hypothecated Assets, to be executed between the Issuer and the Debenture Trustee to secure the Payment Obligations in relation to the Debentures.
Deemed Date of Allotment	shall mean the date on which the Debentures shall have been deemed to be allotted to the Debenture Holders - 27th March 2024
Eligibility Criteria	means commencing from the effective date of the Deed of Hypothecation until the Final Settlement Date: (a) each Loan underlying the Hypothecated Assets shall be standard at the time of selection and shall not be terminated or prepaid; (b) no Loan underlying the Hypothecated Assets should have been restructured or rescheduled (determined in accordance with the criteria prescribed by the RBI); (c) each Loan underlying the Hypothecated Assets must be standard as per the guidelines prescribed by the RBI, at the time of creation of the Security and have not been terminated or prepaid; (d) each Loan underlying the Hypothecated Assets must be existing at the time of selection and shall not be terminated or prepaid; (e) each Loan (as defined under the Deed of Hypothecation) underlying the Hypothecated Assets must be in compliance with all applicable know your customer requirements prescribed by the RBI; (f) each Loan underlying the Hypothecated Assets must have been originated by the Company, and must not have been purchased from any other third party; (g) each Loan underlying the Hypothecated Assets must be in compliance with all customer protection regulations as prescribed by the RBI; (h) each loan underlying the Hypothecated Assets, constituting the Portfolio should not be secured by hypothecation of vehicles which are more than 15 (Fifteen) years old on the date of maturity of the loan; (i) each Loan underlying the Hypothecated Assets from related parties shall not be included in hypothecated Receivables; (j) each Loan underlying the Hypothecated Assets must conform to the credit and underwriting policies adopted by the Company; (k) each Loan underlying the Hypothecated Assets shall not be obtained from a related party; (l) no loan underlying the Hypothecated Assets shall be overdue for more than 90 (ninety) days; (m) other than the Security Interest created pursuant to the Debenture Trust Deed and Security Documents, each Loan underlying the Hypothecated Assets must be free from all

	encumbrances and should not be subject to any lien or charge; and (n) each Loan underlying the Hypothecated Assets is a Client Loans and is standard as per RBI guidelines at the time of creation of the Security.
Eligible Investors	has the meaning given to it under Section 4.4 of the Key Information Document.
Events of Default	means the events of default set out in Section 2.8 (*Issue Details*) of this Key Information Document, and "Event of Default" shall be construed accordingly.
Final Redemption Date	means the date occurring on the expiry of 1096 (one thousand and ninety-six) days or 36 (thirty-six) months from the Deemed Date of Allotment, being, 27th March 2027.
Financial Indebtedness	shall mean in relation to any Person any indebtedness of such Person for or in respect of: (a) moneys borrowed; (b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent; (c) any amount raised by acceptance of vendor bill discounting facility, receivables bill discounting or dematerialised equivalent; (d) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument including any accrued interest or redemption premium thereon; (e) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the Applicable Accounting Standards, be treated as a finance or capital lease; (f) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis); (g) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing, including on any other direct or indirect or secured or unsecured recourse basis; (h) shares which are expressed to be redeemable, or any shares or instruments convertible into shares, or any shares or other securities, in each case which are otherwise the subject of a put option or call option or any form of guarantee; (i) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; (j) any amount of any liability under any advanced or deferred purchase agreement if one of the primary reasons behind the entry into such agreement is to raise finance; (k) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account); and

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	(l) the amount of any liability in respect of any indemnity (without double counting) for any of the items referred to in paragraphs (a) to (k) above.
General Information Document	means the General Information Document issued by the Issuer dated 04th August 2023 for the purpose of issue of the non-convertible securities on a private placement basis in accordance with applicable Laws.
Hypothecated Assets	has the meaning given to it in the Section 2.8 (*Issue Details*) of the Key Information Document.
Interest Payment Dates	means the payment dates as specified in **Annexure IV** of this Key Information Document.
Interest Rate/Coupon Rate	Fixed rate of 9.95% p.a. (Nine point nine five per cent) per annum and payable quarterly.
Issue	means the private placement of the Debentures.
Issue Closing Date	26th March 2024
Issue Opening Date	26th March 2024
Key Information Document	This Key Information Document dated 21st March 2024.
Majority Debenture Holders	shall mean, such number of Debenture Holders collectively holding more than 50% (fifty percent) of the value of the nominal amount of the Debentures for the time being outstanding.
Material Adverse Effect	Material Adverse Effect' shall mean the effect or consequence of an event, circumstance, occurrence or condition which in the sole opinion of the Debenture Trustee (acting on the resolution of Majority Debenture Holders), has caused, as of any date of determination or could reasonably expect to cause, a material and adverse effect on. (a) the financial condition, assets, results of prospects, credit standing on the business, conditions, operation, profits, or sales of the Issuer where the net worth erodes by more than 50%; (b) the ability of the Issuer to enter into, perform or comply with its obligations under any Transaction Document; (c) the validity, legality or enforceability of, or the rights or remedies of any Debenture Holder under, any Transaction Document including the ability of any party to enforce any of its remedies thereunder; and (d) any other effect or change which adversely affect the interest of the Debenture Holder(s) or the Debenture Trustee under any of the Transaction Documents.
Net Worth	has the meaning given to it in the Act.
Outstanding Amounts	shall mean the Coupon, Default Interest, if any, additional interest, liquidated damages (if any) payable in relation to the Debentures, costs, indemnities, charges, expenses, fees (including the remuneration of the Debenture Trustee, Rating Agent and the Receiver, attorneys etc. and), all taxes, levies, cess including stamp duty and any/all other reasonable amounts, costs, charges due and payable by the Issuer under the Transaction Documents.
Outstanding Principal Amount	means, at any date, the principal amount outstanding under the Debentures.

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Payment Default	means any event, act or condition which, with notice or lapse of time, or both, would constitute an Event of Default under paragraph (i) under the section named "Events of Default" under Section 2.8 (*Issue Details*) of this Key Information Document.
Payment Obligations	shall mean the aggregate of the Outstanding Amounts and the Redemption Amounts.
Private Placement Offer cum Application Letter/PPOAL	The offer cum application letter prepared in compliance with Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014.
Purpose	means the purpose for which the Debentures are issued being the proceeds of the issuance of Debentures will be utilized by the Issuer for the following purpose of raising debt for the ongoing business of the Issuer (including the expansion of the Issuer's onward lending). Provided that no part of the proceeds shall be utilized directly/indirectly towards the following: (a) capital markets (including equity, debt, debt linked and equity linked instruments or any other capital market land activities); (b) any speculative purposes; (c) any activity in the Exclusion List or investment in the real estate sector; and (d) in contravention of any applicable law.
Rating	"CARE A (Stable)" assigned by the Rating Agent.
Rating Agent	means CARE Ratings Limited a company incorporated under the Companies Act, 1956 and validly existing under the Companies Act, 2013 having corporate identification number L67190MH1993PLC071691 and its registered office at Godrej Coliseum, 4th Floor, Somaiya Hospital Road, Off E – Express Highway Sion East, Mumbai – 400022, Maharashtra, India.
Record Date	means the date falling 7 (seven) days prior to the Coupon Payment Date or the Redemption Date.
Redemption Date	means each of the Final Redemption Date and the dates on which a Redemption Payment is required to be made as more particularly set out in **Annexure IV** this Key Information Document.
Redemption Payment	means the payment of the Outstanding Principal Amounts of the Debentures on the Redemption Dates (including the Final Redemption Date) or any other date in accordance with the Debenture Trust Deed.
Register of Beneficial Owners	means the register of beneficial owners of the Debentures maintained in the records of the Depositories
R&T Agent/Registrar	shall mean Bigshare Services Private Limited, a company incorporated and validly existing under the Companies Act, 2013 with corporate identification number U99999MH1994PTC076534 and having its registered office at E-3 Ansa Industrial Estate, Saki Vihar Road, Sakinaka, Mumbai, Maharashtra - 400072, India.
Security Cover	has the meaning given to it in the Section 2.8 (*Issue Details*) of the Key Information Document.
Stock Exchange	shall mean BSE.

Tangible Net Worth	means, with respect to any person, the amount paid up on such person's issued equity share capital, compulsorily convertible and any amount standing to the credit of its reserves, less equity or equity-like investments, goodwill, deferred tax assets and other intangible assets.
Tier I Capital	has the meaning given to it in the NBFC Directions.
Tier II Capital	has the meaning given to it in the NBFC Directions.
Transaction Documents	The documents executed or to be executed in relation to the issuance of the Debentures as more particularly set out in Section 2.8 of this Key Information Document.
Transaction Security	has the meaning given to it in the Section 2.8 (*Issue Details*) of this Key Information Document.
WDM	Wholesale Debt Market segment of the BSE.

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SECTION 2: REGULATORY DISCLOSURES

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

2.1 Expenses of the issue:

Particulars of expenses	Amount	Percentage of total expenses	Percentage of total issue size
Lead Manager Fees	0	0	0
Underwriting Commission	0	0	0
Brokerage, selling commission and upload fees	0	0	0
Fees payable to the registrar to the issue	5,000	3.65%	0.001%
Fees payable to the legal advisors	0	0	0
Advertising and marketing expenses	0	0	0
Fees payable to the regulators including stock exchange	1,32,171	96.35%	0.026%
Expenses incurred on printing and distribution of issue stationary	0	0	0
Any other fees, commission or payments under whatsoever nomenclature	0	0	0

2.2 Debt: Equity Ratio of the Company:

Before the issue	2.74
After the issue	2.80

Note - Net worth figure has been taken as on 31st December 2023.

Borrowings figure has been taken as on 31st December 2023.
Calculations

Prior to issue, debt-to-equity ratio is calculated as follows:

(Rs in Lakhs)

Debt	233413.86
Equity	85089.97
Debt/Equity	2.74

Subsequent to the issue, debt-to-equity ratio shall be calculated as follows:

(Rs in Lakhs)

Debt	238413.86
Equity	85089.97
Debt/Equity	2.80

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

The Debenture Trustee for the proposed issue of Debentures shall be Vardhman Trusteeship Private Limited and has given its written consent for its appointment as debenture trustee to the Issue and inclusion of its name in the form and context in which it appears in this Key Information Document and in all the subsequent periodical communications sent to the Debenture Holders. The consent letter from Debenture Trustee is provided in **Annexure II** of this Key Information Document.

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

The Rating Agent has assigned a rating of **"CARE A (Stable)"** (pronounced as "CARE A Stable") to the Debentures. The rating letter from the Rating Agent and the rating rationale from the Rating Agent along with the detailed press release is provided in **Annexure I** of this Key Information Document.

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

Not Applicable.

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

S. No.	Particulars	Details
1.	Legal Counsel (if any)	Name: Juris Corp, Advocates & Solicitors Logo: Juris Corp advocates & solicitors Contact Person: Partner, Securities Address: 302, Century Bhavan, 3rd Floor, Dr Annie Besant Road, Worli, Mumbai - 400 030, India Email: securities@jclex.com Tel: 022 6720 5555

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S. No.	Particulars	Details
		Website: www.jclex.com
2.	Guarantor (if applicable)	Not Applicable
3.	Arrangers, if any	Not Applicable

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

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

Coupon and all other charges shall accrue based on actual/actual day count convention in accordance with Chapter III (*Day count convention, disclosure of cash flows and other disclosures in the offer document*) of the SEBI circular no. SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated August 10, 2021 on "*Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper*", as may be amended and modified from time to time;

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

The cashflows emanating from the Debentures, by way of an illustration, are set out in **Annexure IV** of this Key Information Document.

2.8 Issue Details applicable for this issuance of the Debentures under this Key Information Document.

**** In case of any inconsistencies or conflict of interest between the Key Information Document and the Transaction Documents, the terms set out in the Debenture Trust Deed and the other Transaction Documents shall prevail.**

Security Name (Name of the non-convertible securities which includes Coupon / dividend, Issuer Name and maturity year)	9.95% IKF Finance 2027
Issuer	IKF Finance Limited
Type of Instrument	Secured, Listed, Rated, Unsubordinated, Redeemable, Transferable, Non-Convertible Debentures.
Nature of Instrument (Secured or Unsecured)	Secured, Listed, Rated, Unsubordinated, Redeemable, Transferable, Non-Convertible Debentures.
Issue Schedule	Date of opening of the Issue: 26th March 2024 Date of closing of the Issue: 26th March 2024 Pay-in date: 27th March 2024 Deemed Date of Allotment: 27th March 2024
Seniority (Senior or subordinated)	Unsubordinated

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

Eligible Investors	Please refer to Section 4.4 (Eligible Investors).
Listing (name of stock Exchange(s) where it will be listed and timeline for listing)	BSE

(a) The Issuer shall submit all duly completed documents to the BSE, SEBI, ROC or any other Governmental Authority, as are required under Applicable Law and procure permission for listing of the Debentures from the Stock Exchange within (T+3) working days, wherein "**T**" shall be referred to the issue closing date (**"Listing Period"**).

(b) The Issuer shall ensure that the Debentures continue to be listed on the wholesale debt market segment of the BSE.

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

Rating of Instrument	"CARE A (Stable)" issued by CARE
Issue Size	INR up to 50,00,00,000/- (Indian Rupees Fifty Crores Only)
Minimum Subscription	Minimum of 100 Debentures and then in multiples of 1 Debenture thereafter
Option to retain oversubscription (Amount)	Not Applicable
Objects of the Issue / Purpose for which there is requirement of funds	The proceeds of the issuance of Debentures will be utilized by the Issuer for the following purpose of raising debt for the ongoing business of the Issuer (including the expansion of the Issuer's onward lending). Provided that no part of the proceeds shall be utilized directly/indirectly towards the following***:*** (a) capital markets (including equity, debt, debt linked and equity linked instruments or any other capital market land activities); (b) any speculative purposes; (c) any activity in the Exclusion List or investment in the real estate sector; and (d) in contravention of any applicable Law.
In case the issuer is a NBFC and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the prescribed format:	Not Applicable. The proceeds raised from the Issue will be used solely for the Purpose (Defined in Section 1)
Details of the utilization of the Issue Proceeds	100% (One Hundred Percent) of the issue proceeds will be utilized only towards raising debt for the ongoing business of the Issuer (including the expansion of the Issuer's onward lending).

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Coupon Rate	Fixed 9.95% p.a. (Nine point nine five per cent) per annum and payable quarterly
Step Up / Step Down Coupon Rate	Not Applicable
Coupon Payment Frequency	Quarterly
Coupon Payment Dates	As per the dates set out in **Annexure IV** of this Key Information Document.
Coupon Type (Fixed, floating or other structure)	Fixed
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.)	Not Applicable
Day Count Basis (Actual / Actual)	Actual / Actual. The Coupon (if any) shall be computed on the basis of actual number of days elapsed in a year, for this purpose a year shall comprise of a period of 365 (three hundred and sixty-five) days. In case of a leap year, if 29th February of the relevant leap year falls during the Tenor of the Debentures, then the number of days shall be reckoned as 366 (three hundred and sixty-six) days for the one-year period.
Interest on Application Monies	(a) Interest at the Coupon rate (subject to Tax deduction under the Applicable Law or any other statutory modification or re-enactment thereof, if applicable) will be paid to the Applicants on the Application Monies for the Debentures from the Pay-in Date up to 1 (one) day prior to the Deemed Date of Allotment for all valid applications within such timelines as agreed by the Parties; and (b) Where Pay-in Date and Deemed Date of Allotment fall on the same date, no interest on Application Monies is to be paid to the Applicants.
Default Interest Rate	In case of default in payment of Coupon and / or Redemption Amount on as per the Payment Mechanism, additional coupon rate of 2% p.a. (two percent per annum) payable quarterly over the Coupon rate will be payable by the Issuer from the date of default till such default in payment of Coupon and/or Redemption Amount is rectified. In case of default by the Issuer in the performance of any of the covenants of this Issue, including but not limited to the (i) Affirmative Covenants after a cure period of 30 (thirty) days, (ii) Negative Covenants and (iii) Financial Covenants after a cure period of 60 (sixty) days and Reporting Covenants, additional coupon rate of 2% p.a. (two percent per annum) payable quarterly over the Coupon rate will be payable by the Issuer from the date of default till such default is rectified.

	Any failure to create and perfect security over the Hypothecated Assets within the timelines set out in the Transaction Documents shall attract 2% p.a. (two percent per annum) additional interest payable quarterly over the Coupon rate and give an option to the Debenture holders for early redemption. Each of the default coupon rates mentioned above are mutually exclusive and will be payable in the event the circumstance triggering the default coupon rate occurs.
Tenor	1096 (one thousand and ninety six) days or 36 (thirty-six) months from the Deemed Date of Allotment – 27th March 2027
Redemption Date / Maturity Date	27th March 2027 The Debentures shall be redeemed on a pro rata basis as set out in Annexure **IV** and shall be fully redeemed by the Final Redemption Date.
Principal Amortization	Quarterly (8.3333% of Face Value) of the Debentures
Redemption Premium/ Discount	Not Applicable
Redemption Amount	At par
Early Redemption	Not Applicable
Mandatory Redemption	Not Applicable
Early Redemption Date/ Mandatory Redemption Date	Not Applicable
Early Redemption Notice	Not Applicable
Voluntary Redemption	Not Applicable
Issue Price	INR 1,00,000 (Indian Rupees One Lakh) per Debenture
Discount at which security is issued and the effective yield as a result of such discount	Not Applicable
Premium / Discount at which security is redeemed and the effective yield as a result of such premium / discount	Not Applicable
Put Option	On the occurrence of the Put Option Event and subject to Applicable Law, the Debenture Trustee shall have the right but not the obligation to demand immediate Redemption of the Debentures ("**Put Option**"), by serving a written notice to the Issuer in the format set out in Schedule XIII of the Debenture Trust Deed ("**Put Option Notice**"), within 30 (thirty) days from the occurrence of the Put Option Event, to the Issuer or persons identified by him. The Put Option Notice shall contain details of (i) the amounts to be paid to the Debenture Holders which shall be equal to the Put

	Option Price as provided below together with all other Outstanding Amounts and (ii) the account in which the said payment is to be credited. The Issuer shall be obliged to Redeem all the Debentures and pay the Put Option Price together with all other Outstanding Amounts.
Put Option Event	The rating of the Debentures is downgraded below the Rating, i.e., "CARE A / Stable-" to "BBB-" or below.
Put Date	Not Applicable
Put Price	Not Applicable
Call Date	Not Applicable
Call Price	Not Applicable
Put Notification Time (Timelines by which the investor need to intimate Issuer before exercising the put)	As mentioned under Put Option.
Call Notification Time (Timelines by which the Issuer need to intimate investor before exercising the call)	Not Applicable
Face Value	INR 1,00,000/- (Indian Rupees One Lakh only) per Debenture
Minimum Application and in multiples of thereafter	100 (One Hundred) Debentures (aggregating to INR 1,00,00,000 (Indian Rupees One Crore), and 1 (one) Debenture thereafter
Issue Timing 1) Issue Opening Date 2) Issue Closing Date 3) Date of earliest closing of the Issue, if any 4) Deemed Date of Allotment 5) Pay-in Date	 1) 26th March 2024 2) 26th March 2024 3) 26th March 2024 4) 27th March 2024 5) 27th March 2024
Settlement mode of the Instrument	RTGS / NEFT / IMPS
Depositories	NSDL and CDSL
Disclosure of Interest / Dividend / Redemption Dates	Please refer to **Annexure IV** in this Key Information Document.
Record Date	As set out more particularly in Section 1 of this Key Information Document.
All covenants of the issue (including side letters, accelerated payment clause,	**Representations and Warranties** Please refer to Section 3.1 of this Key Information Document.

etc.)	**Affirmative Covenants** Please refer to Section 3.2 (a) of this Key Information Document. **Negative Covenants** Please refer to Section 3.2 (b) of this Key Information Document. **Reporting Covenants** Please refer to Section 3.2 (c) of this Key Information Document. **Financial Covenants** Please refer to Section 3.2 (d) of this Key Information Document.
Description regarding Security (where applicable) including type of security (movable / immovable / tangible etc.), type of charge (pledge / hypothecation / mortgage etc.), date of creation of security / likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Debenture Trust Deed and disclosed in the General Information Document.	The value of the Hypothecated Assets charged as Security in favour of the Debenture Trustee is maintained at least 1.10x (one decimal point one zero times) the aggregate amount of the Outstanding Principal Amount in relation to the Debentures and shall be maintained at all times until the redemption of the Debentures and payment of the Payment Obligations (**"Security Cover"**) till the Final Settlement Date, (on the terms and conditions mentioned under the Transaction Documents) in accordance with Applicable Law and the Transaction Documents. The terms and process of creation of hypothecation shall be provided at length under the Deed of Hypothecation. If the Security in respect of Debentures falls below the Security Cover as specified in this Key Information Document on any account, the Company shall within 30 (thirty) Business Days of such occurrence, hypothecate further assets or such additional Security as may be acceptable to the Debenture Trustee to maintain the Security Cover in the manner set out in the Deed of Hypothecation. **Eligibility Criteria:** The loans forming part of the Hypothecated Assets shall satisfy the Eligibility Criteria and such other requirements set out in the Deed of Hypothecation. **Replacement of security:** The Company shall, within the timelines prescribed under the Deed of Hypothecation replace such Hypothecated Assets that do not satisfy the Eligibility Criteria. In case of any repugnancy between the provisions of the clause in this Key Information Document for the creation of hypothecation and the terms provided in the Deed of Hypothecation for the creation of mortgage over the Hypothecated Assets, the terms of the Deed of Hypothecation shall prevail.
Transaction Documents	shall mean and includes: (a) the Debenture Trustee Consent Letter;

	(b) Certified true copy of the Board resolution of the Issuer dated 10th November 2023; (c) Certified true copy of a resolution of the management committee of the Board of the Issuer dated 20th March 2024; (d) Certified true copy of the shareholder's resolution of the Issuer passed under Section 42 of the Act dated 30th September 2022; (e) Certified true copy of the shareholders resolution of the Issuer passed under Section 180(1)(a) of the Act dated 30th September 2022 and Section 180(1)(c) of the Act dated 30th September 2022; (f) General Information Document and Key Information Document; (g) the Debenture Trustee Appointment Agreement; (h) the Debenture Trust Deed; (i) the Security Documents; (j) Tripartite agreements executed between the Issuer, the Depository and the RTA; (k) Press release from the Rating Agent in respect of the credit rating for the Debentures; (l) In-principle approval as received from the Stock Exchange for listing of the Debentures; (m) Listing Agreement with the Stock Exchange; and (n) Any other document or instrument designated as a transaction document by the Debenture Trustee.
Conditions Precedent to Disbursement	(i) A certified true copy of the constitutional documents of the Company (being its Memorandum and Articles of Association and Certificate of Incorporation) shall have been submitted to the Debenture Trustee. (ii) All corporate approvals from the Board of Directors and shareholders of the Company, if applicable, shall have been received for the issuance of the Debentures and the execution, delivery and performance by the Company of the Transaction Documents in accordance with the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other rules prescribed. (iii) A copy of a special resolution passed by the shareholders of the Issuer specifically for purposes of Section 180 of the Act, (ii) the current borrowing limits of the Issuer, in accordance with Section 180(1)(c) of the Act, and (iii) the creation

	of the Security Interest in favour of the Debenture Trustee in accordance with Section 180(1)(a) of the Act. (iv) Execution of the Form PAS-4, Debenture Trustee Agreement, Debenture Trust Deed, the Deed of Hypothecation and the Power of Attorney (as the case may be), in a form and manner satisfactory to the Debenture Trustee shall have taken place. (v) A copy of the letter from the RTA providing its consent to act as the Registrar for the issue of Debentures. (vi) The Issuer shall have uploaded the Debt Disclosure Documents and the term sheet on the electronic book platform within the timelines set out under applicable Law. (vii) Rating of the Debentures being completed and the rating agency having provided a minimum rating of "CARE A / Stable" for the Debentures and the rating letter issued by the Rating Agency being in a form and manner satisfactory to the Debenture Trustee. (viii) The Company shall have obtained the Debenture Trustee Consent Letter from the Debenture Trustee. (ix) The Company shall have provided to the Debenture Trustee a certificate from a director/company secretary of the Company certifying that:- a. the Company and its Directors have the necessary powers under the Memorandum and Articles of Association of the Company to borrow moneys and for creation of security pursuant to the issuance of the Debentures; b. the borrowing of moneys and creation of security pursuant to the issuance of the Debentures will not cause any limit binding on the Company to be exceeded; and c. no Material Adverse Effect has occurred in the Company, and/or the business of the Company. (x) The delivery by the Company to the Debenture Trustee, of certificates signed by authorized signatories of the Company, in a form and substance satisfactory to the Debenture Trustee, with respect to: a. incumbency and signatures; b. absence of any Event of Default, any potential Event of Default, any force majeure event and any Material Adverse Effect; c. all representations and warranties contained in the Debenture Trust Deed are

	true and correct in all material respects on and as of the Deemed Date of Allotment, before and after giving effect to the Issue and to the application of the proceeds therefrom; and d. the Debenture Trustee shall have received from the Company its audited account statements for the Previous Year. (xi) Due execution of the Depository Agreements by, inter-alia, the Depository and the Company. (xii) Due execution of the Tripartite Agreement by, inter-alia, the Registrar and Transfer Agent, Depository and the Company. (xiii) The Company shall have submitted to the Debenture Trustee, all required documents for the purpose of satisfying its respective KYC requirements. (xiv) The Company shall have submitted to the Debenture Trustee, its audited account statements along with independent auditor's report of the Company for the financial year ended on 31st March 2023. (xv) The Issuer shall have obtained in-principle approval from the Stock Exchange for listing of the Debentures. (xvi) A copy of the e-Form MGT-14 filed with the Registrar of Companies with respect to the board resolution or shareholders' resolution (as applicable and if required under the Act) passed for the issue of Debentures. (xvii) The Issuer shall have obtained due-diligence certificate from the Debenture Trustee. (xviii) The Issuer shall have complied with all the provisions of the SEBI Debenture Trustees Master Circular in relation to compliance with distributed ledger technology requirements. (xix) The Issuer shall have obtained the International Securities Identification Number (ISIN) in respect of the Debentures. (xx) Payment of all fees and stamp duty under the Transaction Documents executed is done to the satisfaction of the Debenture Trustee. (xxi) The Company shall provide such other information, documents, certificates, opinions and instruments as the Debenture Holder may reasonably request.
Conditions Subsequent to Disbursement	Company shall fulfil each of the following conditions within the stipulated timelines: (i) The Company shall immediately on receipt of funds, take on all necessary steps to, including making all applicable filings in the Registrar of

		Companies and obtaining all necessary approvals including filing Form PAS 3 along with requisite fee within the timelines prescribed by the Act and Rules thereunder.
	(ii)	Certified true copy of the board resolution for the allotment of the Debentures, within 2 (two) Business Days of the Deemed Date of Allotment.
	(iii)	Copy of Form PAS-5 being maintained by the Company in accordance with the Act, where the Company has recorded the names of the subscribers to the Debentures within 7 (seven) Business Days of Deemed Date of Allotment.
	(iv)	Credit the demat account of the Applicants with such number of Debentures which have been allotted to them within 2 (two) Business Days from the Deemed Date of Allotment.
	(v)	Payment of stamp duty at 0.005% (zero point zero zero five percent) on the Debentures as per the Indian Stamp Act, 1899.
	(vi)	The Company shall provide/submit all such post listing disclosures as required under Master Circular and NCS Listing Regulations.
	(vii)	File e-form CHG 9 with Registrar of Companies within the 30 (thirty) days from the Deemed Date of Allotment.
	(viii)	As applicable to the Issuer in accordance with the Applicable Law(s), relevant filings in the prescribed form to be made with an information utility registered with the Insolvency and Bankruptcy Board of India in accordance with Section 215 of the Insolvency Code and other regulations including the Insolvency and Bankruptcy Board of India (Information Utilities) Regulations, 2017.
	(ix)	A certificate from the Company's chartered account in respect of the utilization of funds raised by the issue of the Debentures within 90 (Ninety) days from the Deemed Date of Allotment.
	(x)	Obtaining the final listing approval from the Stock Exchange in respect of the Debentures (including but not limited to payment of all fees) and list the Debentures on the wholesale debt market segment of BSE within 3 (three) working days from the issue closing date of Debentures.
	(xi)	Providing all the necessary assistance to the Debenture Trustee for filing of and registering with the Central Registry under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 for the exercise of the rights, powers and authority hereby conferred on the Debenture Trustee for effecting and perfecting the Security created or purported to be created under the Deed of

	Hypothecation and for enforcement of such Security within the timeline stipulated under Applicable Law. Any other document as required by the Debenture Trustee. (xii) Within 15 (fifteen) Business Days from the Deemed Date of Allotment, a copy of the application filed for obtaining no-objection certificate from the tax authorities under Section 81 of the Central Goods and Services Tax Act, 2017 and Section 81 of the State GST Act in respect of the security to be created by the Company over the Hypothecated Assets owned by it under the Transaction Documents. (xiii) A no-objection certificate from the tax authorities under Section 81 of the Central Goods and Services Tax Act, 2017 and Section 81 of the State GST Act in respect of the security to be created by the Company over the Hypothecated Assets owned by it under the Transaction Documents as soon as available. (xiv) A certificate from the independent Chartered Accountant in relation to the maintenance of the minimum Security Cover. (xv) Any other document as required by the Debenture Trustee. (xvi) Any other document as required elsewhere under the Transaction Documents.
Events of Default (including manner Of voting /conditions of joining Inter Creditor Agreement)	Please refer to Section 3.3 of this Key Information Document.
Creation of recovery expense fund	The Company hereby agrees and undertakes that it shall create a recovery expense fund in the manner as set out in NCS Regulations and the SEBI Debenture Trustees Master Circular or such other circulars as may be specified by the SEBI from time to time and shall inform the Debenture Trustee of the same in writing. Without prejudice to the generality of the foregoing, the Company shall ensure compliance with the SEBI NCS Regulations, as amended/ supplemented from time to time in relation to the creation and maintenance of the recovery expense fund, the key provisions of which are as follows: (a) <u>Creation of Recovery expense fund</u>: The Company shall deposit cash or cash equivalents including bank guarantees towards the contribution to recovery expense fund with the designated stock exchange and submit relevant documents evidencing the same to the Debenture Trustee from time to time The Company shall ensure that the bank guarantees remains valid for a period of six months post the maturity date of the Debentures. The Company shall keep the bank guarantees in force and

	renew the bank guarantees at least seven working days before its expiry, failing which the designated stock exchange shall invoke such bank guarantee. (b) Utilisation of recovery expense fund: In the event of default, the Debenture Trustee shall obtain the consent of Debenture Holders for enforcement of security and shall inform the same to the designated stock exchange. The amount lying in the recovery expense fund shall be released by the designated stock exchange to the Debenture Trustee within five working days of receipt of such intimation. The Debenture Trustee shall keep a proper account of all expenses incurred out of the funds received from recovery expense fund towards enforcement of Security. (c) Refund of recovery expense fund to the Company: The balance in the recovery expense fund shall be refunded to the Company on repayment to the Debenture holders for which a 'No Objection Certificate (NOC)' shall be issued by the Debenture Trustee(s) to the designated stock exchange. The Debenture Trustee shall satisfy that there is no 'default' on any other listed debt securities of the Company before issuing the NOC.
Conditions for breach of covenants (as Specified in the Debenture Trust Deed)	Please refer to sections named "Default Interest Rate" above and Section 3.3 below.
Provisions related to Cross Default Clause	(a) Any Financial Indebtedness of the Issuer or any of their respective subsidiaries is not paid when due nor within any originally applicable grace period; (b) Any Financial Indebtedness of the Issuer or any of their respective subsidiaries is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of any actual/potential event of default or any other similar event (however described); (c) Any commitment for any Financial Indebtedness of the Issuer is cancelled or suspended by a creditor of the Issuer as a result of an event of default or any other similar event (however described); (d) Any creditor of the Issuer becomes entitled to declare any indebtedness of the Issuer is due and payable prior to its specified maturity as a result of an event of default (however described; and (e) A moratorium/suspension is declared in respect of any Financial Indebtedness of the Issuer.
Role and Responsibilities of the Debenture Trustee	Please refer to Section 5.38 (*Issue Details*) of the General Information Document

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

Risk factors pertaining to the issue	Please refer to Section 3 (*Risk Factors*) of the General Information Document
Governing Law	The Debentures and documentation will be governed by and construed in accordance with the laws of India and the parties submit to the exclusive jurisdiction of the courts in Chennai, India and as more particularly provided for in the Debenture Trust Deed. Notwithstanding anything stated earlier, the Debenture Trustee has the right to commence proceedings before any other court or forum in India.

Note:

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

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

3. While the debt securities are secured to the tune of 110% (One Hundred and Ten percent) of the principal and interest amount or as per the terms of Key Information Document, in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained.

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

   As specified in this Key Information Document.

5. **Future Borrowings**
   The Company shall be entitled to borrow or raise loans or create encumbrances or avail financial assistance in whatever form, and also issue promissory notes or debentures or other securities, without the consent of, or intimation to the Debenture Holders or the Debenture Trustee in this connection. However, no such borrowings will have the benefit of the security interest created over the Hypothecated Assets and granted to the Debenture Trustee and Debenture Holders under the Transaction Documents. Notwithstanding anything contained in this Key Information Document, the Company shall continue to comply with the financial covenants set forth in Section 3.2 (d) (Financial Covenants) below. The Company further confirms and undertakes that it would not create or attempt to create any further charge/encumbrance on the Hypothecated Assets in favour of other lenders or any part thereof, without the consent of the Debenture Trustee/Debenture Holders.

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

Parties	Consent
Directors	Board resolution read along with the resolution passed by the management committee of the board of directors of the Issuer, the copies of which are attached in **Annexure V - Part I** and **Annexure V - Part II** of this Key Information Document.
Auditors	Not applicable

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

Bankers	Not applicable
Debenture Trustee	Copy of the Debenture Trustee consent letter has been set out in **Annexure II** of this Key Information Document
Solicitors / Advocates	Not applicable
Legal Advisors	Not applicable
Registrar	Copy of the consent letter of the registrar and transfer agent has been set out in **Annexure VIII** of this Key Information Document

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

SECTION 3: TRANSACTION DOCUMENTS AND KEY TERMS

3.1 Representations and Warranties of the Issuer

The Company makes the representations and warranties set out in this Clause to the Debenture Trustee for the benefit of the Debenture Holders on the date of the Debenture Trust Deed and during the term of the Debentures.

(a) ***Status***

(i) It is a company, duly incorporated, registered and validly existing under the Laws of India;

(ii) It is registered as a non-banking financial company with the RBI; and

(iii) It and each of its subsidiaries (as defined under the Act) has the power to own their respective Assets and carry on their respective business as it is being conducted.

(b) ***Binding obligations***

The obligations expressed to be assumed by it under the Transaction Documents are legal, valid, binding and enforceable obligations.

(c) ***Non-conflict with other obligations***

The entry into and performance by it of, the transactions contemplated by the Transaction Documents do not and will not conflict:

(i) any Law or regulation applicable to it;

(ii) its Constitutional Documents; and

(iii) any agreement or instrument binding upon it or any of its Assets.

(d) ***Power and authority***

It has the power to issue the Debentures and to enter into, perform and deliver, and has taken all necessary authorisations its entry into, performance and delivery of, the Transaction Documents to which it is a party and the transactions contemplated by those Transaction Documents.

(e) ***Validity and admissibility in evidence***

All approvals, authorizations, consents, permits (third party, statutory or otherwise) required or desirable:

(i) to enable it lawfully to enter into, exercise its rights and comply with its obligations in the Transaction Documents to which it is a party;

(ii) to make the Transaction Documents to which it is a party admissible in evidence in its jurisdiction of incorporation; and

(iii) for it to carry on its business, and which are material, have been obtained or effected and are in full force and effect.

(f) ***No default***

No Event of Default or potential Event of Default has occurred and is continuing or would reasonably be expected to result from the execution or performance of any Transaction Documents or the issuance of the Debentures. No other event or circumstance is outstanding which constitutes (or which would, with the lapse of time, the giving of notice, the making of any determination under the relevant document or any combination of the foregoing, constitute) a default or termination event (however described) under any other agreement or instrument which is binding on the Company or any of its Assets or which might have a Material Adverse Effect.

(g) ***Pari passu ranking***

Each Debenture constitutes direct and unconditional and secured obligations of the Company. The claims of the Debenture Holders shall be superior to all the claims of equity investors/ lenders of Tier I Capital and Tier II Capital (including without limitation, any Subordinated Debt) and shall rank at least *pari passu* inter se and to all other lenders who have not expressly agreed to subordinate their claims to those of other lenders of the Company.

(h) ***No proceedings pending***

Except as disclosed by the Company in its Disclosure Document(s), annual reports and financial statements, no litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency which have been started or threatened against the Company, where such proceedings could result in or cause a Material Adverse Effect.

(i) ***No misleading information***

(A) All information provided by the Company to the Debenture Trustee/Debenture Holders for the purposes of this Issue is true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated.

(B) It has disclosed all information in the Disclosure Document(s) that is relevant for the Applicants to apply for subscription of the Debentures.

(j) ***No Material Adverse Effect***

(i) There has not been and there is no investigation or enquiry by, or order, decree, decision or judgment of, any Governmental Authority been issued or outstanding or to the best of the Company's knowledge (after making due and careful enquiry), anticipated against the Company which would have a Material Adverse Effect on the Company, nor has any notice or other communication (official or otherwise) from any Governmental Authority been issued or outstanding or to the best of the Company's knowledge (after making due and careful enquiry), anticipated with respect to an alleged, actual or potential violation and/or failure to comply with any such applicable Law or requiring them to take or omit any action.

(ii) Neither the Company nor any Group Entity has violated, or breached any applicable Law (including, but not limited to, any Environmental and Social Requirements) which has resulted in or could reasonably be expected to have a Material Adverse Effect.

(k) ***Assets***

Except for the security interests and encumbrances created and recorded with the ROC updated from time to time, the Company has, free from any security interest or encumbrance, the absolute legal and beneficial title to, or valid leases or licenses of, or is otherwise entitled to use (in each case, where relevant, on arm's length terms), all Assets necessary for the conduct of its business as it is being, and is proposed to be, conducted.

(l) ***Financial statements***

(i) Its financial statements most recently supplied to the Debenture Trustee were prepared in accordance with IND-AS consistently applied save to the extent expressly disclosed in such financial statements.

(ii) Its financial statements for the Previous Year supplied to the Debenture Trustee, give a true and fair view and represent its financial condition and operations during the relevant Financial Year save to the extent expressly disclosed in such financial statements.

(iii) It has disclosed all its borrowings from various banks and financial institutions in the Disclosure Document(s).

(m) ***Solvency***

(i) The Company is able to, and has not admitted its inability to, pay its debts as they mature and has not suspended making payment on any of its debts and it has not been deemed by a court to be unable to pay its debts for the purposes of applicable Law, nor will it become unable to pay its debts for the purposes of applicable Law as a consequence of entering into the Debenture Trust Deed or any other Transaction Document.

(ii) The Company, by reason of actual or anticipated financial difficulties, has not commenced, and does not intend to commence, negotiations with one or more of its creditors with a view to rescheduling its Indebtedness.

(iii) The value of the Assets of the Company is more than its liabilities (taking into account contingent and prospective liabilities) and it has sufficient capital to carry on its business.

(iv) The Company has not taken any corporate action nor has it taken any legal proceedings or other procedure or steps in relation to any bankruptcy proceedings.

(v) No insolvency or bankruptcy process has commenced under the (Indian) Insolvency and Bankruptcy Code, 2016 in respect of the Company.

(vi) No reference, enquiry or proceedings under corporate debt restructuring (CDR) mechanism or the strategic debt restructuring (SDR) mechanism of the RBI, and no steps have been taken by any lender in respect of any member of the Group, under the 'Scheme for Sustainable Structuring of Stressed Assets (S4A) issued by the RBI.

(n) ***No immunity***

The Company is not entitled to any immunity or privilege (sovereign or otherwise) from any set-off, judgment, execution, attachment or other legal process.

(o) ***Legal and Beneficial Ownership***

Except for the security interests and encumbrances created and recorded with the Ministry of Corporate Affairs (available using CIN/FCRN/LLPIN/FLLPIN of the Company on the website http://www.mca.gov.in/MCA21/index.html under the heading "Index of Charges"), the Company has, free from any security interest or encumbrance, the absolute legal and beneficial title to, or valid leases or licenses of, or is otherwise entitled to use (in each case, where relevant, on arm's length terms), all material assets necessary for the conduct of its business as it is being, and is proposed to be, conducted.

(p) ***Compliance with Laws***

(i) The Company and its Group Entities have conducted and are conducting their respective businesses in all material respects in compliance with all applicable Laws including but not limited to Environmental and Social Requirements.

(ii) With respect to all such Environmental and Social Requirements, the Company and each Group Entity (1) have been issued and will maintain all required consents and will take all reasonable steps in anticipation of known or expected future changes or obligations to the same, (2) have not received any complaint, order, directive, claim, citation, or notice by any Governmental Authority, and (3) have not received any complaint or claim from any person seeking damages, contribution, indemnification, cost recovery, compensation, or injunctive relief.

(iii) The Company shall complete all necessary formalities including all filings with the relevant regulatory authorities, including but not limited to SEBI, the BSE and the ROC (if applicable) and obtain all consents and approvals required for the completion of the Issue.

(q) ***Anti-terrorism Laws***

The Company and its affiliates are in compliance in all respects with all Anti-Terrorism Laws, and are adhering to all regulatory requirements pertaining to Anti-Terrorism /and Anti-Money Laundering.

(r) ***No Corrupt Practices***

(i) Neither the Company nor its Promoters or affiliates have indulged in any corrupt practices pertaining to the business such as misstatement, fraud, misappropriation, embezzlement of financial and other resources or gains unreported in the audited financial statements.

(ii) Neither the Company nor any Group Entity through its officers, directors or employees in such capacities or any person acting on behalf of the Company or any Group Entity have engaged in any Objectionable Practice.

(s) ***Taxation***

(i) The Company has duly and punctually paid and discharged all Taxes imposed upon it or its assets within the time period allowed without

incurring penalties save to the extent that (A) payment is being contested in good faith, (B) the Company has maintained adequate reserves for those Taxes, and (C) payment can be lawfully withheld;

(ii) The Company is not overdue in the filing of any Tax returns; and

(iii) No claims exceeding Tax Claims Amount are being or are reasonably likely to be asserted against the Company with respect to Taxes, where such claims could result in or cause a Material Adverse Effect.

(t) ***Disclosures in Disclosure Document(s)***

The extent of disclosures made in the Disclosure Document(s) is consistent with disclosures permitted by Government Authorities in relation to the issue of securities made by the Company prior to the issue of the Debentures.

(u) ***Audit***

The Company annual accounts are audited by an auditor from a reputable firm of independent chartered accountants.

(v) ***Good Business Standard***

The Company in its business transactions with its shareholders, partners, managers, staff, affiliates or affiliates of such entities or persons keeps within normal, good and acceptable business standards, including transactions being on arm's length.

(w) ***Proper book-keeping and accounting***

The Company has a proper, efficient and effective book-keeping and accounting system in place as well as adequate professional staff, including maintaining of accounts showing the loan drawings, payments, interest etc.

(x) ***Employees***

The Company is in compliance with all obligations under the applicable labour laws and other applicable Laws in relation to its employees.

(y) ***Compliance with RBI/SEBI Regulations an' the Act's Requirements***

The Debentures are being issued in compliance with the applicable regulations of the RBI/SEBI and the relevant provisions of the Act as applicable. Any provision in the Deed which is not in compliance with regulations of the RBI/SEBI and the relevant provisions of the Act can be amended by the Company and the Debenture Trustee by executing an amendment to the Deed and the Debenture Holders shall have no right to raise any objection thereto.

3.2 COVENANTS OF THE ISSUER:

(a) AFFIRMATIVE COVENANTS

(a) ***Utilization of the issue proceeds***

The Company shall utilize the proceeds of this issue in accordance with applicable Laws and regulations and as provided in the Debenture Trust Deed.

(b) ***Notice of winding up or other legal process***

Company shall promptly inform the Debenture Trustee if it has notice of any application for winding up having been made or any statutory notice of winding up under the provisions of the Act or any other notice under any other statute relating to winding up or otherwise of any suit or other legal process intended to be filed or initiated against the Company.

(c) ***Loss or damage by uncovered risks***

Company shall promptly inform the Debenture Trustee of any material loss or significant damage which the Company may suffer due to any force majeure circumstances or act of God, such as earthquake, flood, tempest or typhoon, etc. against which the Company may not have insured its properties.

(d) ***Costs and expenses***

Company shall pay all costs, charges and expenses in any way incurred by the Debenture Trustee towards protection of Debenture Holders' interests, including traveling and other allowances and such taxes, duties, costs, charges and expenses in connection with or relating to the Debentures subject to such expenses, costs or charges being approved in writing by the Company before they are incurred and shall not include any foreign travel costs.

(e) ***Payment of Rents, etc.***

Company shall punctually pay all rents, royalties, taxes, rates, levies, cesses, assessments, impositions and outgoings, governmental, municipal or otherwise imposed upon or payable by the Company as and when the same shall become payable and when required by the Debenture Trustee produce the receipts of such payment and also punctually pay and discharge all debts and obligations and liabilities which may have priority over the Debentures and observe, perform and comply with all covenants and obligations which ought to be observed and performed by the Company under the Debenture Trust Deed.

(f) ***Preserve corporate status; authorisations***

Company shall

(A) diligently preserve and maintain its corporate existence and status and all rights, contracts privileges, franchises and concessions now held or hereafter acquired by it in the conduct of its business and comply with each and every term of the said franchises and concessions and all acts, authorizations, consents, permissions, rules, regulations, orders and directions of any legislative, executive, administrative or judicial body applicable to its Assets or any part thereof PROVIDED THAT the Company may contest in good faith the validity of any such acts, rules, regulations, orders and directions and pending the determination of such contest may postpone compliance therewith if the rights enforceable under the Debentures are not thereby materially endangered or impaired. The Company will not do or voluntarily suffer or permit to be done any act or thing whereby its right to transact its business might or could be terminated or whereby payment of the principal of or interest on the Debentures might or would be hindered or delayed;

(B) conduct its business with due diligence and efficiency and in accordance with sound technical, managerial and financial standards and business practices with qualified and experienced management and personnel; and

(C) promptly obtain and comply with all consents, licenses and authorizations as maybe necessary for performing its obligations in relation to the issue of the Debentures.

(g) ***Pay stamp duty***

Company shall pay all such stamp duty (including any additional stamp duty), other duties, taxes, charges and penalties, if and when the Company may be required to pay according to the applicable state laws and in the event of the Company failing to pay such stamp duty, other duties, taxes and penalties as aforesaid, the Debenture Trustee will be at liberty (but shall not be bound) to pay the same and the Company shall reimburse the same to the Debenture Trustee on demand.

(h) ***Furnish information to trustee***

Company shall give to the Debenture Trustee or its nominee(s)/ agent(s) such information/ copies of relevant extracts as they shall require as to all matters relating to the business of the Company or any part thereof and to investigate the affairs thereof and the Company shall allow the Debenture Trustee to make such examination and investigation as and when felt necessary and shall furnish him with all such information as they may require and shall pay all reasonable costs, charges and expenses incidental to such examination and investigation.

(i) ***Grievance***

Promptly and expeditiously attend to and redress the grievances, if any, of the Debenture Holders. The Company further undertakes that it shall promptly comply with the suggestions and directions that may be given in this regard, from time to time, by the Debenture Trustee and shall advise the Debenture Trustee periodically of the compliance.

(j) ***Specific Information to be provided to the Debenture Trustee***

Company shall inform and provide the Debenture Trustee with applicable documents in respect of the following:

(i) notice of any Event of Default or potential Event of Default, each as listed in **Schedule XII** (*Events of Default*) of the Debenture Trust Deed;

(ii) periodic review of the ratings obtained by the Company by the credit rating agencies and any revision in the rating as per the listing agreement entered into with the stock exchange;

(iii) details of any material litigation, arbitration or administrative proceedings, etc.; and including those that are required to be disclosed to the stock exchange under the listing agreement entered into with the stock;

(iv) any and all information required to be provided to the Debenture Holders under the listing agreement that may be entered into between the Company and the BSE; and

(v) the declaration or distribution of dividend.

(k) ***Comply with Investor Education and Protection Fund requirements***

Company shall comply with the provisions of the Act relating to transfer of unclaimed/ unpaid amounts of interest on Debentures and redemption of Debentures to Investor Education and Protection Fund (IEPF), if applicable to it.

(l) ***Further assurances***

Company shall

(i) execute and/or do, at their own expense, all such deeds, assurances, documents, instruments, acts, matters and things, in such form and otherwise as the Debenture Trustee may reasonably or by Law require or consider necessary in relation to enforcing or exercising any of the rights and authorities of the Debenture Trustee;

(ii) furnish to the Debenture Trustee details of all grievances received from the Debenture Holders and the steps taken by the Company to redress the same. At the request of any Debenture Holder, the Debenture Trustee shall, by notice to the Company call upon the Company to take appropriate steps to redress such grievance and the Company shall comply with the instructions of the Debenture Trustee issued in this regard;

(iii) obtain, comply with the terms of and do all that is necessary to maintain in full force and effect all authorisations necessary to enable it to lawfully enter into and perform its obligations under the Debenture Trust Deed or to ensure the legality, validity, enforceability or admissibility in evidence in India of the Debenture Trust Deed; and

(iv) comply with:

(A) all Laws, rules, regulations and guidelines (including but not limited to environmental, social and taxation related Laws), as applicable in respect of the Debentures and obtain such regulatory approvals as may be required from time to time, including but not limited, in relation to the following (if the Debentures are listed), as may be in force from time to time during the tenor of the Debentures; (i) the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (ii) NCS Listing Regulation and (iii) the provisions of the listing agreement to be entered into by the Company with the BSE in relation to the Debentures;

(B) the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 as in force from time to time, in so far as they are applicable to the Debentures and furnish to the Debenture Trustee such data, information, statements and reports as may be deemed necessary by the Debenture Trustee in order to enable them to comply with the provisions of Regulation 15 thereof in performance of their duties in accordance therewith to the extent applicable to the Debentures;

(C) the provisions of the Act in relation to the issue of the Debentures;

(D) procure that the Debentures are rated and continued to be rated until the redemption of the Debentures; and

(E) The Company shall ensure that, at time of making any payment of interest or repayment of the principal amount of the Debentures in full or in part, the Company shall do so in the manner that is most tax efficient for the Debenture Holders (including withholding tax benefit) but without, in any way, requiring the Company to incur any additional costs, expenses or taxes and the Company shall avail of all the benefits available under any treaty applicable to the Company and/or the Debenture Holders.

(m) ***Security***

The Company hereby further agrees, declares and covenants with the Debenture Trustee as follows:

(i) the Debentures shall be secured with first ranking exclusive continuing security by way of a first ranking exclusive current and continuing charge on the Hypothecated Assets in favour of the Debenture Trustee for the benefit of the Debenture Holders;

(ii) that all the Assets that shall be charged to the Debenture Trustee under the Deed of Hypothecation shall always be kept distinguishable and held as the exclusive property of the Company specifically appropriated to this security and be dealt with only under the directions of the Debenture Trustee. The Company shall not create any charge, lien or other encumbrance upon or over the same or any part thereof except in favour of the Debenture Trustee nor suffer any such charge, lien or other encumbrance or any part thereof nor do or allow anything that may prejudice this security and the Debenture Trustee shall be at liberty to incur all costs and expenses as may be necessary to preserve this security and to maintain the same undiminished and claim reimbursement thereof;

(iii) shall, on and from the Deemed Date of Allotment and at all times thereafter, ensure that the Security Cover Ratio is maintained and towards this end, it shall on or before each relevant Quarterly Security Cover Determination Date, Top-up the Hypothecated Assets with additional Receivables and/or replace any Receivables constituting the Hypothecated Assets in accordance with the Deed of Hypothecation so as to ensure that Security Cover Ratio is maintained at all times from the Deemed Date of Allotment until the redemption of the Debentures in full and perfect the first ranking and exclusive charge of the Debenture Trustee over such modified Hypothecated Assets by filing Form CHG-9 with the concerned ROC and the required filing with the Central Registry in relation thereto as soon as practicable and no later than 30 (thirty) days therefrom;

(iv) The Company agrees to replace any Receivables that become overdue for more than 90 (ninety) days with current Receivables

that meet the Eligibility Criteria in accordance with the terms of the Deed of Hypothecation; Such replacement shall be affected within 15 (fifteen) Business Days of the Hypothecated Assets becoming overdue;

(v) Issuer shall not, under any circumstance, transfer, sell, assign or create any encumbrances over or assign the Hypothecated Assets in favour of any third party without the prior written consent of the Debenture Trustee. Without prejudice to the foregoing, any sale, transfer, or assignment of the Hypothecated Property by the Issuer by way of an assignment or securitisation transaction or otherwise shall be subject to the right of first refusal of the Debenture Trustee;

(vi) The Company shall provide security cover certificate which specifies that all the Hypothecated Assets are sufficient to meet all the liabilities secured by way of a first ranking and exclusive charge over the Hypothecated Assets;

(vii) shall, on and from the Deemed Date of Allotment and date as mentioned in the Deed of Hypothecation, as also whenever required by the Debenture Trustee, give full particulars to the Debenture Trustee of all the Hypothecated Assets from time to time and shall furnish and verify all statements, reports (including Monitoring Reports as prescribed in the Deed of Hypothecation), returns, certificates and information from time to time and as required by the Debenture Trustee and furnish and execute all necessary documents to give effect to the Hypothecated Assets;

(viii) the security interest created on the Hypothecated Assets shall be a continuing security as described in the Deed of Hypothecation;

(ix) the Hypothecated Assets shall satisfy the eligibility criteria set out in **Schedule XIV** (*Eligibility Criteria*) of the Debenture Trust Deed;

(x) nothing contained herein shall prejudice the rights or remedies of the Debenture Trustee and/ or the Debenture Holders in respect of any present or future security, guarantee obligation or decree for any Financial Indebtedness or liability of the Company to the Debenture Trustee and/ or the Debenture Holders; and

(xi) the Debenture Holders shall have a beneficial interest in the moveable Assets of the Company which have been charged to the Debenture Trustee to the extent of the Outstanding Principal Amounts of the Debentures under the Debenture Trust Deed.

(n) ***Filings***

If the Debentures are listed, the Company shall file with the BSE such information as required under Chapter V of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

(o) ***Amounts to be reimbursed to the Debenture Trustee***

The Company shall, forthwith upon demand by the Debenture Trustee, reimburse to the Debenture Trustee all amounts paid by the Debenture Trustee to reasonably protect the Hypothecated Assets and such amounts shall be deemed to be secured by the Hypothecated Assets.

(p) ***Where Debenture Holder is a Foreign Investor***

Company shall in the event a Debenture Holder is a foreign portfolio investor, the Company shall, in relation to each Interest Payment Date and in relation to each date when any other payment is due by the Company under the Debentures (each a "**Relevant Payment Date**"), courier to the Debenture Holders (or their designated agent, as confirmed by the Debenture Holders) within 1 (One) Business Day after a Relevant Payment Date, the duly completed and signed Form 15 CA/CB. A scanned copy of such duly completed and signed Form 15 CA/CB shall be sent to the Debenture Holders on the Relevant Payment Date by e-mail.

(q) ***Delay in Security Creation***

Company shall in the event of any delay in the creation of first ranking, exclusive, current and continuing charge over the Hypothecated Assets within the timelines stipulated in the Deed of Hypothecation or in the event the Security Cover Ratio is not met on or prior to the Deemed Date of Allotment, the Company will, at the option of the Debenture Holders, either:

(i) refund the Application Money as set out in Clause 2.6 of the Debenture Trust Deed, to the Debenture Holders; or

(ii) pay to the Debenture Holders additional interest at Default Interest Rate on the Outstanding Principal Amounts from the Deemed Date of Allotment till the creation of first ranking, exclusive, current and continuing charge over the Hypothecated Assets pursuant to the terms of the Deed of Hypothecation such that the Security Cover Ratio is met.

(r) ***Books of Account***

Company shall maintain proper books of account as required by the Act and therein make true and proper entries of all dealings and transactions of and in relation to the Hypothecated Assets and the business of the Company and keep such books of account and all other books, registers and other documents relating to the affairs of the Company at its registered office or, where permitted by Law, at other place or places where the books of account and documents of a similar nature may be kept. The Company will ensure that all entries in the same relating to the Hypothecated Assets and the business of the Company shall at all reasonable times be open for inspection of the Debenture Trustee and such person or persons as the Debenture Trustee shall, from time to time, in writing for the purpose, appoint.

(s) ***Material Adverse Effect***

Company shall promptly inform the Debenture Trustee in writing of the occurrence of any, or the occurrence of any event that is likely to have

a, Material Adverse Effect, together with explanation of the reasons thereof.

(t) ***Insurance***

Company shall maintain insurances on and in relation to its business and assets with insurance companies against those risks and to the extent as is usual for companies carrying on the same or substantially similar business and any other insurances as may be required by Law and ensure that all premiums are paid on time and other obligations of the Company under the insurance policies are duly complied with.

(u) ***Corporate Governance***

(A) the Company shall maintain the highest standards of corporate governance in accordance with the NBFC Directions; and

(B) the Company shall at all times comply with the NBFC Master Directions.

(v) ***General***

(A) the Company shall perform all of its obligations under the terms of the Transactions Documents and maintain in full force and effect each of the Transaction Documents;

(B) the Company shall promptly pay and discharge all its financial obligations and regularly make all payments due and payable by the Company, including but not limited to taxes and also such payment due and payable under or in respect of the Issue or any documents executed in connection there with;

(C) the Company shall give the Debenture Trustee any information, relating to the business, property, affairs of the Company, that materially impacts the interests of the Debenture Holders;

(D) The Company is in compliance with the corporate governance, fair practices code as prescribed by the RBI under the Applicable Law from time to time;

(E) the Company shall at all times act and proceed in relation to its affairs and business in compliance with applicable Law;

(F) the Company shall comply with all monitoring and/or servicing requests from the Debenture Trustee;

(G) the Company shall utilize the proceeds of this Issue in accordance with applicable Laws and regulations;

(H) The Company shall ensure that at least 2 (two) independent directors are on the Board of the Company; and

(I) The Company shall promptly provide the access to the Debenture Holders to the management meetings for periodical portfolio monitoring.

(w) ***Access***

Company shall permit the Debenture Trustee (and the Debenture holders) and/or accountants or other professional advisers and contractors appointed by the Debenture Trustee access at all reasonable times and on reasonable notice of the Company to:

(A) check the management of the funds made available through subscription to the Debentures;

(B) inspect and take copies and extracts from the books, accounts and records of the Company;

(C) visit and inspect the premises of the Company; and

(D) meet and discuss matters with senior management employees of the Company.

(x) ***Conditions Subsequent***

Company shall comply with the conditions stipulated in the Debenture Trust Deed.

(y) ***Financial Covenants***

Company shall comply with the financial covenants stipulated in the Debenture Trust Deed

(z) ***Issue Terms and Conditions***

At all times during the term of these presents comply with each of the Issue Terms and Conditions.

(aa) ***Internal Controls***

Company shall maintain appropriate internal controls for the purpose of (i) preventing fraud on monies lent by the Company; and (ii) preventing money being used for money laundering or illegal purposes.

(bb) ***Information to Debenture Trustee***

The Company shall promptly provide all assistance, documents and information to the Debenture Trustee as may be required by it to enable the Debenture Trustee to fulfill its obligations as laid out in Clause 5.14 and as may be required by SEBI from time to time.

(cc) ***Appointment of Nominee Director***

The Company shall appoint the person nominated by the Debenture Trustee(s) in terms of clause (e) of sub-regulation (1) of regulation 15 of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as a director on its Board of Directors at the earliest and not later than one month from the date of receipt of nomination from the debenture trustee(s) as to appointment of Nominee Director. The Issuer shall amend its Constitutional Documents to provide for the appointment of the Nominee Director by the Debenture Trustee and obtain all consents, as may be required, for this purpose if the same is not provided for already, within the timelines as prescribed under the applicable Law.

(b) NEGATIVE COVENANTS

The Issuer shall not without the prior written permission of the Majority Debenture Holders and Debenture Trustee, do or undertake to do any of the following:

(a) ***Change of business; Role of Promoter***

(i) The Promoters of the Issuer shall not cease to remain in the executive position of the Company.

(ii) Change the general nature of its business or undertake any new major business outside financial services or any diversification of its business outside financial services, without the approval of the Majority Debenture Holders.

(iii) Until the Final Redemption Date, the Company will procure and ensure that the Promoter will not exit from or reduce its involvement from the management activities of the Company as is subsisting on the date of execution of the Debenture Trust Deed.

(iv) Any sale of assets/business/division that has the effect of exiting the business or re-structuring of the existing business.

(b) ***Shareholding and change of capital structure***

(i) Any action by the Issuer resulting in dilution or change in the shareholding of any equity shareholders on account of any primary investment by existing shareholders or new third-party investors.

(ii) The Company will not purchase or redeem any of its issued shares or reduce its share capital without the prior written consent of the Debenture Trustee, except for conversion of preference shares.

(iii) Any transfer of shares by the Promoter by itself or along with any investor leading to a change of control in the Company.

(iv) Any action by the Issuer resulting in dilution in the shareholding of any equity shareholders or including any action by the Issuer to purchase, redeem, buyback, defease, retire, return or pay any of its equity share capital or resolve to do any of the foregoing.

(c) ***Dividend***

Declare or pay any dividend to its shareholders during any Financial Year if a Payment Default has occurred and is subsisting and such dividend shall be only out of the profits relating to that financial year and after making all due and necessary provisions, and provided further that there have been no defaults in repayments under the Debentures. In all other cases, prior written consent of the Debenture Holders shall be obtained before declaring dividends.

(d) ***Merger, demerger, etc.***

(i) Mergers and Acquisitions, restructuring, amalgamation without approval of the Majority Debenture Holders over and above 10% (ten percent) of the net worth of the Issuer in a Financial Year; and

(ii) Subject to (i) above, enter into any transaction of merger, de-merger, consolidation, re-organization, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction. Provided however, that this restriction shall not apply in the event where the compliance with such restriction would result in the Issuer defaulting in its payment obligations in relation to the Debentures.

(e) ***Associates, Subsidiaries, and Joint Ventures***

Dispose of, acquire or incorporate any associates (as defined in the Act), subsidiary (as defined in the Act) or joint ventures.

(f) ***Acquisition***

Acquire, without the prior written consent of the Majority Debenture Holders, any company, business or undertaking if the amount of the acquisition cost, whether paid by cash or otherwise, when aggregated with the aggregate acquisition cost of any other companies, business or undertaking acquired by it during that financial year exceeds 10% (ten percent) of the Equity.

(g) ***Joint Venture***

Without the prior written consent of the Majority Debenture Holders:

(i) acquire (or agree to acquire) any shares, stocks, securities or other interest in any joint venture; or

(ii) transfer any assets or lend to or guarantee or indemnify or give security for the obligations of a joint venture (or agree to transfer, lend, guarantee, indemnify or give security for the obligations of a joint venture).

(h) ***Loans and Guarantees***

The Company shall not:

(i) Any loans exceeding more than 15% (fifteen percent) of the net worth of the Issuer to any single party and/or guarantees on behalf of the third parties.

(i) ***Arm's length basis; No profit sharing arrangements***

The Company shall not, without the prior written consent of the Majority Debenture Holders:

(i) enter into any transaction with any person or enter into or continue business relations with its shareholders, employees, affiliate(s), holding company(ies), and/or subsidiary(ies) except

on proper commercial terms negotiated on an arm's length basis;

(ii) enter into or establish any partnership, profit sharing, royalty agreement or other similar other arrangement whereby the Company's income or profits are, or might be, shared with any other person; or

(iii) enter into any management contract or similar arrangement whereby its business or operations are managed by any other person.

(j) ***Immunity***

Claim any immunity or limitation of liability against any payment obligations arising towards the Debenture Holders.

(k) ***Auditor***

Change its auditor without the prior written consent of the Majority Debenture Holders. The Company shall authorize its auditors to communicate directly with the Debenture Trustee and the Debenture Holders.

(l) ***Liabilities***

Incur, create, assume, or allow any Financial Indebtedness that ranks prior to the Debentures or subordinates the Debentures.

(m) ***Disposal of Assets***

Sell, assign, transfer, or otherwise dispose of or compromise with any of its creditors in any manner whatsoever any material assets, business or division of the Company (whether in a single transaction or in a series of transactions (whether related or not) or any other transactions which cumulatively have the same effect) other than any securitisation/ portfolio sale of assets undertaken by the Issuer in its ordinary course of and pursuant to the reasonable requirements of the Issuer's business and upon fair and reasonable terms.

(n) ***Change in structure and management control***

(i) Any change in Management Control of the Company.

(ii) Change in promoter of the Issuer or any change in "Control" (as per the Act), other than by way of infusion of additional capital by any new investor.

(o) ***Material compromise or Settlement***

Enter into material compromise or arrangement or settlement with any of its creditors (secured and unsecured) that would prejudicially affect the interest of the Debenture Holders.

(p) ***Anti-money laundering***

Permit any of the Debenture proceeds to be used to fund any form of violent political activity, terrorists or terrorist organizations, nor any money laundering process or scheme to disguise illegally obtained

funds, nor any other criminal activity including arms sales, drug trafficking, robbery, fraud or racketeering.

(q) ***Financial Year***

Unless mandated by law, the Company shall not change its financial year-end from 31st March (or such other date as may be approved by Majority Debenture Holders) without the prior written consent of the Debenture Trustee.

(r) ***Others***

Without prejudice to Clause (a) (*Change of business; Role of Promoter*) of this **Schedule X** (*Negative Covenants*), permit sale/ transfer/ disposal of (i) equity shares of the Company, or (ii) instruments that are compulsorily and mandatorily convertible into equity shares of the Company, by the Promoter(s) and/ or (iii) permit the Promoter(s) to exit from management activities in relation to the Company.

(s) ***Related Party Transactions***

Without prior written intimation to the Debenture Trustee, the Issuer shall not enter into or perform any transaction(s) with a related party except in the ordinary course of business and equity infusion in the subsidiary company i.e. IKF Home Finance Limited. Without prejudice to the foregoing, the Issuer shall not without the prior written consent of the Debenture Trustee acting on behalf of Majority Debenture Holders (i) enter into any transaction(s) whereby the overall outstanding amount owed to the Issuer under all such transactions exceeds 10.00% (ten point zero zero percent) of its net worth, (ii) whereby the overall expense incurred through such transactions during any financial year exceeds 10.00% (ten point zero zero percent) of its revenue, or (iii) provide any guarantee for any indebtedness of a related party.

The Debenture Trustee shall be granted access to any additional information that it deems necessary to monitor and evaluate this covenant.

For the purposes of this clause, the terms 'net worth' and 'related party' shall respectively have the meaning ascribed to them in sections 2(57) and 2(76) of the Companies Act, 2013 (and the rules framed thereunder).

(t) ***Change of business;***

The Issuer shall not without the prior written consent of the Debenture Trustee enter into or perform any transaction other than in its ordinary course of business.

For the purpose of this covenant, the ordinary course of business of the Issuer shall mean activities which are carried out by the Issuer pursuant to the Charter Documents and shall fulfill the following conditions as mentioned hereinbelow:

(a) It is normal for the particular business;

(b) It is as per customs and practices of its business and of the Issuer;

(c) It involves the usual allocation of resources considering the size and volume of the Issue and it is necessary, normal and usual from the perspective of the Issuer and its line of business; and

(d) It is at arm's length.

(u) ***Amendment to Constitutional Documents.***

Change, amend or modify its Charter Documents save and except in case of:

(i) increase of authorised share capital of the Issuer and / or any reclassification; and

(ii) equity infusion which shall not be detrimental to the interest of the Debenture Holders.

Any change, detrimental to the interest of the Debenture Holders, in its Memorandum of Association and Article of Association except for change in authorized shared capital upon prior intimation of the Debenture Trustee.

(v) ***Miscellaneous***

(i) Any restructuring of any borrowing arrangements or inclusion of co-lent loans;

(ii) To provide any guarantee except in case of ordinary course of business;

(iii) Enter into any transaction(s) (including but not limited to loans or advances and investment by way of share capital, except investment in the Issuer's subsidiary i.e. IKF Home Finance Limited, other than in its ordinary course of business;

(iv) To provide any guarantee or make any material change in its management;

(v) To cause or permit change in control (as defined under the under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011) of the Issuer; cause or permit acquisition of the ownership of or entitlement to more than 25% (twenty-five percent) of shares or capital or profits of the Issuer by any natural person(s), who, whether acting alone or together, or through one or more juridical person; and

(vi) enter into any compromise arrangement with its shareholders or creditors, or pass a resolution of voluntary winding up or implement any scheme for restructuring or reconstruction, consolidation, amalgamation, merger or other similar purposes or change its shareholding structure of the Issuer.

(c) REPORTING COVENANTS

Company shall provide or cause to be provided to the Debenture Trustee (and to the Debenture Holders if so requested), in form and substance reasonably satisfactory to the Debenture Trustee, each of the following items:

(a) <u>Monthly Reports</u>

(A) As soon as available and in any event within 25 (twenty-five) calendar days after the end of each calendar month, the statement of asset liability management in form and substance satisfactory to the Debenture Trustee and the Debenture Holders;

(B) The Issuer shall provide the monthly financial statements to the Debenture Trustee and Debenture Holders as and when requested by them; and

(C) details of a) operational or financial information, b) portfolio cuts, c) monthly disbursements d) monthly dpd statement, e) changes in Board and management and f) changes in shareholding pattern on a monthly basis in the format as specified by the Debenture Trustee.

(b) Quarterly Reports

As soon as available and in any event within 60 (sixty) calendar days after the end of each calendar quarter, the quarterly reporting required and in form and substance satisfactory to the Debenture Trustee and the Debenture Holders. Such reporting will include information detailing:

(A) financials, financial statements, operations, portfolio growth and asset quality (including static portfolio cuts, collection efficiency and portfolio at risk data), funding in formats acceptable to the Debenture Holders;

(B) the shareholding pattern and composition of the board of directors in the Company;

(C) if applicable, the financial and other returns filed by the Company with the RBI (including without limitation, the form NBS 7 filed with the RBI);

(D) a certified compliance certificate from the management of the Company regarding the financial covenants set forth in **Schedule VIII** (*Financial Covenants*) of the Debenture Trust Deed in form and substance reasonably satisfactory to the Debenture Trustee and the Debenture Holders;

(E) details of transactions with related parties and balances outstanding in the format as per the Act;

(F) the static pool analysis and vintage curve data of the portfolio and Gross Loan Portfolio in the format as specified by the Debenture Trustee. On a quarterly basis beginning from the end of the current financial quarter, the Issuer shall provide an updated version of the static pool analysis and vintage curve data of the portfolio and Gross Loan Portfolio in the format prescribed by the Debenture Trustee;

(G) information on structural liquidity of the Company as per the format prescribed by the RBI, and as and when required by the Debenture Trustee;

(H) Promptly provide the list of top 20 (twenty) borrowers at the end of each relevant quarter of the Financial Year;

(I) To provide information on facilities sanctioned to the Issuer including such sanction letters from other lenders of every relevant quarter of the Financial Year;

(J) The Company shall furnish quarterly report to the Debenture Trustee containing the following particulars:

(I) Updated list of the names and addresses of the Debenture Holders,

(II) Details of the Coupon due, but unpaid and reasons thereof, and

(III) The number and nature of grievances received from the Debenture Holders and (A) resolved by the Company (B) unresolved by the Company and the reasons for the same.

(c) information on:

(A) any new product being introduced, including a loan product or any other financial product or change in existing product features or any new business correspondent relationship is established or discontinuance of existing relationship;

(B) any geographical expansion of operations into any new district, city or state;

(C) if the Company is proposing to expand to any location other than those specifically mentioned in the business plan submitted to the Debenture Trustee and/or the Debenture Holders;

(D) if the Company makes any material changes to the information system or loan management software or management information systems, in terms of upgrade or installing a new software, other than those specifically mentioned in the business plan submitted to the Debenture Trustee and/or the Debenture Holders;

(E) if the Company conducts a credit check using any other credit bureau apart from the credit bureaus currently being used by the Company;

(F) any revisions in the business plan submitted to the Debenture Trustee and/or the Debenture Holders;

(G) any changes in the accounting policy of the Company from that followed as on the Deemed Date of Allotment;

(H) if there is any fraud, amounting to more than 5% (five percent) of Gross Loan Portfolio; and

(I) such other operational or financial information, as may be required by the Debenture Trustee or the Debenture Holders.

As soon as available and in any event within 45 (forty-five) calendar days after the end of each calendar quarter, the Company shall provide a list of specific loan receivables/identified book debts, to the Debenture Holders, over which the charge is created and subsisting by way of hypothecation ("**Quarterly Hypothecated Property Report**").

(d) Annual Reports

As soon as available, and in any event within 120 (one hundred and twenty) calendar days after the end of each Financial Year of the Company, the annual reporting required and in form and substance satisfactory to the Debenture Trustee and the Debenture Holders. Such reporting will include information detailing:

(A) certified copies of its audited consolidated and non-consolidated (if any) financial statements for its most recently completed fiscal year, prepared in accordance with IND-AS including its balance sheet, income statement and statement of cash flow. All such information shall be complete and correct in all material respects and fairly represents the financial condition, results of operation and changes in cash flow of the Company as of the date thereof;

(B) a certificate of the Chief Financial Officer or a Director of the Company confirming that his or her review has not disclosed the existence of any potential Event of Default or Event of Default;

(C) all annual information submitted to the RBI including but not limited to the structural liquidity statement, capital to risk (weighted) assets ratio, qualifying asset certificate, unhedged foreign currency certificate; and

(D) the corporate social responsibility report confirming adherence by the Company to its corporate social responsibility policy (if applicable).

(e) Event Based Reports

(A) As soon as available and in any event within 5 (five) Business Days of the occurrence of such event, the details of any change in the shareholding structure by more than 5% (five percent) in the Company, in form and substance satisfactory to the Debenture Trustee and the Debenture Holders;

(B) As soon as available and in any event within 5 (five) Business Days of the occurrence of such event, the details of any change in board of directors and other senior management officials like Chief Executive Officer or equivalent or change of the statutory auditor of the Company;

(C) As soon as available and in any event within 5 (Five) Business Days after receiving approval by the board of the Company, the annual business plan of the Company including a detailed investment budget and forecast accounts for the following Financial Year and financial projections for at least the next 5 (five) years;

(D) The Company shall provide/cause to be provided information to the Debenture Trustee (and to the Debenture Holders, if so requested) as soon as practicable, and in any event within 5 (five) Business Days from the occurrence of such event:

(I) the Company obtains or reasonably should have obtained actual knowledge thereof, notice of the occurrence of any event or circumstance that could

reasonably be expected to result in a Material Adverse Effect,

(II) the Company obtains or reasonably should have obtained actual knowledge thereof, notice of any dispute, litigation, investigation or other proceeding affecting the Company or its property or operations, which, if adversely determined, could result in a Material Adverse Effect,

(III) the Company obtains actual knowledge thereof, notice of the occurrence of any Event of Default or potential Event of Default, specifying the nature of such event and any steps the Company is taking and proposes to take to remedy the same,

(IV) any changes in the accounting policy of the Company from that followed as on the Deemed Date of Allotment,

(V) the details of any fraud amounting to more than 1% (one percent) of the Gross Loan Portfolio,

(VI) if the Company conducts a credit check using any other credit bureau apart from the credit bureaus currently being used by the Company,

(VII) the Company alters its Constitutional Documents except for the memorandum of association and articles of association,

(VIII) any notice of any application for winding up having been made or receipt of any statutory notice of winding up under the provisions of the Act or any other notice under any other law or otherwise of any suit or legal process intended to be filed and affecting the title to the property of the Company,

(IX) Any Event of Default or potential Event of Default, and any steps taken/ proposed by the Issuer to remedy the same,

(X) Any prepayment or notice of any prepayment of any Financial Indebtedness of the Issuer,

(XI) the Company obtains or reasonably should have obtained actual knowledge thereof, of any material event adversely impacting its business.

(f) Miscellaneous

(i) To provide a written notice upon any event which is a material event adversely impacting the business of the Issuer.

(ii) At any event of occurrence of an Event of Default or likely an occurrence of an Event of Default, the Issuer shall provide a written notice.

(iii) A scanned certified certificate from an independent Chartered Accountant in relation to the utilization of the proceeds in

accordance with Transaction Documents, within 90 (ninety) days of the Deemed Date of Allotment of the Debentures.

It is hereby clarified that the Company shall be required to pay a penalty of INR 6,000/- (Indian Rupees Six Thousand Only) for each day of delay in the event of non-adherence to the abovementioned reporting covenants on a timely basis.

(d) FINANCIAL COVENANTS

The Company shall comply with each of the following financial covenants at all times until the redemption of all outstanding Debentures:

(a) During the tenor of the Debentures, the Company shall maintain a minimum capital ratio of Tier I Capital and Tier II Capital to aggregate risk weighted assets on-balance sheet and of risk adjusted value of Off-Balance Sheet Portfolio which shall not be less than 20% (Twenty percent), or as per the regulatory minimum prescribed by the RBI under the applicable Law, whichever is higher. For the purpose of calculation of minimum capital ratio: (i) first loss credit enhancements provided by the Issuer on securitization shall be reduced from Tier I Capital and Tier II Capital without any ceiling. (ii) credit enhancements provided by the Issuer on loans originated on behalf of other institutions shall be reduced from Tier I Capital and Tier II Capital without any ceiling. The deduction shall be made at 50% (fifty percent) from Tier I Capital and 50% (fifty percent) from Tier II Capital. (iii) It is also clarified that in computing the amount of subordinated debt eligible for inclusion in Tier II Capital, the aforementioned subordinated debt shall be subject to discounting as prescribed by RBI.

(b) The Company shall, commencing from the Deemed Date of Allotment until the Final Redemption Date, ensure that the cumulative asset liability mismatch (excluding the cash credit limits or working capital demand loan limits) be a minimum of 10% (ten percent) positive mismatch in all buckets up to 12 (twelve) months. If, any of the aforementioned covenants is breached then the Company shall have a cure period of 30 (thirty) days to maintain such cumulative asset liability mismatch (excluding the cash credit limits).

(c) During the tenor of the Debentures, the Company shall ensure to maintain a minimum permissible ratio of A:B, which shall be 12% (twelve percent) where A is the Tangible Net Worth of the Company and B is the Gross Loan Portfolio.

(d) The Company shall ensure that the maximum permissible ratio of A:B shall be 5.00% (five point zero zero percent), where A is the aggregate of the Portfolio At Risk Over 90 (ninety) days and write-offs (on the entire portfolio including receivables sold or discounted on a non-recourse basis of the Issuer) and B is Gross Loan Portfolio, herein the write-offs shall be calculated for trailing 12 (twelve) months.

(e) During the tenor of the Debentures, the Company shall ensure to not exceed (i.e. it shall be at or below) the leverage ratio (of its own book) by 3.50x (three point five zero times) or as per the regulatory minimum prescribed by the Reserve Bank of India under the NBFC Master Directions, whichever is higher.

(f) During the tenor of the Debentures, the Company shall ensure that the shareholding of the Promoter group of the Company shall not fall below

35% (thirty-five percent) of the issued, subscribed and paid up share of the Company.

For the purpose of aforementioned Financial Covenants, following terms shall have the following meanings:

"Portfolio at Risk Over 90 days or PAR > 90" shall mean, on the Issuer's Gross Loan Portfolio at any point of time, as the case may be, the outstanding principal value of the Issuer's portfolio that has one or more instalments of principal, interest, penalty interest, fee or any other expected payments overdue for 90 (ninety) days or more and includes restructured loans.

"**Tangible Net-worth**" means, with respect to any person, the amount paid up on such person's issued equity share capital, compulsorily convertible instruments and any amount standing to the credit of its reserves, less equity or equity-like investments, goodwill, deferred tax assets and other intangible assets.

"**Gross Loan Portfolio**" means and includes the outstanding principal amounts of the loans originated by the Issuer on its own books, securitized portfolio as well as loans originated on behalf of other entities by entering into partnership agreements but not included on the Issuer's own book.

"Net Non Performing Assets" shall be calculated as gross non-performing assets less provisioning for non-performing assets. For the purpose of this definition, the terms 'non-performing assets' and 'gross non-performing assets' shall have the meanings stipulated by the RBI to such terms from time to time as may be applicable for the Issuer.

The Debenture Holder shall be granted access to any additional information that it deems necessary to monitor and evaluate compliance with the aforementioned Financial Covenants.

The Financial Covenants and such other covenants as are contained in this Debenture Trust Deed can be tested at any time during the tenure of the Debentures.

Without prejudice to its other rights under the Transaction Documents, the Debenture Holders reserves a right to levy a penalty equivalent to 1% p.a (one percent) of the Outstanding Amounts in relation to the Debentures, in an event of breach of any of the Financial Covenants (**"Penalty for Breach"**). In such an event, the Issuer shall pay the Penalty for Breach to the Debenture Holder within 30 (thirty) calendar days from the date of such breach.

3.3 EVENTS OF DEFAULT

(a) ***Payment Defaults***

The Company does not pay on the Due Date any amount payable pursuant to the Debenture Trust Deed and the Debentures (including but not limited to penal interest, if any) at the place at and in the currency in which it is expressed to be payable, unless its failure to pay is caused by technical error and payment is made within 3 (three) calendar Days of its Due Date.

(b) ***Insolvency / Inability to Pay Debts / Distress***

(i) The Company is unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its Financial Indebtedness.

(ii) The Company is (or deemed by Law or a court to be) insolvent or bankrupt or unable to pay its debts or stops or suspends payments of all its debts, makes a general assignment or an arrangement or composition with or for benefit of the relevant creditors in respect of any such debts or a moratorium is agreed or declared in respect of or affecting all the debts of the Company.

(iii) Any distress, attachment, execution or other legal process is levied, enforced or sued out on or against any material part of the property, assets, or revenues of the Company and is not discharged or quashed or stayed within 15 (fifteen) days.

(c) ***Charge over Hypothecated Assets***

The Company creates or attempts to create any charge on the Hypothecated Assets or any part thereof, in addition to the charge created pursuant to the Deed of Hypothecation without the consent of the Special Majority Debenture Holders.

(d) ***Business***

The Company without obtaining the prior consent of the Special Majority Debenture Holders ceases to carry on its business or gives notice of its intention to do so.

(e) ***Security in Jeopardy***

(i) In the opinion of the Debenture Trustee the Hypothecated Assets is in jeopardy;

(ii) If, the security provided pursuant to the Deed of Hypothecation depreciates in value to such an extent that in the reasonable opinion of the Trustee further security should be given and on advising the Company to that effect such security has not been given to the Debenture Trustee to their satisfaction;

(iii) If, without the prior written approval of the Debenture Trustee, the Hypothecated Assets or any part thereof is transferred, assigned, charged, encumbered or alienated but no prior approval shall require for the replacement of assets comprising the Hypothecated Assets with other similar assets; or

(iv) the value of the Hypothecated Assets is insufficient to maintain the Security Cover Ratio and Company fails to maintain the minimum Security Cover Ratio specified in the Deed of Hypothecation within the stipulated timelines in the Deed of Hypothecation.

(f) ***Misrepresentation***

Any representation or warranty made by the Company in any Transaction Document or in any certificate, financial statement or other document delivered to the Debenture Trustee/Debenture Holders by the Company shall prove to

have been incorrect, false or misleading in any material respect when made or deemed made.

(g) ***Material Adverse Change***

There shall have occurred a change in the business, operations, property, Assets, liabilities, condition (financial or otherwise) or prospects of the Company since the date hereof that has resulted in a Material Adverse Effect as may be determined by the Debenture Trustee, acting on the instructions of the Majority Debenture Holders.

(h) ***Liquidation or Dissolution of the Company / Appointment of Receiver or Liquidator***

(i) Any corporate action, legal proceedings or other procedure or step is taken in relation to:

(A) the suspension of payments, a moratorium of any Indebtedness, winding-up, dissolution, administration or re-organisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Company or its Affiliate;

(B) a composition, compromise, assignment or arrangement with any creditor of the Company or its Affiliate;

(C) the appointment of a liquidator, provisional liquidator, receiver, administrative receiver, administrator, compulsory manager, supervisor, trustee or other similar officer in respect of the Company or its Affiliate or any of its assets appointed or allowed to be appointed of all or any part of the undertaking of the Company;

(D) the Company or its Affiliate, in respect of any reference or enquiry or proceedings commenced, before the National Companies Law Tribunal or under any mechanism or prescription of the RBI in respect of resolution/restructuring of stressed assets; and

(E) the commencement of an insolvency resolution process under the (Indian) Insolvency and Bankruptcy Code, 2016 (to the extent applicable) or under any other applicable Law, in respect of the Company or its Affiliate,

Any other event occurs or proceeding instituted under any applicable Law that would have an effect analogous to any of the events listed in sub-Clauses (A) to (E) above.

(ii) An order is made or an effective resolution passed for the winding up or dissolution, judicial management or administration of the Company, or the Company ceases to carry on all of its business or operations, except for the purpose of and followed by a reconstruction, amalgamation, re-organization, merger or consolidation on terms approved by Special Resolution of Debenture Holders.

(iii) A petition for the reorganization, arrangement, adjustment, winding up or composition of debts of the Issuer is filed on the Issuer (voluntary or otherwise) or have been admitted or the Issuer make a composition, assignment or arrangement with any creditor or an assignment for the benefit of its creditors generally and such proceeding is not contested

by the Issuer for staying, quashing or dismissed within 15 (fifteen) days from the admission and / or filing of such petition in the relevant court;

(i) ***Cross Default***

The Company (i) defaults in any payment of any Financial Indebtedness, if any, provided in the instrument or agreement under which such Financial Indebtedness was created; (ii) defaults in the observance or performance of any agreement or condition relating to any Financial Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause or to permit the holder or holders of such Financial Indebtedness to cause (determined without regard to whether any notice is required) any such Financial Indebtedness to become due prior to its stated maturity; or (iii) any Financial Indebtedness of the Company shall be declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment, prior to the stated maturity thereof.

(j) ***Creditors' Process***

(i) All or a material part of the undertaking, Assets, rights or revenues of the Company are condemned, seized, nationalised, expropriated or compulsorily acquired, or shall have assumed custody or control of the business or operations of the Company, or shall have taken any action for the dissolution of the Company, or any action that would prevent the Company, their member, or their officers from carrying on their business or operations or a substantial part thereof, by or under the authority of any Government or any Government Authority.

(ii) The Company does not inform the Debenture Trustee of one or more of the other creditors of the Company accelerating the payment obligations on the grounds of a material adverse change (howsoever described) or a material adverse effect (howsoever described) in the financial, operational or regulatory conditions governing the Company.

(iii) The Company has voluntarily or involuntarily becomes the subject of proceedings under any bankruptcy or insolvency laws and such proceedings have been admitted by a competent court or the Company is voluntarily or involuntarily dissolved.

(iv) The Company is adjudged insolvent or takes advantage of any law for the relief of insolvent debtors.

(v) Any expropriation, attachment, garnishee, restraint of act of sequestration, distress or execution affects any Receivables constituting Hypothecated Assets or part thereof.

(k) ***Judgments Defaults***

One or more judgments or decrees entered against the Company involving a liability (not paid or not covered by a reputable and solvent insurance company), individually or in the aggregate, exceeding 5% (five percent) of the Total Assets of the Company PROVIDED THAT such judgments or decrees are either final and non-appealable or have not been vacated, discharged or stayed pending appeal for any period of 30 (thirty) calendar days.

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

(l) ***Transaction Documents***

The Debenture Trust Deed or any other Transaction Document in whole or in part, are terminated or cease to be effective or cease to be a legally valid, binding and enforceable obligation of the Company.

(m) ***Unlawfulness***

(i) It is or becomes unlawful for the Company to perform any of its obligations under the Transaction Documents and/or any obligation or obligations of the Company under any Transaction Document are not or cease to be valid, binding or enforceable.

(ii) The Debenture Trust Deed or any other Transaction Document (in whole or in part), is terminated or ceases to be effective or ceases to be in full force or no longer constitutes a valid, binding and enforceable obligations of the Issuer.

(n) ***Repudiation***

The Company repudiates any of the Transaction Documents, or evidences an intention to repudiate any of the Transaction Documents.

(o) ***Information Covenants***

The failure to comply with any reasonably monitoring and/or servicing requests and any failure to meet the standards in one successive monitoring visits from Debenture Holders, including its monthly, quarterly, annual and event-based reporting requirements as required under the reporting covenants prescribed in **Schedule IX** (*Reporting Covenants*).

(p) ***Government Intervention***

(i) Any step is taken by Governmental Authority or agency or any other competent authority, with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or (in the opinion of the Debenture Trustee) a material part of the assets of the Company which is material to the Company;

(ii) Any Governmental Authority having assumed custody or control of the business or operations of the Company or having taken any action for the dissolution of the Company or any action that would prevent the Company or its officers from carrying on its business or operations thereof; or

(iii) The Company's organizational or legal status, or any license or franchise is revoked or suspended by any Governmental Authority or authority after the Company has exhausted all remedies and appeals relating thereto.

(q) ***Delisting***

If the Debentures are listed and any Debenture is subsequently delisted from any exchange on which it is listed without the prior written consent of the Debenture Trustee.

(r) ***Cessation of business***

The Company ceases or threatens to cease to carry on the main business it is currently engaged in.

(s) ***Alteration in Constitutional Documents***

The Company, without the previous consent in writing of the Debenture Trustee, makes or attempts to make any alteration in the provisions of its Constitutional Documents where (i) such change would have a Material Adverse Effect.

(t) ***Non-compliance with judicial order***

The Company fails to comply with or fulfil any judicial order passed against it provided however that such order shall not include any order against which appeal is available or for which an appeal is pending.

(u) ***Erosion of Net Worth***

Erosion of 50% (fifty per cent) or more of the Issuer's net worth commencing from 31st March 2023.

(v) ***Merger***

(i) The rearrangement or consolidation or amalgamation with or merger with or into, or receiving of all or substantially all the assets or obligations of, another entity, or any action for reorganisation of capital without the prior written consent of the Debenture Trustee.

(ii) The Company has taken or suffered to be taken any action for reduction of its capital or any rearrangement, merger or amalgamation without the prior written approval of the Debenture Trustee.

(w) ***Sale, disposal***

Sale, transfer, or other disposition of all or substantially all of the Company's Assets other than in the normal course of business of the Company.

(x) ***Third party***

A default or Event of Default occurs on account of a breach of representation or breach of an information covenant under the terms of any other agreement involving borrowed money or the extension of credit or any other Financial Indebtedness under which the Company may be obligated as a borrower or guarantor and pursuant to which the Company is called upon to and makes a prepayment to a third party without the prior written consent of the Debenture Holder. Such consent shall not be unreasonably delayed or withheld by the Debenture Holders.

(y) ***Wilful default***

Any Promoters or directors of the Company is/are declared as wilful defaulter by any competent authority or accused of, charged with, arrested or convicted a criminal offence involving moral turpitude, dishonesty or which otherwise impinges on the integrity of the promoter/s and/or director, including any accusations, charges and/or convictions of any offence relating to bribery.

(z) ***Security Cover***

Any event leading to non-maintenance of the requisite security cover of the Debentures.

(aa) ***Licenses***

Any event of revocation of business and operating license of the Company.

(bb) ***Breach of Affirmative Covenants***

Any breach of the following Affirmative Covenants, by whatsoever named called and as stipulated in **Schedule VII** (Affirmative Covenants), unless such breach is not cured within 30 (thirty) calendar days relating to:

(i) Preserve corporate status;

(ii) Authorisations;

(iii) Payment of stamp duty;

(iv) Handling of Debenture Holder grievances;

(v) Compliance with Investor Education and Protection Fund Requirements;

(vi) Regulatory filings;

(vii) Regulatory requirements in case of a foreign investor;

(viii) Maintenance of books of accounts; and

(ix) Corporate Governance.

(cc) ***Breach of Financial Covenants***

Any breach of financial covenants stipulated in **Schedule IX** (*Financial Covenants*) and such breach is not remedied (if capable of remedy) within the expiry of 60 (sixty) calendar days from the date of such breach.

(dd) ***Breach of Negative Covenants***

Any breach of the negative covenants mentioned in **Schedule XI** (*Negative Covenants*) of the Debenture Trust Deed.

(ee) ***Breach of other terms of the Debenture Trust Deed***

A breach by the Company of any of its obligations and covenants provided in terms of the Debenture Trust Deed or other Transaction Documents.

(ff) ***Fraud and embezzlement by officer***

Any material act of fraud, embezzlement, misstatement, misappropriation or siphoning off of the Issuer / Promoter funds or revenues or any other act having a similar effect being committed by the management or an officer of the Issuer.

(gg) ***Change in structure***

Change in the existing shareholding pattern and related change in the Board composition of the Issuer upon an event of new equity raising. If the Issuer fails to receive consent of the Debenture Trustee (acting on the instructions of the Majority Debenture Holders) within 7 (seven) calendar days from the date of such request, it will be deemed that the consent has been provided.

(hh) ***Change in Management Control***

If there is any change in Management Control of the Issuer, without prior written consent from the Debenture Trustee (acting on the instructions of the Majority Debenture Holders). Any new equity raising which results in change in the existing shareholding pattern and related change in board composition would be communicated to Debenture Holders and consent would be sought. If there is no response within 7 (seven) calendar days, it will be deemed as consent given by Debenture Holders.

3.4 CONSEQUENCES OF EVENTS OF DEFAULT AND REMEDIES

If one or more of the events specified in **Schedule XI** (*Events of Default*) occur(s), the Debenture Trustee may, in its discretion, that is, without requiring any consent or confirmation of the Company, and upon request in writing of Special Majority Debenture Holders or by a Special Resolution duly passed at the meeting of the Debenture Holders held in accordance with the provisions set out in Clause 6 (*Provisions for meeting of Debenture Holders*) hereto by a notice in writing to the Company initiate the following course of action:

(a) require the Company to mandatorily redeem the Debentures and repay the principal amount on the Debentures, along with accrued but unpaid interest, and other costs, charges and expenses incurred under or in connection with the Debenture Trust Deed and other Transaction Documents;

(b) declare all or any part of the Debentures to be immediately (or on such dates as the Debenture Trustee may specify) due and payable, whereupon it shall become so due and payable immediately;

(c) provide a default interest of 2% (two percent) over and above the Interest Rate on of each respective Debentures under or in connection with the Debenture Trust Deed and other Transaction Documents;

(d) appoint any independent agency to inspect and examine the working of the Company and give a report to Debenture Holders/ the Debenture Trustee. The Company shall give full co-operation and provide necessary assistance to such agency and bear all costs and expenses of the examination including the professional fees and travelling and other expenses;

(e) enforce any security created pursuant to the Deed of Hypothecation in accordance with its terms, as may be set out herein or therein, towards repayment of the Debentures;

(f) to appoint a nominee director as per the SEBI (Debenture Trustee) Regulations, 1993 on the board of directors of the Company or to appoint an observer to all meetings of the board of directors of the Company;

(g) take necessary action of either enforcing the Security or entering into the Inter Creditor Agreement as stated in Clause 7.3 of the Debenture Trust Deed or take any other action as decided in the meeting of Debenture Holder(s) based on the decision of the Debenture Holder(s) with Special Majority, including the decision of formation of a committee of the Debenture Holder(s) to participate in the ICA

or to enforce the Security or as may be decided in the meeting of Debenture Holder(s). Such a committee, if decided to be formed, may comprise of the designated members representing the interest of the ISIN level Debenture Holder(s) under the Debentures and be responsible to take decisions which shall be binding on the specific ISIN level Debenture Holder(s) relating to ICA matters, or in relation to enforcement of the Security, or take any other action as may be decided by the Debenture Holder(s), from time to time. The Debenture Trustee(s) may in accordance with the decision of the Debenture Holder(s), sign the ICA and consider the resolution plan, if any, on behalf of the Debenture Holder(s)/ Beneficial Owners in accordance with the requirements under the extant RBI guidelines, SEBI circulars, guidelines and other applicable Laws;

(h) The Debenture Trustee after obtaining consent of Debenture Holder(s) for enforcement shall inform the designated stock exchange seeking release of the Recovery Expense Fund. The Debenture Trustee shall follow the procedure set out by Issuers of listed or proposed to be listed debt securities towards creation of “Recovery Expense Fund” issued by SEBI, as amended from time to time for utilization of the Recovery Expense Fund and be obligated to keep proper account of all expenses, costs including but not limited to legal expenses, hosting of meetings etc., incurred out of the Recovery Expense Fund towards enforcement of Security. All expenses over and above those met from the Recovery Expense Fund incurred by the Beneficial Owners(s)/Trustee after an Event of Default has occurred;

(h) take all such other action expressly permitted under the Debenture Trust Deed or in the other Transaction Documents or permitted under the Law including invocation of guarantee (if applicable); and

(i) exercise such other rights as the Debenture Trustee may deem fit under applicable Law to protect the interest of the Debenture Holders.

*****References to Schedules and Clauses in this Section refers to Schedules and Clauses as stated in the Debenture Trust Deed.***

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

SECTION 4: OTHER INFORMATION AND APPLICATION PROCESS

4.1 Issue Procedure

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

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

Details of size of issue including green shoe option, if any and a range within which green shoe may be retained (if applicable)	**Base Issue:** Issue of up to 5,000 (Five Thousand) secured, listed, rated, unsubordinated, redeemable, transferable, non-convertible debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh only) aggregating to INR 50,00,00,000/- (Indian Rupees Fifty Crores Only) each, for cash, at par, on a private placement basis. **Green Shoe option:** Not Applicable
Bid opening and closing date	Bid opening date: 26th March 2024; and Bid closing date: 26th March 2024
Minimum Bid Lot	100 (One Hundred) Debentures (aggregating to INR 1,00,00,000 (Indian Rupees One Crore), and 1 (one) Debenture thereafter.
Manner of bidding in the Issue	Closed Bidding
Manner of allotment in the Issue	The allotment will be done on Uniform Yield basis in accordance with EBP Guidelines.
Manner of settlement in the Issue	Pay-in of funds through ICCL and the account details are given in the Section 4.2 (*Process flow of settlement*) of this Key Information Document.
Settlement Cycle	T+1, where T refers to the date of bid opening date / issue opening date

4.2 Process flow of settlement:

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

Name of Bank	HDFC BANK
IFSC Code	HDFC0000060
Account number	ICCLEB
Name of beneficiary	INDIAN CLEARING CORPORATION LIMITED

Name of Bank	ICICI Bank Ltd.
IFSC Code	ICIC0000106
Account number	ICCLEB
Name of beneficiary	INDIAN CLEARING CORPORATION LTD

Name of Bank	YES BANK
IFSC Code	YESB0CMSNOC
Account number	ICCLEB
Name of beneficiary	INDIAN CLEARING CORPORATION LTD

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

Beneficiary Name	IKF FINANCE LIMITED
Bank Account No.	034313100000104
SWIFT Code	UNION BANK OF INDIA
IFSC Code	Labbipet, Vijayawada
Bank Name	Cash Credit Account
Branch Address	UBIN0803430

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

4.3 Payment Instructions

The Application Form should be submitted directly. The entire amount of INR 1,00,000/- (Indian Rupees One Lakh) per Debenture is payable along with the making of an

application. Applicants can remit the application amount on the Pay-in Date through RTGS to the following account:

Beneficiary Name	IKF FINANCE LIMITED
Bank Account No.	034313100000104
SWIFT Code	UNION BANK OF INDIA
IFSC Code	Labbipet, Vijayawada
Bank Name	Cash Credit Account
Branch Address	UBIN0803430

4.4 Eligible Investors

The following categories of investors, when specifically approached and have been identified upfront, are eligible to apply for this private placement of Debentures subject to fulfilling their respective investment norms/rules and compliance with laws applicable to them by submitting all the relevant documents along with the Application Form (**"Eligible Investors"**):

(a) Companies and Bodies Corporate eligible to invest in the Debentures;

(b) Financial Institutions eligible to invest in the Debentures;

(c) Foreign Portfolio Investors;

(d) Mutual Funds;

(e) Alternative Investment Funds; and

(f) Any other investor eligible to invest in these Debentures.

All Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures. Without prejudice to the aforesaid, where the selection of the eligible investors is required to be done pursuant to bidding mechanism on the Electronic Platform called the "EBP Platform" under the EBP Guidelines or any other successive arrangement/platform mandated by SEBI, only those Persons out of the aforesaid categories of investors, who are registered on the EBP Platform and are eligible to make bids for Debentures of the Issuer and to whom allocation is to be made by the Issuer pursuant to selection under the electronic book mechanism for issuance of securities on private placement basis in terms of the EBP Guidelines and the Electronic Book Providers shall be considered as "identified persons" for the purposes of Section 42(2) of the Companies Act, 2013 (as amended from time to time), to whom the Issuer shall make private placement of the Debentures and only such "identified persons" shall receive a direct communication from the Issuer with offer to subscribe to the Debentures and only such "identified persons" shall be entitled to subscribe to the Debentures.

Additionally, those arrangers/brokers/intermediaries etc. (as per the defined limits under the EBP Guidelines) specifically mapped by the Issuer on the EBP Platform are also eligible to bid/apply/invest for this Issue.

All Eligible Investors are required to check and comply with Applicable Law(s) including the relevant rules / regulations / guidelines applicable to them for investing in this Issue of Debentures and the Issuer, is not in any way, directly or indirectly, responsible for any statutory or regulatory breaches by any investor, neither is the Issuer required to check or confirm the same.

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Hosting of the General Information Document / Key Information Document on the website of the BSE should not be construed as an offer or an invitation to offer to subscribe to the Debentures and the same has been hosted only as it is stipulated under the SEBI Regulations read with the EBP Guidelines. Eligible Investors should check their eligibility before making any investment.

Note: Participation by potential investors in the Issue may be subject to statutory and/or regulatory requirements applicable to them in connection with subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that they comply with all regulatory requirements applicable to them, including exchange controls and other requirements. Applicants ought to seek independent legal and regulatory advice in relation to the laws applicable to them.

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

SECTION 5: FORM NO. PAS-4

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

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

ISSUE OF UP TO 5000 (FIVE THOUSAND) SECURED, LISTED, RATED, UNSUBORDINATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES HAVING A FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH, FOR CASH, AT PAR, AGGREGATING UP TO INR 50,00,00,000/- (INDIAN RUPEES FIFTY CRORES ONLY) EACH, IN A DEMATERIALISED FORM ON A PRIVATE PLACEMENT BASIS (THE "ISSUE") (HEREINAFTER REFFERED TO AS "DEBENTURES") BY IKF FINANCE LIMITED (THE "COMPANY") OR ("ISSUER").

5.1 General Information:

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

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

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

30/05/1991

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

As more particularly set out in the General Information Document

<u>Branch details:</u>

As more particularly set out in the General Information Document

Subsidiary details:

As of the date of this Key Information Document, the Company have one subsidiary company i.e. IKF Home Finance Private Limited incorporated on 05.08.2002 and the main business of the company is of providing Housing Loans and Loans against the properties.

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

S. No.	Name	Designation	Profile
1.	Mr. VGK Prasad	Chairman	Mr. Prasad has contributed a lot in institutionalizing the Automobile finance business operated by individuals in Andhra Pradesh. Mr. Prasad has presided over the Krishna District Auto Financiers Association, considered to be one of the strongest and most organized Financiers Association in India, for quite a considerable period. Mr. Prasad has occupied various positions in the Federation of Indian Hire Purchase Associations (FIHPA), the Apex body of Asset Financing Companies, and has acted as the Secretary General till 2010 and as President till 2012
2.	Mrs. K. Vasumathi Devi	Managing Director	She joined the Company in 2006 and has gained expertise in Business Development, Operations management, Credit & Risk etc. over the last 12 years.
3.	Rama Raju	CEO	Ex CEO of AML Finance (wholly – owned subsidiary of Automotive Manufacturers Ltd) Ex Zonal Business Head of SREI, managing INR 50 bn portfolio, Ex Kotak Mahindra Bank, Ex Tata Finance Ltd Leading the efforts to further professionalize the team, creating systems and process for next phase of growth Has successfully recruited several senior management team members from the industry across verticals
4.	Chapalamadugu Sreenivasa Rao	Company Secretary/CFO	Qualified Cost Accountant & Company Secretary, has 20 + years of experience in Cost accounting & Company Secretarial Matters and has worked with BBM Bommidalla Group.

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

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

S. No.	Name	Designation	DIN	Address	Occupation
1	Gopala Kishan Prasad Vupputuri	Chairman & Wholetime Director	01817992	59A-16-4/8 Iii Rd Road Plot No 77 3Rd Cross Road Near Sai Baba Temple R.T.C. Colony Viyaya Wada Urban Polytechnic Krishna 520008	Business
2	Vasumathi Devi Koganti	Managing Director	03161150	Villa 18 Aditya Fort Veiw Puppalaguda Pratibha High School Manikonda Puppalguda Puppalg Uda K V Ranga Reddy 500089	Business
3	Vasantha Lakshmi Vupputuri	Alternate Director	03610979	Plot No 24 Aditya Fort Veiw Villas Shivalayam Road Near Prathibaha High School Manikonda P Uppalguda K V Ranga Reddy 500089	Business
4	Satyanand Sinha Chunduri	Director	03644504	40-1-144, Corporate Centre MG Road Viajayawada 520010	Business
5	Sunil Rewachand Chandiramani	Independent Director	00524035	163-A, Sky Scraper Building, 74, Bhulbhai Desai Road, Cumbhatta Hill, Mumbai, Maharastra-400026	Business
6	Vinit Mukesh Mehta	Nominee Director	08792902	501, Satguru Towers, Central Avenue, Santacruz West, Mumbai 400054	Investment manager
7	Abhishek Agrawal	Nominee Director	06760344	Flt No. 401, 4th Flr Sai Samman, Plot No 28/29, Union Park, Chembur East, Mumbai	Investment manager
8	Satyanarayana Prasad Kanaparti	Director	03598603	8-3 -318/11/32,33,34 Fno. 501, Jai Prakash Nagar Vishnu Nivas Ameerpet Hyderabad 500016	Business
9	Sethuraman Ganesh	Independent Director	07152185	305, Vensa Lakeview, Kempapura Main Road Opp Rachenahalli	Business

S. No.	Name	Designation	DIN	Address	Occupation
				Lake, Dasarahalli, Bangalore North	
10	Raman Uberoi	Additional Director (Non-Executive & Independent)	03407353	C 32, Kalindi Colony, New Delhi 110065	Consultant
11	Kannan	Additional Director (Non-Executive & Independent)	01354529	Ta 1, Third floor, Krishna Regency, K.R. Road, Tata Silk Farm, Basavangudi, Bangalore - 560 004	Retired Banker

5.2 MANAGEMENT PERCEPTION OF RISK FACTORS:

Please refer to Section 3 of the General Information Document.

5.3 RISKS RELATED TO THE BUSINESS OF THE ISSUER

Please refer to Section 3 of the General Information Document.

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

(i) Statutory Dues: Nil

(ii) Debentures and interest thereon: Nil

(iii) Deposits and interest thereon: Nil

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

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

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

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

NIL

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

5.7 Particulars of the Offer:

Financial position of the Company for the last 3 (three) financial years	Please refer to **Annexure XI** of this Key Information Document.
Date of passing of Board Resolution	Board resolution dated 10th November 2023. Management Committee resolution dated 20th March 2024. A copy of both of these resolutions has been annexed hereto in **Annexure V - Part I** and **Annexure V - Part II** of this Key Information Document respectively.
Date of passing of resolution in the general meeting, authorizing the offer of securities	Shareholders resolutions under Section 42 of the Act dated 30th September 2022 Shareholders resolutions under Section 180(1)(a) and Section 180(1)(c) of the Act dated 30th September 2022. A copy of which is attached in **Annexure VI** hereto.
Kind of securities offered (i.e. whether share or debenture) and class of security; the total number of shares or other securities to be issued	Issue of up to 5,000 (Five Thousand) secured, listed, rated, unsubordinated, redeemable, transferable, non-convertible debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh only) aggregating to INR 50,00,00,000/- (Indian Rupees Fifty Crores Only) each, for cash, at par, on a private placement basis. **Base Issue Size:** Issue of up to 5,000 (Five Thousand) secured, listed, rated, unsubordinated, redeemable, transferable, non-convertible debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh only) aggregating to INR 50,00,00,000/- (Indian Rupees Fifty Crores Only) each, for cash, at par, on a private placement basis. **Green Shoe Size:** Not Applicable
Price at which the security is being offered, including premium if any, along with justification of the price	The Debentures are being offered at face value of INR 1,00,000/- (Indian Rupees One Lakh) per Debenture
Name and address of the valuer who performed valuation of the security offered, and basis on which the price has been arrived at along with report of the registered valuer	Not Applicable as the Debentures are being offered at face value of INR 1,00,000 (Indian Rupees One Lakh) per Debenture.
Relevant date with reference to which the price has been arrived at (Relevant Date means a date at least 30 days prior to the date on which the general meeting	Not applicable as each Debenture is a non-convertible debt instrument which is being issued at face value of INR 1,00,000 (Indian Rupees One Lakh).

of the Company is scheduled to be held)	
The class or classes of persons to whom the allotment is proposed to be made	Please refer to '*Eligible Investors*' under Section 4.4 of this Key Information Document.
Intention of promoters, directors or key managerial personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer) [Not required in case of issue of non-convertible debentures]	Not Applicable.
The proposed time within which the allotment shall be completed	The Debentures will be deemed to be allotted on 27th March 2024 (**"Deemed Date of Allotment"**), and the Company will ensure that the Debentures are credited into the demat accounts of the holders of the Debentures (**"Debenture Holders"**) within 1 (one) Business Days from the Deemed Date of Allotment, each in accordance with the debenture trust deed (**"Debenture Trust Deed"**) to be entered into between the Company and the debenture trustee (**"Debenture Trustee"**). In any case, the period within which the Debentures will be allotted will not exceed the maximum period of 60 (sixty) days from the date of receipt of application money, as prescribed under the Companies Act, 2013.
The names of the proposed allottees and the percentage of post private placement capital that may be held by them [Not applicable in case of issue of non-convertible debentures]	Not Applicable.
The change in control, if any, in the company that would occur consequent to the private placement	Not Applicable
The number of persons to whom allotment on preferential basis / private placement / rights issue has already been made during the year, in terms of securities as well as price	NIL
The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer	Not applicable as each Debenture is a non-convertible debt instrument which is being issued at face value of INR 1,00,000/- (Indian Rupees One Lakh).

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Amount, which the Company intends to raise by way of proposed offer of securities	Up to INR 50,00,00,000 (Indian Rupees Fifty Crores Only).
Terms of raising of securities:	

Duration, if applicable:	1096 (one thousand and ninety six) days or 36 (thirty-six) months from the Deemed Date of Allotment. The proposed interest payment and redemption schedules are set out in **Annexure IV** of this Key Information Document.
Rate of Interest or Coupon:	Fixed coupon at 9.95% p.a. (Nine point nine five per cent) per annum and payable quarterly. Please refer to the row titled 'Coupon Rate' in Section 2.8 (Issue Details) of the Key Information Document.
Mode of Payment	Electronic clearing services (ECS)/credit through RTGS system/ direct credit or national electronic fund transfer (NEFT) or or Immediate Payment Service (IMPS). Wherein the subscription amounts on the Debentures issued by the Issuer should be paid into the account details set out in Section 4.2 (Process flow of settlement of this Key Information Document.
Mode of Repayment	cheque(s) / electronic clearing services (ECS)/credit through RTGS system/funds transfer

Proposed time schedule for which the Issue/Offer Letter is valid	Issue Open Date: 26th March 2024 Issue Closing Date: 26th March 2024 Pay-in Date: 27th March 2024 Deemed Date of Allotment: 27th March 2024
Purpose and objects of the Issue/Offer	Please refer to section named "Details of the *utilization of the Issue Proceeds*" in Section 2.8 (*Issue Details*) of this Key Information Document.
Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects	NIL
Principal terms of assets charged as security, if applicable	Please refer to section named "*Security (Including description, type of security, type of charge, likely date of creation of security, minimum security cover, revaluation, replacement of security)*" in Section 2.8 (*Issue Details*) of this Key Information Document.

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The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the Company and its future operations	NIL

The pre-issue and post-issue shareholding pattern of the Company in the following format

S. No.	Category	Pre-issue		Post-issue	
		No. of shares held	Percentage (%) of shareholding	No. of shares held	Percentage (%) of shareholding
A	*Promoters' holding*				
	Indian				
1	Individual	2,84,41,453	40.54	2,84,41,453	40.54
	Bodies Corporate	-		-	
	Sub-total	2,84,41,453	40.54	2,84,41,453	40.54
2	Foreign promoters	16,11,800	2.30	16,11,800	2.50
	Sub-total *(A)*	3,00,53,253	42.84	3,00,53,253	42.84
B	*Non-promoters' holding*				
1	Institutional Investors	3,20,18,354	45.64	3,20,18,354	45.64
2	Non-Institutional Investors	-		-	
	Private Corporate Bodies	19,90,870	2.84	19,90,870	2.84
	Directors and relatives	-		-	
	Indian public	59,08,799	8.42	59,08,799	8.42
	Others (including Non-resident Indians)	1,85,169	0.26	1,85,169	0.26
	Sub-total *(B)*	4,01,03,192	57.16	4,01,03,192	57.16
	GRAND TOTAL	7,01,56,445	100.00	7,01,56,445	100.00

5.8 Mode of payment for subscription:

- Cheque
- Demand Draft

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

- Other Banking Channels

5.9 Disclosure with regard to interest of directors, litigation, etc:

<table>
<tr><td>Any financial or other material interest of the directors, promoters or key managerial personnel in the offer/ Issue and the effect of such interest in so far as it is different from the interests of other persons</td><td>Nil</td></tr>
<tr><td>Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the Company during the last 3 (three) years immediately preceding the year of the issue of this private placement offer cum application letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed</td><td>Nil</td></tr>
<tr><td>Remuneration of directors (during the current year and last 3 (three) financial years)</td><td>
<table>
<tr><th>Director</th><th>Fiscal FY 23-24 (Up to Dec 2023)</th><th>Fiscal FY 22-23</th><th>Fiscal FY 21-22</th><th>Fiscal FY 20-21</th></tr>
<tr><td>V.G.K.Prasad, Chairman</td><td></td><td></td><td></td><td></td></tr>
<tr><td>Remuneration</td><td>0.84</td><td>0.84</td><td>0.76</td><td>0.70</td></tr>
<tr><td>Commission</td><td>0.42</td><td>0.63</td><td>0.51</td><td>0.42</td></tr>
<tr><td>K Vasumathi Devi, Managing Director</td><td></td><td></td><td></td><td></td></tr>
<tr><td>Remuneration</td><td>0.47</td><td>0.60</td><td>0.54</td><td>0.50</td></tr>
<tr><td>Commission</td><td>0.21</td><td>0.44</td><td>0.36</td><td>0.29</td></tr>
</table>
</td></tr>
<tr><td>Related party transactions entered during the preceding 3 (three) financial years immediately preceding the year of issue of this private placement offer cum application letter and current financial year with regard to loans made or, guarantees given or securities provided</td><td>Please refer to Annexure XI of this Key Information Document.</td></tr>
</table>

Summary of reservations or qualifications or adverse remarks of auditors in the last 5 (five) financial years immediately preceding the year of issue of this private placement offer cum application letter and of their impact on the financial statements and financial position of the Company and the corrective steps taken and proposed to be taken by the Company for each of the said reservations or qualifications or adverse remark	**2017-18 Observations:** The Company's internal financial controls over a) procurement of fixed assets b) creation of unique customer c) segregation of duties and recording of journal entries are not operating effectively which could potentially effect the internal control environment of the Company The Company Response: The management has taken all reasonable steps in procurement of fixed assets, except few procedural / process related lapses, and there was no under/over valuation of fixed assets of the Company and as such there was no impact on the financials of the Company. The management has taken all reasonable steps to create unique customer IDs, except few procedural / process related lapses which got rectified subsequently, and proper accounting in provisions/write offs and there was no under /over valuation of provisions written off during the year and as such there was no impact on the financials of the Company. The management has taken all reasonable steps over segregation of duties and recording of journal entries and as such there was no impact on internal control environment of the Company. **2018-19 Observations:** The Company's internal financial controls over segregation of duties and recording of journal entries are not operating effectively which could potentially effect the internal control environment of the Company The Company Response The management has taken all reasonable steps over segregation of duties and recording of journal entries and as such there was no impact on internal control environment of the Company. **FY 19-20, FY 20-21, FY 21-22, FY 22-23:** No Summary of reservations or qualifications or adverse remarks of auditors.
Details of any inquiry, inspections or investigations initiated or conducted under the securities law or Companies Act or any previous company law in the last 3 (three) years immediately preceding the year of circulation of this private placement offer cum application letter in the case of the Company and all of its subsidiaries and if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last 3 (three) years immediately preceding the	Nil

year of this private placement offer cum application letter and if so, section-wise details thereof for the Company and all of its subsidiaries	

5.10 Financial Position of the Company:

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

The authorized, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value)		**Share Capital Authorised**	**Aggregate Nominal Value**
		Authorised Capital	1,05,00,00,000
		Equity Share Capital	
		8,00,00,000 Equity shares of Rs.10 each	80,00,00,000
		Preference Share Capital	
		25,00,000 Preference shares of Rs.100 each	25,00,00,000
		TOTAL	**1,05,00,00,000**
		Issued, Subscribed and Paid-up Equity Capital	
		7,01,56,445 Equity Shares of Rs. 10/- each	70,15,64,450
		Issued, Subscribed and Paid-up Preference Share Capital	
		Nil	-
		TOTAL	**70,15,64,450**
Size of the Present Offer	Issue of up to 5,000 (Five Thousand) secured, listed, rated, unsubordinated, redeemable, transferable, non-convertible debentures having a face value of INR 1,00,000/- (Indian Rupees One Lakh only) aggregating to INR 50,00,00,000/- (Indian Rupees Fifty Crores Only) each, for cash, at par, on a private placement basis.		
Paid-up Capital: **a. After the offer:**	70,15,64,450		

b. After the conversion of convertible instruments (if applicable)	Not applicable as each Debenture is a non-convertible debt instrument which is being issued at face value.
Share Premium Account: **a. Before the offer:** **b. After the offer:**	4,63,33,45,621 4,63,33,45,621

Details of the existing share capital of the Issuer in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration:

Date of Allotment	No. of Equity Shares	Face Value (in Rs) per share	Issue Price (in Rs) per share	Consideration (Cash, other than cash, etc.)	Nature of Allotment	Cumulative			Remarks
						No. of equity shares	Equity share capital (Rs)	Equity Share Premium (Rs) per share	
21.08.2023	55,81,395 fully paid up shares of Rs. 10 each	10	215	1,19,19,99,925	Preferential Issue	7,01,56,445	70,15,64,450	4,63,33,45,621	
31.03.2023	75,81,418 fully paid up shares of Rs. 10 each	10	215	1,63,00,04,870	Preferential Issue	6,45,75,050	64,57,50,500	3,48,91,59,645	-
17.02.2023	24,58,962 fully paid up shares of Rs. 10 each	10	215	52,86,76,830	Preferential Issue	5,69,93,632	56,99,36,320	1,93,49,68,955	-
10.11.2022	18,75,603 fully paid up shares of Rs. 10 each	10	209	39,20,01,027	Preferential Issue	5,45,34,670	54,53,46,700	143,08,81,746	-
31.03.2022	51,79,688 Partly paid up shares	10	72.59	7,14,38,774	Preferential Issue	5,26,59,067	52,6,5,90,670	105,76,36,749	-

	of Rs 8.10 paid up 3rd and Final Call Money								
31.03.2021	51,79,688 Partly paid up shares of Rs 8.10 paid up 2nd Call Money	10	72.59	10,15,18,259	Preferential Issue	5,26,59,067	51,67,49,262.80	99,92,89,377	-
31.03.2019	51,79,688 Partly paid up shares of Rs 5.40 paid up 1st Call Money	10	72.59	10,15,18,259	Preferential Issue	5,26,59,067	50,27,64,106	91,17,56,276	-
22.01.2019	12,22,278	10	128	15,64,51,584	Preferential Issue	5,26,59,067	48,87,78,948	82,42,23,175	-
18.01.2019	7,30,847	10	128	9,35,48,416	Preferential Issue	5,14,36,789	47,65,56,168	67,99,94,371	-
17.01.2018	51,79,688 (Application Money)	10	72.59	10,15,18,259	Preferential Issue	5,07,05,942	46,92,47,698	59,37,54,425	-
06/05/2015	80,13,375	10	31	24,84,14,625	Rights Issue	4,55,26,254	45,52,62,540	50,62,21,324	-
30/09/2013	30,00,000	10	13	3,90,00,000	Preferential Issue	3,21,00,000	32,10,00,000	9,00,07,0000	-
18/03/2013	36,60,000	10	13.25	4,84,95,000	Preferential Issue	2,91,00,000	29,10,00,000	7,77,57,000	-
16/08/2012	68,50,000	10	13	8,90,50,000	Preferential Issue	254,40,000	25,44,00,000	6,58,63,000	-

21/03/2012	63,60,000	10	13	8,26,80,000	Preferential Issue	1,85,90,000	18,59,00,000	4,53,13,000	-

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

Year	As on 31st December 2023 FY 23-24	Fiscal FY 22-23	Fiscal FY 21-22	Fiscal FY 20-21
Profit before tax	63.36	67.31	54.27	44.20
Profit after tax	47.14	50.10	40.30	31.90

Dividends declared by the Company in respect of the said 3 (three) financial years; interest coverage ratio for last three years (cash profit after tax plus interest paid/interest paid)	

Year	As on 31st December 2023 FY 23-24	Fiscal FY 22-23	Fiscal FY 21-22	Fiscal FY 20-21
Dividend Declared	NIL	NIL	NIL	NIL
Interest Coverage Ratio	1.42	1.46	1.48	1.40

A summary of the financial position of the Company as in the 3 (three) audited balance sheets immediately preceding the date of circulation of this private placement offer cum application letter	Please refer to **Annexure XI** of this Key Information Document.
Audited Cash Flow Statement for the 3 (three) years immediately preceding the date of circulation of this private placement offer cum application letter	Please refer to **Annexure XI** of this Key Information Document.
Any change in accounting policies during the last 3 (three) years and their effect on the	Nil

profits and the reserves of the Company	

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

PART B

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

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

Signature of the Subscriber

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

DECLARATION (To be provided by the Directors)

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

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

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

I am authorized by the Board of Directors of the Issuer vide resolution number 01 dated 10th November 2023 read along read along with the resolution passed by the management committee of the board of directors of the Issuer dated 20th March 2024 to sign this Key Information Document and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with.

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

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

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

For **IKF FINANCE LIMITED**

Vasumathi Koganti

Digitally signed by Vasumathi Koganti
Date: 2024.03.21 16:23:53 +05'30'

_____

Authorised Signatory

Name: Vasumathi Devi Koganti

Title: Managing Director

Place: Vijayawada

Date: 21st March 2024

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

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

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No. CARE/CRO/RL/2023-24/1524

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

March 19, 2024

Confidential

Dear Madam,

Credit rating for proposed Non-Convertible Debenture issue

Please refer to your request for rating of proposed long-term Non-convertible Debenture (NCD) issue aggregating to Rs.50 crore of your Company.

2. The following ratings have been assigned by our Rating Committee:

Sr. No.	Instrument	Amount (₹ crore)	Rating[1]	Rating Action
1.	Non Convertible Debentures – XIII (Proposed)	50.00	CARE A; Stable (Single A; Outlook: Stable)	Assigned

3. Please arrange to get the rating revalidated, in case the proposed issue is not made within a period of six months from the date of our initial communication of rating to you (that is March 19, 2024).

4. In case there is any change in the size or terms of the proposed issue, please get the rating revalidated.

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

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

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

6. Kindly arrange to submit to us a copy of each of the documents pertaining to the NCD issue, including the offer document and the trust deed.

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

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

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

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

11. Our ratings are **not** recommendations to buy, sell or hold any securities.

12. If you need any clarification, you are welcome to approach us in this regard. We are indeed, grateful to you for entrusting this assignment to CARE Ratings Ltd.

Thanking you,

Yours faithfully,

Hareesh H
Lead Analyst
hareesh.h@careedge.in

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

Encl.: As above

Disclaimer

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

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

CareEdge RATINGS

Annexure
Press Release
IKF Finance Limited

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long-term bank facilities	2,600.00 (Enhanced from 2,250.00)	CARE A; Stable	Reaffirmed
Subordinated debt – I	25.00	CARE A; Stable	Reaffirmed
Subordinated debt – II	140.00	CARE A; Stable	Reaffirmed
Non-convertible debentures – XIII (Proposed)	50.00	CARE A; Stable	Assigned
Non-convertible debenture – XI	70.00	CARE A; Stable	Reaffirmed
Non-convertible debenture – XII	150.00	CARE A; Stable	Reaffirmed
Market-linked debentures – X	-	-	Withdrawn
Non-convertible debenture - PP-MLD – I	-	-	Withdrawn

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Ratings assigned to bank facilities and debt instruments of IKF Finance Limited (IKF) continue to derive strength from the long and established track record of operations in the lending business with a strong brand image and seasoned and gradual growth in portfolio over the past several years. Ratings further derive strength from the well-defined credit and recovery policy with strong collection systems adopted, healthy profitability indicators, comfortable capital adequacy further supported by equity raise of ₹255 crore in FY23 and equity raise of ₹120 crore in 9MFY24 and moderately diversified resource profile. Ratings are constrained by regional concentration of portfolio, relatively moderate scale of operations, inherent risks associated with its borrower profile mostly being self-employed in the informal segment, high ticket exposure to small and medium enterprises (SME) and non-banking financial companies (NBFC) segments, and moderate asset quality, characterised by higher delinquencies in softer buckets, notwithstanding the improvement witnessed during FY23 and 9MFY24.

CARE Ratings Limited (CARE Ratings) has withdrawn the rating assigned to the NCD issue- X and NCD-PP-MLD issue - I of IKF Finance Limited with immediate effect, as the company has repaid the aforementioned bonds in full and there is no amount outstanding under the said issues.

Rating sensitivities: Factors likely to lead to rating actions

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

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

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

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

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

Analytical approach: Standalone

Outlook: Stable

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

Detailed description of key rating drivers:

Key strengths

Long and established track record of operations

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

Well-defined credit policy and improving MIS system

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

Healthy profitability profile

In FY23, IKF reported a profit after tax (PAT) of ₹50 crore on a total income of ₹287 crore as against a PAT of ₹40 crore on a total income of ₹221 crore in FY22. Yield on advances improved from 14.68% in FY22 to 15.07% in FY23. The cost of funds remained stable at 9.21% in FY23 as against 9.20% in FY22. The net interest margin (NIM) moderated slightly to 6.16% in FY23 from 6.40% in FY22. Despite opening 34 new branches in FY23, opex (as a percentage of total assets) remained stable at 2.67% in FY23 as against 2.63% in FY22. With asset quality parameters remaining at similar levels and write-back in the provision due to an improvement in stage-II assets, credit cost improved from 0.31% in FY22 to 0.24% in FY23. Return on total assets (ROTA) slightly moderated to 2.23% in FY23 as against 2.41% in FY22. In 9MFY24, IKF reported a profit after tax (PAT) of ₹47 crore on a total income of ₹300 crore and a ROTA of 2.11% and credit cost of 0.51%.

Moderately diversified resource profile with an inclination towards banks

Bank borrowings were the key source of funding for IKF and proportion of bank borrowings stood at 72.93% as on March 31, 2023 (PY: 80.37%). Notably, the company has a cash credit (CC) facility of ₹261 crore outstanding from different banks as on March 31, 2023. Borrowings as term loans from NBFCs and financial institutions (FI) stood at 13.14% and 2.19%, respectively, as on March 31, 2023, as against 8.41% and 4.09%, respectively, as on March 31, 2022. Borrowings through instruments such as nonconvertible debentures (NCDs), sub-debt, and pass-through certificates (PTCs) stood at 3.73%, 8.02% and 0.00%, respectively, as on March 31, 2023, as against 3.01%, 3.45% and 0.67%, respectively, as on March 31, 2022. In 9MFY24, borrowings from banks, NBFC/Fis, NCDs and sub-debt stood at 70.42%, 16.88%, 5.63% and 7.07%, respectively.

Comfortable capitalisation supported by further capital raise in FY23 and 9MFY24

Aided by regular capital infusion by promoters and private equity (PE) investors and retention of internal accruals, IKF has maintained capital adequacy at comfortable levels over the past few years. In FY23, the company has raised equity of ₹255 crore from Accion and HNIs. As a result of this capital raise, capital adequacy ratio (CAR) and Tier-I CAR improved from 24.11% and 21.55% as on March 31, 2022, to 33.02% and 26.25% as on March 31, 2023, despite significant growth in loan portfolio. Notably, the company has also infused ₹45 crore in its housing finance subsidiary, IKF Home in FY23. Post the infusion, shareholding (on a fully dilutive basis) of IKF in IKF Home stood at 89.13% as on March 31, 2023. Overall gearing and adjusted gearing (excluding investments in the subsidiary) as on March 31, 2023, stood at 2.95x and 3.50x, respectively, as against 3.39x and 4.05x, respectively, as on March 31, 2022. Furthermore, during 9MFY24, the company has raised ₹120 crore from Teachers Insurance and Annuity Association of America. The capital adequacy ratio (CAR) and Tier-I CAR stood at 30.46% and 26.09% as on December 31, 2023. Overall gearing and adjusted gearing (excluding investments in the subsidiary) as on as on December 31, 2023, stood at 2.75x and 3.59x, respectively. CARE Ratings expects capitalisation levels to remain comfortable over the medium term.

Improving scale of operations

IKF has been in the vehicle finance business since 1991. That said, despite having a track record close to three decades, the size of operations remained moderate with assets under management (AUM) of ₹2,452 crore as on March 31, 2023. The company has been able to register continuous growth with comfortable capitalisation. Over the last three-years ended March 31, 2023, IKF has grown at a compounded annual growth rate (CAGR) of 23%, from ₹1,315 crore as on March 31, 2020, to ₹2,452 crore as on March 31, 2023 (PY: ₹1,742 crore), including a growth of 41% in FY23. In FY23, IKF disbursed ₹1,674 crore, which is 71% higher than the disbursements happened in FY22. Vehicle finance continues to be key focus area for IKF, and the share has remained at around 79% over the past few years, mainly dominated by CV (30.52%), cars and multi-utility vehicles (MUVs; 18.64%), and CE (22.29%). Loans to other NBFCs have increased from 9.35% as on March 31, 2022, to 11.11% as on March 31, 2023. The share of SME loans moderated over the last few years, from 21.8% as on March 31, 2019, to 8.75% as on March 31, 2023. The company largely has a seasoned portfolio with a long presence in the vehicle finance segment. Hence, any large deviation from the same to any other asset class will be key monitorable.

In 9MFY24, the company has disbursed ₹1725 crore, which improved the AUM of the company to ₹3,222 crore as on December 31, 2023. The vehicle finance continues to contribute around 77% of the overall AUM as on December 31, 2023.

CARE Ratings expects the portfolio to grow at a higher rate in the medium term with the company raising equity in the recent past.

Key weaknesses

Geographical concentration of portfolio

Over the last two fiscals, IKF has not expanded its operations in new geographies and is operating in eight states, covering Andhra Pradesh, Telangana, Gujarat, Tamil Nadu, Karnataka, Maharashtra, Madhya Pradesh, and Rajasthan, through 134 branches as on March 31, 2023 (PY: 102 branches). The portfolio is concentrated in South India, with 67% of AUM as on March 31, 2023, as against 71% of AUM as on March 31, 2022. The home states of IKF – Andhra Pradesh and Telangana – constituted 53% of AUM as on March 31, 2023, against 57% as on March 31, 2022. As on December 31, 2023, South India (four states) constituted 66.07% of the loan portfolio, while Andhra Pradesh and Telangana constituted 49% of the total AUM. In Q3FY24, the company has expanded its operations to the state of Odisha.

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

Exposure to high-ticket SME financing and loans to NBFCs

IKF has been limiting disbursements in the SME financing segment over the last three years ended March 31, 2023. The proportion of SME financing on overall AUM has reduced to 8.75% as on March 31, 2023, from 10.34% as on March 31, 2022. The company is now focusing more on lower ticket size SME loans rather than higher ticket size loans, which is expected to reduce overall risk of the SME portfolio. The company has started a separate vertical for the low-ticket size SME and SME is expected to grow going forward. In 9MFY24, the SME portfolio stood at 13.71% of overall AUM.

Loans to other NBFCs have increased from 9.35% as on March 31, 2022, to 11.11% as on March 31, 2023. However, it moderated to 8.74% as on December 31, 2023.

Moderate asset quality characterised by high delinquency in softer buckets

GNPA stood at 2.83% as on March 31, 2023, as against 2.72% as on March 31, 2022, despite implementing new IRACP Norms in FY23. It is to be noted that the company has not provided one-time restructuring or ECLGS loans in the COVID-19 period. The company has written off a portfolio amounting to ₹3.43 crore in FY23 as against ₹7.62 crore in FY22. Stage-III provision coverage stood at 21% as on March 31, 2023, from 34% as on March 31, 2022. In line with the same, the net stage-III assets increased from 1.84% as on March 31, 2022, to 2.25% as on March 31, 2023. With higher collection efforts and repossession activities, delinquency in softer buckets has shown improvement in FY23 though remained high with the 0+ dpd improving from 38% as on March 31, 2022, to 29% as on March 31, 2023. The GNPA and NNPA stood at 2.32% and 1.86% as on December 31, 2023, with 0+ dpd improving to 25% as on December 31, 2023.

Liquidity: Adequate

IKF's asset liability maturity (ALM) stood adequate, with no negative cumulative mismatches in any time buckets up to one year as on December 31, 2023, due to the relatively short nature of its loans against longer tenure of its borrowings. As on February 29, 2024, the company had cash and cash equivalents of ₹165 crore and un-availed lines of credit (including unutilised CC of ₹118 crore) of ₹478 crore. Of the total borrowings raised in 9MFY24, majority were bank borrowings. The company's ability to mobilise funds from banks at a competitive rate with improved incremental cost of borrowings adds comfort.

Applicable criteria

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

About the company and industry

Industry classification

Macro-economic indicator	Sector	Industry	Basic industry
Financial services	Financial services	Finance	Non-banking financial company (NBFC)

IKF was incorporated as IndraKeela Financiers Private Limited in 1991. The company became a closely held public company in 1994, with a change in name to IKF Finance & Investments Limited. The company had a public issue in 1995 and IKF's shares were listed on the Bombay Stock Exchange Limited (BSE) and Ahmedabad Stock Exchange. In 1998, the company was renamed IKF Finance Limited and shares were subsequently delisted on February 18, 2015. IKF is registered as a non-deposit taking NBFC and is primarily engaged in used vehicle and SME financing. As on December 31, 2023, vehicle and SME finance (including loan to NBFC) constitutes 78% and 22% of the total AUM respectively.

The company is promoted by VGK Prasad, Chairman, who has more than three decades of experience in the industry and is currently managed by Vasumathi Devi, Managing Director. As on December 31, 2023, promoters held a 42.84% share, followed by two funds (India Business Excellence Fund II – 11.12% and IIA – 18.60%) managed by Motilal Oswal Private Equity (MOPE), 7.96% by Accion digital transformation fund, 7.96% by Teachers Insurance and Annuity Association of America and the rest by others.

The company has presence majorly in South India across Andhra Pradesh, Telangana, Karnataka, Tamil Nadu and has been expanding across Gujarat, Maharashtra, Madhya Pradesh, and Rajasthan in the last few years. It has total of 148 branches as on December 31, 2023.

IKF has a subsidiary, IKF Home, with a shareholding of 89.1% (rest by promoters) as on December 31, 2023. It is primarily engaged in providing home loan products and refinancing solutions and loan against property (LAP).

Brief Financials (₹ crore)	31-03-2022 (A)	31-03-2023 (A)	30-12-2023 (UA)
Total income	221	287	300
PAT	40	50	47
Interest coverage (times)	1.46	1.44	1.40
Total assets	1,716	2,763	3197
Net NPA (%)	1.84	2.25	1.86
ROTA (%)	2.28	2.04	1.92

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

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

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

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

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Debentures-non-convertible debentures - XII	INE859C07154	11-08-2023	9.75%	11-08-2025	50.00	CARE A; Stable
Debentures-non-convertible debentures - XII	INE859C07154	05-09-2023	9.75%	11-08-2025	50.00	CARE A; Stable
Debentures-non-convertible debentures - XII	Proposed	-	-	-	50.00	CARE A; Stable
Debentures-non-convertible debentures – XIII (Proposed)	-	-	-	-	50.00	CARE A; Stable
Fund-based - LT-cash credit	-	-	-	-	400.00	CARE A; Stable

Fund-based - LT-term loan	-	-	-	March, 2028	2200.00	CARE A; Stable
Debentures-non-convertible debentures – X	INE859C07147	06-12-2021	9.00%	06-12-2023	0.00	Withdrawn
Debentures Market-linked debentures – I	INE859C08095	30-09-2021	G sec Linked	30-09-2023	0.00	Withdrawn
Debentures-Non-convertible debentures – XI	INE859C08111	27-03-2023	10.60%	27-03-2025	70.00	CARE A; Stable
Debt-subordinate debt – I	INE859C08079	19-01-2021	13.25%	20-07-2026	25.00	CARE A; Stable
Debt-subordinate debt – II	INE859C08103	28-10-2022	13.85%	28-04-2028	140.00	CARE A; Stable

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021
1	Fund-based - LT-cash credit	LT	400.00	CARE A; Stable	1)CARE A; Stable (06-Jul-23)	1)CARE A; Stable (20-Mar-23) 2)CARE A; Stable (27-Sep-22)	1)CARE A; Stable (29-Sep-21)	1)CARE A; Stable (07-Oct-20)
2	Debentures-non-convertible debentures	LT	-	-	-	-	1)Withdrawn (29-Sep-21)	1)CARE A; Stable (07-Oct-20)
3	Fund-based - LT-term loan	LT	2200.00	CARE A; Stable	1)CARE A; Stable (06-Jul-23)	1)CARE A; Stable (20-Mar-23) 2)CARE A; Stable (27-Sep-22)	1)CARE A; Stable (29-Sep-21)	1)CARE A; Stable (07-Oct-20)
4	Debentures-non-convertible debentures	LT	-	-	-	-	-	1)Withdrawn (07-Oct-20)
5	Debentures-non-convertible debentures	LT	-	-	-	-	-	1)Withdrawn (07-Oct-20)
6	Debentures-non-convertible debentures	LT	-	-	-	1)Withdrawn (27-Sep-22)	1)CARE A; Stable (29-Sep-21)	1)CARE A; Stable (07-Oct-20)

7	Debentures-non-convertible debentures	LT	-	-	1)Withdrawn (06-Jul-23)	1)CARE A; Stable (20-Mar-23) 2)CARE A; Stable (27-Sep-22)	1)CARE A; Stable (29-Sep-21)	1)CARE A; Stable (07-Oct-20) 2)CARE A; Stable (12-Jun-20)
8	Debentures-non-convertible debentures	LT	-	-	-	1)Withdrawn (27-Sep-22)	1)CARE A; Stable (29-Sep-21)	1)CARE A; Stable (07-Oct-20) 2)CARE A; Stable (20-Jul-20)
9	Debentures-non-convertible debentures	LT	-	-	-	1)Withdrawn (27-Sep-22)	1)CARE A; Stable (29-Sep-21)	1)CARE A; Stable (07-Oct-20) 2)CARE A; Stable (24-Aug-20)
10	Debentures-non-convertible Debentures	LT	-	-	-	1)Withdrawn (27-Sep-22)	1)CARE A; Stable (29-Sep-21)	1)CARE A; Stable (31-Dec-20)
11	Debentures-non-convertible debentures	LT	-	-	1)CARE A; Stable (06-Jul-23)	1)CARE A; Stable (20-Mar-23) 2)CARE A; Stable (27-Sep-22)	1)CARE A; Stable (29-Sep-21)	1)CARE A; Stable (31-Dec-20)
12	Debt-subordinate debt	LT	25.00	CARE A; Stable	1)CARE A; Stable (06-Jul-23)	1)CARE A; Stable (20-Mar-23) 2)CARE A; Stable (27-Sep-22)	1)CARE A; Stable (29-Sep-21)	1)CARE A; Stable (31-Dec-20)
13	Debentures-market-linked debentures	LT	-	-	-	-	1)Withdrawn (05-Oct-21) 2)Provisional CARE PP-MLD A; Stable (25-Jun-21)	-
14	Debentures-market-linked debentures	LT	-	-	1)CARE PP-MLD A; Stable (06-Jul-23)	1)CARE PP-MLD A; Stable (20-Mar-23)	1)CARE PP-MLD A; Stable (29-Sep-21)	-

						2)CARE PP-MLD A; Stable (27-Sep-22)		
15	Debt-subordinate debt	LT	140.00	CARE A; Stable	1)CARE A; Stable (06-Jul-23)	1)CARE A; Stable (20-Mar-23) 2)CARE A; Stable (30-Sep-22)	-	-
16	Debentures-Non-convertible debentures	LT	70.00	CARE A; Stable	1)CARE A; Stable (06-Jul-23)	1)CARE A; Stable (20-Mar-23)	-	-
17	Debentures-non-convertible debentures	LT	150.00	CARE A; Stable	1)CARE A; Stable (06-Jul-23)	-	-	-
18	Debentures-non-convertible debentures	LT	50.00	CARE A; Stable				

LT: Long term; ST: Short term; LT/ST: Long term/Short term

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

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Debentures-market-linked debentures	Complex
2	Debentures- non-convertible debentures	Simple
3	Debt- subordinate debt	Simple
4	Fund-based - LT-cash credit	Simple
5	Fund-based - LT-term loan	Simple

Annexure-5: Lender details

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

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

Contact us

Media Contact	Analytical Contacts
Name: Mradul Mishra Director **CARE Ratings Limited** Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in	Name: P Sudhakar Director **CARE Ratings Limited** Phone: +91-44-2850 1003 E-mail: p.sudhakar@careedge.in
Relationship Contact Name: Aakash Jain Director **CARE Ratings Limited** Phone: 020 4000 9001 E-mail: aakash.jain@careedge.in	Name: Ravi Shankar R Associate Director **CARE Ratings Limited** Phone: +91-44-2850 1016 E-mail: ravi.s@careedge.in Name: Hareesh H Lead Analyst **CARE Ratings Limited** E-mail: hareesh.h@careedge.in

About us:

Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

Disclaimer:

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

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

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ANNEXURE II: CONSENT LETTER FROM THE DEBENTURE TRUSTEE

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CL/MUM/23-24/DEB/313

Date: March 15, 2024

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

Kind Attn: Mr. P Chandra Sekhar

Dear Sir,

Sub: Consent to act as Trustee for Rated Unsubordinated Secured Listed Transferable Redeemable Non-convertible debentures aggregating to Rs. 50 Crores to be issued by IKF Finance Limited.

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

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

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

Yours faithfully,

For Vardhman Trusteeship Private Limited

Vardhman Trusteeship Pvt. Ltd.

CHAPALAMADUGU SREENIVASA RAO
Digitally signed by CHAPALAMADUGU SREENIVASA RAO
Date: 2024.03.20 10:59:56 +05'30'

Authorised Signatory

डिबेंचर न्यासी

प्ररूप ख
FORM-B

DEBENTURE TRUSTEE

भारतीय प्रतिभूति और विनिमय बोर्ड
SECURITIES AND EXCHANGE BOARD OF INDIA

(डिबेंचर न्यासी) विनियम, 1993
(DEBENTURE TRUSTEE) REGULATIONS, 1993

000274

(विनियम 8)
(Regulation 8)

रजिस्ट्रीकरण प्रमाणपत्र
CERTIFICATE OF REGISTRATION

1) बोर्ड, भारतीय प्रतिभूति और विनिमय बोर्ड अधिनियम, 1992 के अधीन डिबेंचर न्यासी के लिए बनाए गए नियमों और विनियमों के साथ पठित उस अधिनियम की धारा 12 की उपधारा (1) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए,

1) In exercise of the powers conferred by sub-section (1) of section 12 of the Securities and Exchange Board of India Act, 1992, read with the rules and regulations made thereunder for the debenture trustee the Board hereby grants a certificate of registration to

VARDHMAN TRUSTEESHIP PRIVATE LIMITED
Unit No. 15, Turner Morrison Building
6 Lyons Range
KOLKATA
700001
WEST BENGAL
INDIA

को नियमों में, शर्तों के अधीन रहते हुए और विनियमों के अनुसार डिबेंचर न्यासी के रूप में रजिस्ट्रीकरण का प्रमाणपत्र इसके द्वारा प्रदान करता है।
as a debenture trustee subject to the conditions in the rules and in accordance with the regulations.

2) डिबेंचर न्यासी के लिए रजिस्ट्रीकरण कूट है।
2) Registration Code for the debenture trustee is **IND000000611**

3) जब तक नवीकृत न किया जाए, रजिस्ट्रीकरण का प्रमाणपत्र से तक विधिमान्य है।
3) Unless renewed, the certificate of registration is valid from to

This certificate of Registration shall be valid from 15/12/2020 to null, unless Suspended or cancelled by the Board

आदेश से
भारतीय प्रतिभूति और विनिमय बोर्ड
के लिए और उसकी ओर से
By order
For and on behalf of
Securities and Exchange Board of India

स्थान Place : **Mumbai**

तारीख Date : **May 20, 2021**

ARADHANA VERMA
प्राधिकृत हस्ताक्षरकर्ता Authorised Signatory

jai kaushal

Annexure B

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

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

Regards,

Vardhman Trusteeship Pvt. Ltd.

CHAPALAMADUGU SREENIVASA RAO

Digitally signed by CHAPALAMADUGU SREENIVASA RAO
Date: 2024.03.20 11:00:32 +05'30'

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

ANNEXURE III: APPLICATION FORM

IKF FINANCE LIMITED

A public limited company incorporated and validly existing under the Companies Act 1956 and validly existing under the Companies Act, 2013.

Date of Incorporation: 30th May 1991

Registered Office: 40-1-144, 3rd Floor, Corporate Centre, M.G. Road, Vijayawada, Andhra Pradesh - 520010, India

Telephone No.: 0866-2474644

Website: https://www.ikffinance.com

DEBENTURE SERIES APPLICATION FORM SERIAL NO.									

ISSUE OF UP TO 5000 (FIVE THOUSAND) SECURED, LISTED, RATED, UNSUBORDINATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES HAVING A FACE VALUE OF INR 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH, FOR CASH, AT PAR, AGGREGATING UP TO INR 50,00,00,000/- (INDIAN RUPEES FIFTY CRORES ONLY) EACH, IN A DEMATERIALISED FORM ON A PRIVATE PLACEMENT BASIS (THE "ISSUE") (HEREINAFTER REFFERED TO AS "DEBENTURES") BY IKF FINANCE LIMITED (THE "COMPANY") OR ("ISSUER").

Dear Sir / Madam,

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

We have read and understood the terms and conditions of the Key Information Document dated 21st March 2024 for the issue of Debentures on a private placement basis including the Risk Factors described in the Key Information Document ("**Key Information Document**") issued by the Issuer and have considered these in making our decision to apply. We bind ourselves to these terms and conditions and wish to apply for allotment of these Debentures. We request you to please place our name(s) on the Register of Debenture Holders, on allotment of the Debentures to us.

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

(PLEASE READ THE INSTRUCTIONS CAREFULLY BEFORE FILLING THIS FORM)

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

DEBENTURE SERIES APPLIED FOR:

Number of Debentures: ____In words: _____ only

Amount INR_____/- In words Indian Rupees :_____Only

DETAILS OF PAYMENT:

Cheque / Demand Draft / RTGS

No. _____ Drawn on_____

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

Funds transferred to **IKF Finance Limited**

Dated _____

Total Amount Enclosed

(In Figures) INR /- (In words) Only

APPLICANT'S NAME IN FULL (CAPITALS) **SPECIMEN SIGNATURE**

APPLICANT'S ADDRESS

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

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

Name of the Authorised Signatory(ies)	Designation	Signature

Applicant's Signature:

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

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

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

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

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

(Note: Cheque and Drafts are subject to realisation)

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

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

Applicant's

Signature

FOR OFFICE USE ONLY

DATE OF RECEIPT _____ DATE OF CLEARANCE _____

(Note : Cheque and Drafts are subject to realisation)

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

ACKNOWLEDGMENT SLIP

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

Received from _____

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

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

INSTRUCTIONS

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

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

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

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

   a) for adjustment against allotment of securities; or

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

4. Receipt of applicants will be acknowledged by the Company in the “Acknowledgement Slip” appearing below the application form. No separate receipt will be issued.

5. All applicants should mention their Permanent Account No. or their GIR No. allotted under Income Tax Act, 1961 and the Income Tax Circle/Ward/District. In case where neither the PAN nor the GIR No. has been allotted, the fact of non-allotment should be mentioned in the application form in the space provided. Income Tax as applicable will be deducted at source at the time of payment of interest including interest payable on application money.

6. The application would be accepted as per the terms of the manner outlined in the transaction documents for the private placement.

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

ANNEXURE IV: ILLUSTRATION OF BOND CASH FLOWS

Illustration of bond cash flows	
Company	IKF Finance Limited
Face Value (per security)	INR 1,00,000 (Indian Rupees One Lakh only)
Issue Date / Date of Allotment	Issue Opening Date: 26th March 2024 Deemed Date of Allotment: 27th March 2024
Redemption Date / Maturity Date	Redemption Date / Maturity Date: 1096 (One thousand and ninety six) days or 36 (thirty-six) months from the Deemed Date of Allotment.
Coupon Rate	Please refer to Section 2.8 (Issue Details) of this Key Information Document
Frequency of the Coupon Payment with specified dates	Please refer to Section 2.8 (Issue Details) of this Key Information Document Please also see below.
Day Count Convention	Actual/Actual

Cash flows - Redemption Amount and Coupon Payment Schedule per Debenture

DATES	OUTSTANDING PRINCIPAL	PRINCIPAL	INTEREST	TOTAL
27-06-2024	1,00,000.00	8,333	2,507.95	10,840.95
27-09-2024	91,666.67	8,333	2,298.95	10,631.95
27-12-2024	83,333.33	8,334	2,067.24	10,401.24
27-03-2025	75,000.00	8,333	1,840.07	10,173.07
27-06-2025	66,666.67	8,333	1,671.96	10,004.96
27-09-2025	58,333.33	8,334	1,462.97	9,796.97
27-12-2025	50,000.00	8,333	1,240.34	9,573.34
27-03-2026	41,666.67	8,333	1,022.26	9,355.26
27-06-2026	33,333.33	8,334	835.98	9,169.98
27-09-2026	25,000.00	8,333	626.99	8,959.99
27-12-2026	16,666.67	8,333	413.45	8,746.45
27-03-2027	8,333.33	8,334	204.45	8,538.45

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

ANNEXURE V - PART I: BOARD RESOLUTION

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EXTRACT OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF IKF FINANCE LIMITED IN THEIR MEETING HELD ON FRIDAY, NOVEMBER 10, 2023 AT 11.00 A.M. AT THE CORPORATE OFFICE OF THE COMPANY SITUATED AT PLOT NOS 30/A, SURVEY NO 83/1, 11TH FLOOR, MYHOME TWITZA, APIIC HYDERABAD KNOWLEDGE CITY, RAIDURG VILLAGE, SERILINGAMPALLY MANDAL, RANGAREDDY DIST ,HYDERABAD-500081

DELEGATION OF POWERS TO THE MANAGEMENT COMMITTEE

The Chairman has drawn the attention of the Board about the frequent requirements of transactions with various Banks, Financial Institutions, Non-Banking Financial Companies and other statutory authorities in between the Board meetings and the practical difficulties being faced by the management to convene the Board Meeting frequently to obtain concurrence of the Board of Directors and resolutions thereof and has requested the Board to approve delegation of exercise of such powers to the Management Committee in between the two Board Meetings.

The Board considered and after due discussions it was approved to delegate some of the powers to the Management Committee and the following resolution was passed unanimously:

"RESOLVED THAT pursuant to the provisions of Section 179(3), 180 and 186 of the Companies Act, 2013 and the rules made there under (including any statutory modification (or re-enactments thereof for the time being in force), the Management Committee of the Board comprise the members i) Mr .V.G.K.Prasad, Chairman & Executive Director, ii) Mrs. K.Vasumathi Devi, Managing Director and iii) Mr.K.Satyanarayana Prasad, Independent Director to exercise the following powers on behalf of the Board of Directors from time to time

- To borrow money, as and when required, from, including without limitation, any Bank and/or Public Financial Institution as defined under Section 2(72) of the Companies Act, 2013 and/or eligible foreign lender and/or any entity/ entities and/or authority/ authorities and/ or through suppliers credit, any other securities or instruments, such as floating rate notes, fixed rate notes, syndicated loans, debentures, commercial papers, short term loans or any other instruments etc. and/or through credit from official agencies and/or by way of commercial borrowings from the private sector window of multilateral financial institution, either in rupees or in such other foreign currencies as may be permitted by law from time to time, for an aggregate amount not exceeding Rs.5,000 Crores (Rupees Five Thousand Crores Only)

- To create charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the company, on such assets and properties of the company, both present and future, in favour of all or any Banks, financial institutions, investments institutions and their subsidiaries, any other bodies corporate and any other lenders (hereinafter collectively referred to "the lending agencies") and/ or Trustees for the holders of debentures/ bonds/ other instruments to secure borrowing of the Company by way of loans/ issue of debentures/ bonds/ other instruments which may be issued for a sum not exceeding Rs.5,000 Crore (Rupees Five Thousand Crore only) over and above the aggregate of the paid up capital of the company, its free reserves and securities

premium which have been /or propose to be obtained from or privately placed with the lending agencies

- To issue, offer or invitation and allot secured/unsecured, redeemable, non-convertible, listed / unlisted, senior/subordinated bonds/debentures/Commercial Paper/ Tier II Debt/ Other debt securities ("Bonds") of value aggregating upto Rs.2,000 Cr (Rupees Two Thousand Crores Only) through private placement offer letter(s) in one or more tranches

- To finalize the terms and conditions and approve the assignment and securitization transactionwith all NBFCs, Banks and other Financial Institutions

- To Invest surplus funds in Investment grade rated Companies Non-Convertible Debentures

- To approve the day to day management transactions

- To open any Bank Account and approve the authorities to operate the accounts or to close anyinoperative Bank accounts

- To apply for any approvals, permissions with Statutory authorities like Registrar of Companies,Reserve Bank of India

- To give authorization to the Directors and other authorities to execute the documents on behalfof the Company

- To approve the sale of repossessed assets

//Certified True Copy//
For IKF Finance Limited

CHAPALAMADUGU SREENIVASA RAO
Digitally signed by CHAPALAMADUGU SREENIVASA RAO
Date: 2024.02.21 11:26:16 +05'30'

(Ch Sreenivasa Rao)
Company Secretary

Place: Vijayawada
Date: 21.02.2024

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

ANNEXURE V - PART II: MANAGEMENT COMMITTEE RESOLUTION

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EXTRACT FROM THE MINUTES OF THE MEETING OF MANAGEMENT COMMITTEE OF BOARD OF DIRECTORS ("COMMITTEE") OF IKF FINANCE LIMITED ("COMPANY") HELD ON WEDNESDAY, THE 20TH DAY OF MARCH 2024 AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT "40-1-144, CORPORATE CENTRE, M.G. ROAD. VIJAYAWADA, ANDHRAPRADESH-520010 AT 10.00 A.M.

ISSUE OF RATED, LISTED, UNSUBORDINATED, SECURED, TAXABLE, REDEEMABLE, TRANSFERABLE NON-CONVERTIBLE DEBENTURES ON A PRIVATE PLACEMENT BASIS

The Committee noted the Company's proposal for raising of debt by way of private placement of up to 5,000 (Five Thousand) rated, listed, unsubordinated, secured, taxable, redeemable, transferable non-convertible debentures, having a face value of INR. 1,00,000/- (Indian Rupees One Lakh only) each, for cash, aggregating up to INR 50,00,00,000/- (Indian Rupees Fifty Crores Only) in dematerialised form, to raise funds will be used its on-lending requirement towards various classes of loan products of the Company, including but not limited to vehicle loans and various other classes of loan products of the Company, and pursuant to the approval of the Board of Directors of the Company in their meeting held on 10.11.2023 and members at their meeting held on 30.09.2022.

The Chairman informed the Committee that:

1. In order for the Company to raise funds, *inter alia*, for augmenting the funds for raising debt for the ongoing business of the Company (including the expansion of the Company's onward lending), and pursuant to the approval of the Board of Directors of the Company at their meeting held on 10.11.2023 and pursuant to the approval of the members of the Company at their meeting held on 30.09.2022, the Company is planning to raise debt to make a private placement of non-convertible debentures, by way of an issue of up to 5,000 (Five Thousand) rated, listed, unsubordinated, secured, taxable, redeemable, transferable non-convertible debentures, having a face value of INR. 1,00,000/- (Indian Rupees One Lakh only) each, for cash, aggregating up to INR 50,00,00,000/- (Indian Rupees Fifty Crores Only), in a single series (the "**Debentures**") to be issued and allotted in dematerialised form, to identified categories of investors, being financial institutions, insurance companies, provident funds, gratuity, pension, superannuation funds, regional rural banks, mutual funds, alternate investment funds, companies, body corporates authorized to invest in bonds, trusts, association of persons, societies, individuals, scheduled commerical banks, cooperative bank, partnership firms, HUF and any other person (not being an individual or a group), who shall meet the eligibility criteria as set out in the information memorandum/offer letter, on such terms and conditions as set out in the term sheet tabled before the Committee and do all other acts in connection with the issue of the Debentures.

2. Further, in relation to the issuance of Debentures and other acts required in connection therewith, the Company will be required to *inter alia*:

   a. Appoint a debenture trustee to act for and on behalf of the holders of the Debentures;

   b. Procure rating for the Debentures from an accredited rating agency;

   c. Obtain listing of Debentures on wholesale debt market segment of the BSE;

   d. Enter into the requisite agreements with the depository participant i.e., National Securities Depository Limited and/or Central Depository Services (India) Limited for the issue of the Debentures in a dematerialized form and procuring the international

securities identification number (ISIN) for the same;

e. To pay all stamp duty required to be paid for the issue, offer and allotment of the Debentures in accordance with the laws of India and procure the stamped documents from the relevant governmental authorities;

f. Open such bank account(s) as may be required in relation to servicing of the Debentures;

g. Create and perfect the security as required in accordance with the terms of the transaction documents in relation to the issue, offer and allotment of the Debentures;

h. Execute the debenture trust deed, the debenture trustee agreement, the deed of hypothecation, disclosure document/offer letter/key information document, powers of attorney, and such other documents as may be required to be executed in relation to the Debentures.

The Committee discussed the matter and thereafter unanimously passed the following resolution:

"RESOLVED THAT pursuant to the powers conferred upon the Committee in terms of the resolution of the Board of Directors of the Company dated 10.11.2023, and as approved by the Board of Directors of the Company by way of the said resolution and members of the Company in the general meeting held on 30.09.2022 and pursuant to the provisions of the Memorandum and Articles of Association of the Company, the applicable provisions of the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, listing agreement entered into by the Company with Bombay Stock Exchange, the regulations issued by the Reserve Bank of India as applicable to Non-Banking Financial Companies from time to time and other applicable laws, if any, the Committee hereby approves the issuance of up to 5,000 (Five Thousand) rated, listed, unsubordinated, secured, taxable, redeemable, transferable non-convertible debentures, having a face value of INR. 1,00,000/- (Indian Rupees One Lakh only) each, for cash, aggregating up to INR 50,00,00,000/- (Indian Rupees Fifty Crores Only) in a single series (the "**Debentures**") on a private placement basis to identified categories of investors, being financial institutions, insurance companies, provident funds, gratuity, pension, superannuation funds, regional rural banks, mutual funds, alternate investment funds, companies, body corporates authorized to invest in bonds, trusts, association of persons, societies, individuals, scheduled commercial banks, cooperative bank, partnership firms, HUF and any other person (not being an individual or a group), who shall meet the eligibility criteria as set out in the information memorandum/offer letter) and who are successful bidders on the electronic book platform as per the applicable regulations issued by the Securities and Exchange Board of India in relation to the EBP mechanism, on such terms and conditions such as issue size, tenor and coupon as the Committee may deem appropriate based on prevailing market and other conditions and do all other acts as may be required in connection with the issue of Debentures.

RESOLVED THAT the Committee hereby approves the appointment of:

a. Vardhman Trusteeship Private Limited as the trustee to act for and on behalf of the holders of the Debentures;

b. National Securities Depository Limited ("**NSDL**") or Central Depository Services Limited ("**CDSL**") or both, as determined by any authorised signatory as the depository for the issue of Debentures; and

c. Bigshare Services Private Limited as the registrar to the issue of Debentures.

RESOLVED FURTHER THAT (i) Sri.V.G.K.Prasad, Chairman, (ii) Smt.K.Vasumathi Devi, Managing Director iii) Sri.Ch.Sreenivasa Rao, CFO & Company Secretary, (iv) Mrs. Kalyani Chunduri, AVP Lender Relations, (v) Mr. Arunachalam Rm, sales Manager, (vi) Ms. Sujatha S, Deputy Company Secretary ("**Authorised Signatories**") of the Company, be and are hereby severally authorized on behalf of the Company, to negotiate, finalise, sign and execute the necessary definite agreements including debenture trust deed, debenture trustee agreement, deed of hypothecation, powers of attorney and other agreements, documents, papers, writing, amendments, disclosure document, private placement offer-cum-application letter, key information document, on behalf of the Company with respect to the Debentures and to take such steps as may be necessary for filing of the said documents with the respective authority, to create and perfect the security over the receivables of the Company which shall be maintained at least 1.10x (one decimal point one zero times) the aggregate amount of the redemption amount in relation to the Debentures as required in accordance with the terms of the transaction documents in relation to the issue, offer and allotment of the Debentures and to obtain approvals, statutory, contractual or otherwise, in relation to the above if required and to settle all matters arising out of and incidental thereto, on behalf of the Company and generally to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution.

RESOLVED FURTHER THAT the Authorised Signatories of the Company, be and are hereby severally authorised to do all such acts, deeds, things and execute or ratify all such documents whatsoever as may be required in connection with the issue of the Debentures including without limitation execution or ratification of the requisite agreement(s) with the National Securities Depository Limited and/ or the Central Depository Services (India) Limited, the opening of bank accounts and opening of demat accounts, listing of Debentures on wholesale debt market segment of the BSE, appointment of the trustees, appointment of legal counsel, the registrar and transfer agent to the issue, credit rating company and other advisors as may be required and making payment of their fees.

RESOLVED FURTHER THAT any of the Directors, and the Authorised Signatories of the Company, be and are hereby severally authorised to do all such acts, deeds and things as are necessary for registering any of the documents, being executed by the Company, take steps relating to the creation, perfection and registration of charges, and for filing of necessary forms, returns and such other documents pertaining to the aforesaid issuance of Debentures with the relevant registrar of companies, the Ministry of Corporate Affairs, stock exchanges, Securities and Exchange Board of India ("**SEBI**"), or any other authority.

RESOLVED FURTHER THAT the Committee hereby authorizes the issuance of power of attorney authorizing the Authorised Signatories to execute or ratify all documents required to be executed or ratified as aforesaid and do all such acts and deeds as may be required in relation to the issue of Debentures.

RESOLVED FURTHER THAT the approval of the Committee be and is hereby given to affix the Common Seal of the Company on any or all documents as per the Articles of Association of the Company.

RESOLVED FURTHER THAT the aforesaid resolutions shall come into effect immediately and a copy of the foregoing resolutions certified to be a true copy by any of the Directors or Company Secretary of the Company be furnished to such parties concerned with respect to the issue of the Debentures.**"**

//Certified True Copy//

For IKF Finance Limited

Vasumathi Koganti
Digitally signed by Vasumathi Koganti
Date: 2024.03.20 13:33:30 +05'30'

(Vasumathi Devi Koganti)
Managing Director
DIN No. 03161150

CHAPALAMADUGU SREENIVASA RAO
Digitally signed by CHAPALAMADUGU SREENIVASA RAO
Date: 2024.03.20 13:34:34 +05'30'

(Ch Sreenivasa Rao)
Company Secretary
M.No: A14723

Place: Vijayawada
Date: 20.03.2024

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ANNEXURE VI: SHAREHOLDERS RESOLUTION

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IKF FINANCE

EXTRACT OF THE RESOLUTIONS PASSED BY THE SHAREHOLDERS OF THE COMPANY AT THE ANNUAL GENERAL MEETING HELD ON TUESDAY, THE 30TH DAY OF SEPTEMBER, 2022, AT 11.00 A.M., THROUGH VIDEO CONFERENCE ("VC")/ OTHER AUDIO VISUAL MEANS ("OAVM") AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT D.NO: 40-1-144, CORPORAE CENTRE, M.G.ROAD, VIJAYAWADA-520010, ANDHRA PRADESH

Renew the Borrowing Powers of the Company of Rs 5000Crores

"**RESOLVED THAT** pursuant to the provisions of Section 180 (1) (c) and other applicable provisions, if any, and the Companies Act, 2013 including any statutory modifications or re-enactments thereof and in supersession of all the earlier resolutions passed in this regard, the Board of Directors (hereinafter referred to as the Board, including any committee thereof for the time being exercising the powers conferred on them by this resolution), be and are hereby authorized to borrow money, as and when required, from, including without limitation, any Bank and/or Public Financial Institution as defined under Section 2(72) of the Companies Act, 2013 and/or eligible foreign lender and/or any entity/ entities and/or authority/ authorities and/ or through suppliers credit, any other securities or instruments, such as floating rate notes, fixed rate notes, syndicated loans, debentures, commercial papers, short term loans or any other instruments etc. and/or through credit from official agencies and/or by way of commercial borrowings from the private sector window of multilateral financial institution, either in rupees or in such other foreign currencies as may be permitted by law from time to time, as may be deemed appropriate by the Board for an aggregate amount not exceeding Rs.5000 Crores (Rupees Five Thousand Crores Only), notwithstanding that money so borrowed together with the monies already borrowed by the Company, if any (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company, its free reserves and securities premium that is to say, reserves not set apart for any specified purpose."

"**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

For IKF FINANCE LTD.

Ch. Sreenivasa Rao
Company Secretary
M. No. 14723

//Certified True Copy//
For IKF Finance Limited

(Ch Sreenivasa Rao)
Company Secretary
ACS :014723

Place: Vijayawada
Date: 25.10.2022

IKF FINANCE

EXTRACT OF THE RESOLUTIONS PASSED BY THE SHAREHOLDERS OF THE COMPANY AT THE ANNUAL GENERAL MEETING HELD ON TUESDAY, THE 30TH DAY OF SEPTEMBER, 2022, AT 11.00 A.M., THROUGH VIDEO CONFERENCE ("VC")/ OTHER AUDIO VISUAL MEANS ("OAVM") AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT D.NO: 40-1-144, CORPORAE CENTRE, M.G.ROAD, VIJAYAWADA-520010, ANDHRA PRADESH

Renew the power of Board of Directors of the Company to lease and mortgage of the property (ies) of the Company

"**RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, consent of the Company be and is hereby given to the Board of Directors of the company to create charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the company, on such assets and properties of the company, both present and future and in such manner as the Board may direct, in favour of all or any Banks, financial institutions, investments institutions and their subsidiaries, any other bodies corporate and any other lenders (hereinafter collectively referred to "the lending agencies") and/ or Trustees for the holders of debentures/ bonds/ other instruments to secure borrowing of the Company by way of loans/ issue of debentures/ bonds/ other instruments which may be issued for a sum not exceeding Rs.5000 Crore (Rupees Five Thousand Crore only) over and above the aggregate of the paid up capital of the company, its free reserves and securities premium which have been /or propose to be obtained from or privately placed with the lending agencies together with interest there on at agreed rates, further interest, liquidated damages, premium on prepayment or on redemption, costs, charges, expenses, and all other monies payable by the company to *the* trusties under the trust deeds and/or to the lending agencies under their respective agreements/loan agreements /debentures trust deeds entered into/to be entered by the company in respect of said borrowings."

"**RESOLVED FURTHER THAT** the Board be and is hereby authorized to finalize with the Lending Agencies / Trustees, the documents for creating the aforesaid mortgages, charges and/or hypothecations and to accept any modifications to, or to modify, alter or vary, the terms and conditions of the aforesaid documents and to do all such acts and things and to execute all such documents as may be necessary for giving effect to this Resolution."

For IKF FINANCE LTD.

Ch. Sreenivasa Rao
Company Secretary
M. No. 14723

//Certified True Copy//
For IKF Finance Limited

(Ch Sreenivasa Rao)
Company Secretary
ACS :014723

IKF FINANCE LTD. VIJAYAWADA

Place: Vijayawada
Date: 25.10.2022

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ANNEXURE VII: DUE DILIGENCE CERTIFICATES

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Ref: 1675/OPR/VTPL/2023-24

Date: 20th March 2024

To,	To,
Securities Exchange Board of India Investment Management Department Division of Funds – I, Plot No. C 4 A, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051	BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001

Dear Sir / Madam

SUB.: ISSUE OF RATED UNSUBORDINATED SECURED LISTED TRANSFERABLE REDEEMABLE NON-CONVERTIBLE DEBENTURES AGGREGATING TO RS. 50 CRORES TO BE ISSUED BY IKF FINANCE LIMITED.

We, the debenture trustee(s) to the above-mentioned forthcoming issue state as follows:

1. We have examined documents pertaining to the said issue and other such relevant documents, reports, and certifications.
2. On the basis of such examination and of the discussions with the Issuer, its directors and other officers, other agencies and on independent verification of the various relevant documents, reports, and certifications:

We confirm that:

a) The Issuer has made adequate provisions for and/or has taken steps to provide for adequate security for the debt securities to be issued.

b) The Issuer has obtained the permissions / consents necessary for creating security on the said property(ies)

c) The Issuer has made all the relevant disclosures about the security and its continued obligations towards the holders of debt securities.

d) Issuer has adequately disclosed all consents/ permissions required for creation of further charge on assets in offer document or private placement memorandum/ information memorandum and all disclosures made in the offer document or private placement memorandum/ information memorandum with respect to creation of security are in confirmation with the clauses of debenture trustee agreement.

e) Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.), offer document or private placement memorandum/ information memorandum 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.

We have satisfied ourselves about the ability of the Issuer to service the debt securities.

Place: MUMBAI

Date: 20th March 2024

For Vardhman Trusteeship Private Limited

Vardhman Trusteeship Pvt. Ltd.

Authorized Signatory

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

ANNEXURE VIII: CONSENT LETTER OF THE REGISTRAR AND TRANSFER AGENT

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Bigshare Services Pvt. Ltd.
306, Right Wing, 3rd Floor, Amrutha Ville, Opp. Yashoda Hospital,
Somajiguda Rajbhavan Road, Hyderabad - 500 082.
Email: bsshyd@bigshareonline.com • website: www.bigshareonline.com

SEBI
REGISTERED CATEGORY I
REGISTRAR & TRANSFER
AGENT

Dated 21.03.2024

To
The Managing Director
National Security Depository Services Limited
4th Floor, Trade World, A Wing
Kamala Mills Compound
Senapathi Bapat Marg
Lower Parel
Mumbai-400013

Dear Sir,

We hereby confirm that we have been appointed as R& T agent (Business Partner ID – IN200117 (BP ID) allocated by NSDL by M/s IKF Finance Limited – Rated Unsubordinated Secured Listed Transferable Redeemable Non-convertible debentures of Rs 50 Cr.

Yours faithfully

For Bigshare Services Pvt Ltd

S D PRABHAKAR
Dy. General Manager

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ANNEXURE IX: IN-PRINCIPLE APPROVAL

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EXPERIENCE THE NEW

DCS/COMP/MJ/IP-PPDI/206/23-24

August 07, 2023

IKF FINANCE LIMITED
40-1-144, 3rd Floor, Corporate Centre,
M.G. Road, Vijayawada - 520010

Dear Sir/Madam

Re: Private Placement of Senior / Unsubordinated / Subordinated, Secured / Unsecured, Rated, Listed, Principal Protected Or Not, Market Linked Or Not, Green Debt Securities Or Not, Non-Convertible Securities ("IKF/GID/2023-2024/1 dated 04.08.23")

We acknowledge receipt of your application on the online portal on July 29, 2023, seeking In-principle approval for issue of captioned security. In this regard, the Exchange is pleased to grant in-principle approval for listing of captioned security subject to fulfilling the following conditions at the time of seeking listing:

1. Filing of listing application.

2. Payment of fees as may be prescribed from time to time.

3. Compliance with SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder and also Compliance with provisions of Companies Act 2013.

4. Receipt of Statutory & other approvals & compliance of guidelines issued by the statutory authorities including SEBI, RBI, DCA etc. as may be applicable.

5. Compliance with change in the guidelines, regulations, directions, circulars of the Exchange, SEBI or any other statutory authorities, documentary requirements from time to time.

6. Compliance with below mentioned circular dated June 10, 2020 issued by BSE before opening of the issue to the investors.:
https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20200610-31

7. Issuers, for whom use of EBP is not mandatory, specific attention is drawn towards compliance with Chapter XV of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and BSE Circular No 20210519-29 dated May 19, 2021. Accordingly, Issuers of privately placed debt securities in terms of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 or ILDM Regulations for whom accessing the electronic book platform (EBP) is not mandatory shall upload details of the issue with any one of the EBPs within one working day of such issuance. The details can be uploaded using the following links Electronic Issuance - Bombay Stock Exchange Limited (bseindia.com).

8. It is advised that Face Value of NCDs issue through private placement basis should be kept as per Chapter V of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021

9. ***Issuers are hereby advised to comply with signing of agreements with both the depositories as per Regulation 7 of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021.***

10. Company is further requested to comply with SEBI Circular SEBI/HO/DDHS/DDHS-RACPOD1/CIR/P/2023/56 dated April 13, 2023, (if applicable) read along with BSE Circular https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20230428-18 and ensure compliance of the same.

This In-Principle Approval is valid for a period of 1 year from the date of issue of this letter for period of 1 year from the date of opening of the first offer of debt securities under General information Documents which ever applicable. The Exchange reserves its right to withdraw its in-principle approval at any later stage if the information submitted to the Exchange is found to be incomplete/ incorrect/misleading/false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Guidelines/Regulations issued by the statutory authorities etc. Further, it is subject to payment of all applicable charges levied by the Exchange for usage of any system, software or similar such facilities provided by BSE which the Company shall avail to process the application of securities for which approval is given vide this letter.

Yours faithfully,
For BSE Limited

Rupal Khandelwal
Deputy General Manager

Raghavendra Bhat
Associate Manager

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

ANNEXURE X: INFORMATION RELATED TO REGULATORY DISCLOSURES

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

   Branch Details:

   As on date of this Key Information Document, the Company has 154 (one hundred and fifty four) branches/corporate offices across India.

Sr. No.	DISTRICT	STATE	DATE OF OPENING DD/MM/YYYY
1.	Ahmednagar	Maharashtra	29-04-2015
2.	Ahmedabad	Gujarat	27-08-2011
3.	Ajmer	Rajasthan	09-12-2017
4.	Alwar	Rajasthan	09-12-2017
5.	Anand	Gujarat	15-02-2015
6.	Anantapur	Andhra Pradesh	28-07-2007
7.	Aurangabad	Maharashtra	09-06-2014
8.	Bangalore Urban	Karnataka	19-01-2006
9.	Pune	Maharashtra	01-10-2018
10.	Mumbai City	Maharashtra	20-01-2018
11.	Belgaum	Karnataka	01-04-2021
12.	Bellary	Karnataka	27-07-2006
13.	Bhanwar Kuwa	Madha Pradesh	27-02-2021
14.	West Godavari	Andhra Pradesh	18-01-2018
15.	Bhopal	Madhya Pradesh	26-06-2015
16.	Kutch	Gujarat	07-01-2014
17.	Hyderabad	Telangana	10-01-2020
18.	Chandrapur	Maharashtra	11-10-2015
19.	Chennai	Tamil Nadu	18-06-2008
20.	Coimbatore	Tamil Nadu	21-02-2007
21.	Hyderabad	Telangana	10-01-2020
22.	West Godavari	Andhra Pradesh	09-10-2017
23.	Erode	Tamil Nadu	17-08-2017
24.	Kutch	Gujarat	19-08-2017
25.	Guntur	Andhra Pradesh	31-08-2002
26.	Sabarkantha	Gujarat	25-02-2015
27.	Dharwad	Karnataka	25-04-2006
28.	Hyderabad	Telangana	20-12-1999
29.	Indore	Madhya Pradesh	25-04-2016

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Sr. No.	DISTRICT	STATE	DATE OF OPENING DD/MM/YYYY
30.	Jabalpur	Madhya Pradesh	31-07-2015
31.	Jaipur	Rajasthan	07-01-2017
32.	Jalgaon	Maharashtra	01-09-2013
33.	Junagadh	Gujarat	08-01-2017
34.	East Godavari	Andhra Pradesh	10-06-2005
35.	Karimnagar	Telangana	15-07-2011
36.	Khammam	Telangana	03-05-2007
37.	Nalgonda	Telangana	01-04-2003
38.	Kota	Rajasthan	07-10-2017
39.	Krishnagiri	Tamil Nadu	09-01-2013
40.	Kurnool	Andhra Pradesh	12-06-2006
41.	Hyderabad	Telangana	01-09-2012
42.	Madurai	Tamil Nadu	08-09-2011
43.	Mahaboob Nagar	Telangana	10-02-2016
44.	Mehsana	Gujarat	02-04-2014
45.	Nalgonda	Telangana	10-01-2016
46.	Morbi	Gujarat	05-01-2019
47.	Nagpur	Maharashtra	27-08-2012
48.	Kurnool	Andhra Pradesh	18-01-2021
49.	Nashik	Maharashtra	12-08-2012
50.	Prakasam	Andhra Pradesh	10-06-2005
51.	Nizamabad	Telangana	26-03-2021
52.	Prakasam	Andhra Pradesh	18-02-2005
53.	Panchmahal	Gujarat	16-03-2015
54.	Perambaluru	Tamilnadu	18-03-2021
55.	Pondicherry	Puducherry	29-01-2011
56.	Kadapa	Andhra Pradesh	16-09-2017
57.	Pune	Maharashtra	20-10-2016
58.	East Godavari	Andhra Pradesh	13-08-1999
59.	Rajkot	Gujarat	19-03-2012
60.	Ratlam	Madhya Pradesh	25-08-2016
61.	Salem	Tamil Nadu	26-02-2011
62.	Surat	Gujarat	03-08-2012
63.	Surendranagar	Gujarat	01-01-2018
64.	Anantapur	Andhra Pradesh	30-09-2017
65.	Thanjavur	Tamil Nadu	05-03-2017

Sr. No.	DISTRICT	STATE	DATE OF OPENING DD/MM/YYYY
66.	Thane	Maharashtra	28-04-2016
67.	Tirunelveli	Tamil Nadu	30-06-2010
68.	Chittoor	Andhra Pradesh	21-07-2007
69.	Tiruchirappalli	Tamil Nadu	25-01-2010
70.	Ujjain	Madhya Pradesh	29-02-2016
71.	Vadodara	Gujarat	27-01-2012
72.	Valsad	Gujarat	29-02-2018
73.	Vellore	Tamil Nadu	12-02-2011
74.	Gir Somnath	Gujarat	05-02-2021
75.	Krishna	Andhra Pradesh	06-01-1991
76.	Visakhapatnam	Andhra Pradesh	16-06-1998
77.	Warangal	Telangana	15-05-2017
78.	Mysuru	Karnataka	01-06-2021
79.	Tumkur	Karnataka	01-06-2021
80.	Dhar	Madhya Pradesh	05-04-2021
81.	Satara	Maharashtra	15-04-2021
82.	Bhandara	Maharashtra	05-04-2021
83.	Tiruvallur	Tamil Nadu	10-04-2021
84.	Siddipet	Telangana State	27-04-2021
85.	Sivakasi	Tamil Nadu	22-08-2021
86.	Dindigal	Tamil Nadu	03-08-2021
87.	Dharmapuri	Tamil Nadu	14-09-2021
88.	Manchiryal	Telangana	03-09-2021
89.	Peenya	Karnataka	09-08-2021
90.	Sikar	Rajasthan	01-12-2021
91.	Bangalore Urban	Karnataka	01-11-2021
92.	Jogulamba Gadwal	Telangana	02-01-2022
93.	Jagtial	Telangana	08-01-2022
94.	Kalyan	Maharashtra	02-05-2022
95.	Madanapalle	Andhra Pradesh	03-07-2022
96.	Vasai	Maharashtra	01-09-2022
97.	Kompally	Telangana	05-07-2022
98.	Sangareddy	Telangana	07-09-2022
99.	Solapur	Maharashtra	13-10-2022
100.	Mumbai	Maharashtra	01-11-2022
101.	Chakan	Maharashtra	02-11-2022

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Sr. No.	DISTRICT	STATE	DATE OF OPENING DD/MM/YYYY
102.	Pimpri	Maharashtra	17-11-2022
103.	Sangamner	Maharashtra	23-11-2022
104.	Rajkot	Gujarat	06-12-2022
105.	Jaipur	Rajasthan	10-12-2022
106.	Wardha	Maharashtra	21-12-2022
107.	Davanagere	Karnataka	03-11-2022
108.	Gwalior	Madhya Pradesh	01-12-2022
109.	Nashik	Maharashtra	01-10-2022
110.	Pali	Rajasthan	22-12-2022
111.	Suryapet	Telangana State	01-12-2022
112.	Hyderabad	Telangana State	01-10-2022
113.	Bhongir	Telangana State	25-12-2022
114.	Nizamabad	Telangana State	19-12-2022
115.	Anakapalli	Andhra Pradesh	11-01-2023
116.	Akola	Maharashtra	12-02-2023
117.	Barmer	Rajasthan	10-01-2023
118.	Bhavnagar	Gujarat	10-01-2023
119.	Bikaner	Rajasthan	16-01-2023
120.	Bangalore Rural	Karnataka	01-11-2022
121.	Jodhpur	Rajasthan	03-01-2023
122.	Bikaner	Rajasthan	16-01-2023
123.	Rajgarh	Madhya Pradesh	20-01-2023
124.	Phalodi	Rajasthan	13-02-2023
125.	Sagar	Madhya Pradesh	01-01-2023
126.	Rangareddy	Telangana	31-03-2023
127.	Dharwad	Karnataka	16-01-2023
128.	Kolhapur	Maharashtra	31-03-2023
129.	Ramanagara	Karnataka	16-03-2023
130.	Gondia	Maharashtra	10-04-2023
131.	Nanded	Maharashtra	01-06-2023
132.	Ahmednagar	Maharashtra	01-06-2023
133.	Amravati	Maharashtra	22-07-2023
134.	Khargone	Madhya Pradesh	16-09-2023
135.	Mandsaur	Madhya Pradesh	09-08-2023
136.	Satna	Madhya Pradesh	15-09-2023
137.	Bharuch	Gujarat	05-07-2023

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Sr. No.	DISTRICT	STATE	DATE OF OPENING DD/MM/YYYY
138.	Guntur	Andhra Pradesh	01-07-2023
139.	Haveri	Karnataka	09-07-2023
140.	Tambaram	Tamil Nadu	25-02-2023
141.	Bharch	Gujart	05-07-2023
142.	Sehore	Madhya Pradesh	07-08-2023
143.	Godhra	Gujart	05-10-2023
144.	Latur	Maharashtra	21-09-2023
145.	Vizianagaram	Andhra Pradesh	04-11-2022
146.	Bhubaneswar	Odisha	01-12-2023
147.	Kumakonam	Tamilnadu	01-12-2023
148.	Pandharpur	Maharashtra	20-01-2024
149.	Dharashiv	Maharashtra	30-01-2024
150.	Tuticorin	Tamilnadu	01-02-2024
151.	Tirupur	Tamilnadu	01-02-2024
152.	Namakkal	Tamilnadu	01-02-2024
153.	Jeypore	Odisha	01-02-2024
154.	Sangli	Maharashtra	01-03-2024

2. Shareholding pattern of the Company as on last quarter end, i.e. 31st December 2023 as per the format specified under the listing regulations:

Shareholding Pattern as on 31.12.2023			
Particulars	**Equity Shares - Fully Paid Up**		
Indian			
Promoters - Individuals	**No of Shares**	**Amount**	**% to Total**
VUPPUTURI GOPALA KISHAN PRASAD	1,98,53,581	19,85,35,810	28.30%
KOGANTI VASUMATHI DEVI	26,47,266	2,64,72,660	3.77%
VUPPUTURI VASANTHA LAKSHMI	24,91,794	2,49,17,940	3.55%
VUPPUTURI RAGHU RAM	18,00,670	1,80,06,700	2.57%
VUPPUTURI INDIRA DEVI	16,48,142	1,64,81,420	2.35%
Vistra ITCL (India) Limited (TRUSTEE OF BUSINESS EXCELLENCE TRUST II - INDIA BUSINESS EXCELLENCE FUND II)	78,04,018	7,80,40,180	11.12%
Public			
Domestic Companies/LLP/Trusts	17,80,849	1,78,08,490	2.54%
Resident Indians	62,56,855	6,25,68,550	8.92%
HUF	39,613	3,96,130	0.06%

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Total Indian Investment	**4,43,22,788**	**44,32,27,880**	**63.18%**
Foreign Investment			
Promoters- Individuals			
DURGA RANI CHUNDURI	14,94,100	1,49,41,000	2.13%
CHUNDURI SINHA SATYANAND	1,17,700	11,77,000	0.17%
Foreign Body Corporates- India Business Excellence Fund- IIA	1,30,51,546	13,05,15,460	18.60%
ACCION DIGITAL TRANSFORMATION FUND, LP	55,81,395	5,58,13,950	7.96%
Teachers Insurance And Annuity Association Of America	55,81,395	5,58,13,950	7.96%
Other Non Resident Shareholders	7,521	75,210	0.01%
Total Foreign Investment	**2,58,33,657**	**25,83,36,570**	**36.82%**
Grand Total	**7,01,56,445**	**70,15,64,450**	**100.00%**

3. Key Operational and Financial Parameters for the last 3 audited years and the period ended as on 31st December 2023 (being a period ended as on the date not older than 6 months from the date of this Key Information Document) on a consolidated basis (wherever available) else on a standalone basis:

FINANCIAL STATEMENTS OF THE ISSUER ALONG WITH AUDIT REPORTS, SCHEDULES, FOOTNOTES, SUMMARY ETC.

PARTICULARS	MARCH 31, 2021 (in INR, in Lakh)	MARCH 31, 2022 (in INR, in Lakh)	MARCH 31, 2023 (in INR, in Lakh)	December 31, 2023 (in INR, in Lakh)
	Audited	Audited	Audited	Limited Review
BALANCE SHEET				
Assets				
Property, Plant and Equipment	240.52	260.11	250.24	262.96
Financial Assets	161462.91	169965.13	272429.21	319960.49
Non-financial Assets excluding property, plant and equipment	801.74	1600.29	3750.19	3626.72
Total Assets	162505.17	171825.53	276429.64	323850.17
Liabilities				
Financial Liabilities				
- Derivative financial instruments	0.00	0.00	0.00	0.00
- Trade Payables	0.00	0.00	0.00	0.00
- Debt Securities	33687.94	15186.47	18838.54	13154.04

- Borrowings (other than Debt Securities)	85755.89	109462.84	168496.32	203894.11
- Subordinated liabilities	5986.79	6003.45	16345.06	16365.71
- Other financial liabilities	2670.12	2030.13	2921.34	4867.74
Non-Financial Liabilities				0.00
- Current tax liabilities (net)	0.00	0.00	0.00	0.00
- Provisions	275.54	306.37	210.50	300.50
- Deferred tax liabilities (net)	27.12	0.00	188.83	0.00
- Other non-financial liabilities	112.08	99.50	179.07	178.11
Equity (Equity Share Capital and Other Equity)	33989.69	38736.77	69249.98	85089.96
Total Liabilities and Equity	162505.17	171825.53	276429.64	323850.17
PROFIT AND LOSS				
Revenue from operations	20406.63	22059.51	28641.89	29990.55
Other Income	16.29	63.31	17.79	23.97
Total Income	20422.92	22122.82	28659.68	30014.52
Total Expenses	**16002.64**	**16695.54**	**21928.96**	**23678.67**
Profit after tax for the year	3190.51	4030.44	5000.51	4713.91
Other Comprehensive income	10.06	8.28	9.86	4.18
Total Comprehensive Income	**3200.57**	**4038.72**	**5010.37**	**4718.09**
Earnings per equity share (Basic)	6.35	7.8	9.31	7.01
Earnings per equity share (Diluted)	6.34	7.8	9.31	7
CASH FLOW				
Net cash from / used in (-) operating activities	-19484.8	-18849.48	-55525.22	-65321.71
Net cash from / used in (-) investing activities	-58.53	-1948.29	-24628.57	7819.52
Net cash from / used in (-) financing activities	28850.99	12381.7	99816.01	40941.86

Net increase / decrease (-) in cash and cash equivalents	9307.66	-8416.07	19662.22	-16560.33
Cash and cash equivalents as per Cash Flow Statement as at the end of Half Year	11793.28	3377.21	23039.43	6479.09
ADDITIONAL INFORMATION				
Net Worth	33989.69	38736.77	69249.98	85089.96
Cash and cash equivalents	11793.30	3377.21	23039.42	6479.10
Loans	140161.15	156325.40	210754.51	285955.42
Loans (Principal Amount+ interest)	140161.15	156325.40	210754.51	2.86
Total Debts to Total Assets	0.77	0.76	0.74	0.67
Interest Income	19760.52	20719.09	27930.83	29764.35
Interest Expense	11118.91	11213.04	14610.55	14951.16
Impairment on Financial Instruments	647.15	511.78	539.85	1148.09
Bad Debts to Loans	0.77%	0.49%	0.28%	0.35%
% Stage 3 Loans on Loans (Principal Amount)	2.98%	2.72%	2.83%	2.32%
% Net Stage 3 Loans on Loans (Principal Amount)	2.19%	1.84%	2.28%	1.86%
Tier I Capital Adequacy Ratio (%)	21.50%	21.55%	26.25%	26.09%
Tier II Capital Adequacy Ratio (%)	2.17%	2.56%	6.77%	4.37%

4. List of top 10 holders of equity shares of the Company as at the latest quarter end, i.e. 31st December 2023:

Sr. No.	Names of the Shareholders	Total no. of equity shares	No. of shares in demat form	Total shareholding as % of total no. equity shares
1	VUPPUTURI GOPALA KISHAN PRASAD	19853581	19853581	28.3
2	INDIA BUSINESS EXCELLENCE FUND IIA	13051546	13051546	18.6
3	Vistra ITCL (India) Limited (TRUSTEE OF BUSINESS EXCELLENCE TRUST II - INDIA BUSINESS EXCELLENCE FUND II)	7804018	7804018	11.12

4	TEACHERS INSURANCE AND ANNUITY ASSOCIATION OF AMERICA	5581395	5581395	7.96
5	ACCION DIGITAL TRANSFORMATION FUND, LP	5581395	5581395	7.96
6	KOGANTI VASUMATHI DEVI	2647266	2647266	3.77
7	VUPPUTURI VASANTHA LAKSHMI	2491794	2491794	3.55
8	VUPPUTURI RAGHU RAM	1800670	1800670	2.57
9	VUPPUTURI INDIRA DEVI	1648142	1648142	2.35
10	DURGA RANI CHUNDURI	1494100	1494100	2.13

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

Director	Fiscal FY 23-24 (Up to Dec 2023)	Fiscal FY 22-23	Fiscal FY 21-22	Fiscal FY 20-21
V.G.K.Prasad, Chairman				
Remuneration	0.84	0.84	0.76	0.70
Commission	0.42	0.63	0.51	0.42
K Vasumathi Devi, Managing Director				
Remuneration	0.47	0.60	0.54	0.50
Commission	0.21	0.44	0.36	0.29

6. Details of outstanding secured loan facilities as on the preceding quarter (as on 31st December 2023)

Sr. No.	Name	Type of Facility	Amount Sanctioned in Cr	Availed Amount (Rs. Crs)	Principal Outstanding As on 31-12-2023 (Rs . Crs)	Security Type	Repayment Date	Credit Rating	Asset Classification
1	Central Bank of India	OD/CC	95.00	66.58	88.95	Book Debts	NA	CARE 'A'	Standard
2	Indian Overseas Bank	OD/CC	40.00	14.61	39.69	Book Debts		CARE 'A'	Standard
3	IDBI Bank Limited	OD/CC	20.00	16.84	17.43	Book Debts		CARE 'A'	Standard

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Sr. No.	Name	Type of Facility	Amount Sanctioned in Cr	Availed Amount (Rs. Crs)	Principal Outstanding As on 31-12-2023 (Rs . Crs)	Security Type	Repayment Date	Credit Rating	Asset Classification
4	Union Bank of India	OD/CC	77.00	67.47	55.71	Book Debts		CARE 'A'	Standard
5	Punjab National Bank	OD/CC	18.20	15.29	18.16	Book Debts		CARE 'A'	Standard
6	Federal Bank Limited	OD/CC	15.00	11.96	12.42	Book Debts		CARE 'A'	Standard
7	HDFC Bank	OD/CC	30.00	13.42	21.00	Book Debts		CARE 'A'	Standard
8	Bandhan Bank	OD/CC	1.00	(0.89)	(21.15)	Book Debts		CARE 'A'	Standard
9	IndusInd Bank	OD/CC	50.00	25.00	25.00	Book Debts		CARE 'A'	Standard
10	DCB Bank - WCDL	WCDL	25.00	25.00	25.00	Book Debts		CARE 'A'	Standard
11	State Bank of India	Term Loan	115.00	115.00	25.85	Book Debts	21-Apr-23	CARE 'A'	Standard
12	Union Bank of India -II (PSL)	Term Loan	50.00	50.00	7.49	Book Debts	30-Sep-24	CARE 'A'	Standard
13	Union Bank of India -II (NPSL)	Term Loan	25.00	25.00	2.21	Book Debts	30-Sep-24	CARE 'A'	Standard
14	HDFC Bank Limited – V	Term Loan	35.00	35.00	1.32	Book Debts	7-Feb-24	CARE 'A'	Standard
15	Bank Of India -III	Term Loan	50.00	50.00	21.67	Book Debts	30-Apr-26	CARE 'A'	Standard
16	Central Bank of India	Term Loan	30.00	30.00	13.50	Book Debts	31-Mar-26	CARE 'A'	Standard

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Sr. No.	Name	Type of Facility	Amount Sanctioned in Cr	Availed Amount (Rs. Crs)	Principal Outstanding As on 31-12-2023 (Rs . Crs)	Security Type	Repayment Date	Credit Rating	Asset Classification
17	Federal Bank	Term Loan	15.00	15.00	4.69	Book Debts	26-Mar-25	CARE 'A'	Standard
18	State Bank of Maritius	Term Loan	20.00	20.00	1.66	Book Debts	31-Jan-24	CARE 'A'	Standard
19	HDFC Bank Limited – VI	Term Loan	25.00	25.00	9.43	Book Debts	7-Apr-25	CARE 'A'	Standard
20	IDBI Bank Limited	Term Loan	20.00	20.00	6.25	Book Debts	31-Mar-26	CARE 'A'	Standard
21	HDFC Bank Limited – VII	Term Loan	15.00	15.00	6.32	Book Debts	07-Jun-25	CARE 'A'	Standard
22	Suryoday Small Finance Bank	Term Loan	20.00	20.00	5.56	Book Debts	05-Sep-24	CARE 'A'	Standard
23	Bank of Maharashtra	Term Loan	25.00	25.00	11.02	Book Debts	31-Jul-25	CARE 'A'	Standard
24	Dhanalaxmi Bank	Term Loan	15.00	15.00	4.50	Book Debts	14-Sep-24	CARE 'A'	Standard
25	DBS Bank	Term Loan	30.00	30.00	8.18	Book Debts	30-Sep-24	CARE 'A'	Standard
26	Au Small Bank Limited - IV	Term Loan	50.00	50.00	15.28	Book Debts	03-Nov-24	CARE 'A'	Standard
27	Federal bank Limited-II	Term Loan	15.00	15.00	7.55	Book Debts	26-Dec-25	CARE 'A'	Standard

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Sr. No.	Name	Type of Facility	Amount Sanctioned in Cr	Availed Amount (Rs. Crs)	Principal Outstanding As on 31-12-2023 (Rs . Crs)	Security Type	Repayment Date	Credit Rating	Asset Classification
28	Ujjivan small finance Bank-III	Term Loan	20.00	20.00	6.11	Book Debts	30-Nov-24	CARE 'A'	Standard
29	Yes Bank	Term Loan	30.00	30.00	10.00	Book Debts	30-Dec-24	CARE 'A'	Standard
30	HDFC Bank-VIII	Term Loan	15.00	15.00	8.58	Book Debts	07-Jan-26	CARE 'A'	Standard
31	Dhanalaxmi Bank II	Term Loan	25.00	25.00	9.999	Book Debts	31-Dec-24	CARE 'A'	Standard
32	Au Small Bank Limited - V	Term Loan	25.00	25.00	11.11	Book Debts	3-Apr-25	CARE 'A'	Standard
33	Bank of Baroda	Term Loan	50.00	50.00	28.12	Book Debts	25-Mar-26	CARE 'A'	Standard
34	Woori Bank - II	Term Loan	30.00	30.00	13.33	Book Debts	7-Apr-25	CARE 'A'	Standard
35	Utkarsh Small Finance Bank - II	Term Loan	18.00	18.00	8.00	Book Debts	25-Apr-25	CARE 'A'	Standard
36	JANA Small Finane Bank	Term Loan	50.00	50.00	27.29	Book Debts	3-Jul-25	CARE 'A'	Standard
37	Central Bank of India - TL II	Term Loan	50.00	50.00	34.99	Book Debts	30-Jun-27	CARE 'A'	Standard
38	Federal Bank TL - II	Term Loan	25.00	25.00	15.63	Book Debts	23-Jun-26	CARE 'A'	Standard

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Sr. No.	Name	Type of Facility	Amount Sanctioned in Cr	Availed Amount (Rs. Crs)	Principal Outstanding As on 31-12-2023 (Rs . Crs)	Security Type	Repayment Date	Credit Rating	Asset Classification
39	CSB Bank Ltd	Term Loan	30.00	30.00	14.98	Book Debts	30-Jun-25	CARE 'A'	Standard
40	IDFC First Bank Ltd TL	Term Loan	75.00	75.00	43.18	Book Debts	4-Jul-25	CARE 'A'	Standard
41	Karnataka Bank Ltd TL	Term Loan	25.00	25.00	17.18	Book Debts	30-Jul-26	CARE 'A'	Standard
42	Kotak Mahindra Bank TL	Term Loan	25.00	25.00	17.19	Book Debts	2-Sep-26	CARE 'A'	Standard
43	Indian Overseas Bank TL	Term Loan	50.00	50.00	40.00	Book Debts	31-Mar-28	CARE 'A'	Standard
44	UCO Bank TL	Term Loan	50.00	50.00	41.50	Book Debts	31-Aug-27	CARE 'A'	Standard
45	SIDBI TL VI	Term Loan	90.00	45.90	30.60	Book Debts	10-Aug-25	CARE 'A'	Standard
46	BOM TL II	Term Loan	50.00	50.00	36.39	Book Debts	1-Sep-26	CARE 'A'	Standard
47	Indian Bank TL	Term Loan	75.00	75.00	56.24	Book Debts	28-Sep-27	CARE 'A'	Standard
48	Bandhan Bank TL	Term Loan	70.00	70.00	38.18	Book Debts	1-Jul-25	CARE 'A'	Standard
49	Karur Vyasya Bank TL	Term Loan	25.00	25.00	20.31	Book Debts	27-Mar-27	CARE 'A'	Standard

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Sr. No.	Name	Type of Facility	Amount Sanctioned in Cr	Availed Amount (Rs. Crs)	Principal Outstanding As on 31-12-2023 (Rs . Crs)	Security Type	Repayment Date	Credit Rating	Asset Classification
50	DBS TL II	Term Loan	30.00	30.00	21.82	Book Debts	31-Dec-25	CARE 'A'	Standard
51	AU Small Finance TL V	Term Loan	30.00	30.00	20.83	Book Debts	18-Jan-26	CARE 'A'	Standard
52	Utkarsh Small Finance Bank TL III	Term Loan	22.00	22.00	15.89	Book Debts	25-Feb-26	CARE 'A'	Standard
53	Ujjivan Small Finance Bank - IV	Term Loan	25.00	25.00	18.06	Book Debts	28-Feb-26	CARE 'A'	Standard
54	HDFC TL IX	Term Loan	50.00	50.00	44.65	Book Debts	07-Apr-27	CARE 'A'	Standard
55	Woori Bank TL III	Term Loan	30.00	30.00	22.50	Book Debts	27-Mar-26	CARE 'A'	Standard
56	Dhanalaxmi Bank TL-III	Term Loan	12.50	12.50	11.25	Book Debts	31-Mar-26	CARE 'A'	Standard
57	Federal Bank TL - IV	Term Loan	40.00	40.00	35.00	Book Debts	28-Jun-27	CARE 'A'	Standard
58	JANA Small Finane Bank TL II	Term Loan	65.00	65.00	56.33	Book Debts	3-Feb-26	CARE 'A'	Standard
59	Axis Bank	Term Loan	40.00	40.00	36.54	Book Debts	31-Aug-27	CARE 'A'	Standard
60	Yes Bank TL II	Term Loan	30.00	30.00	28.13	Book Debts	27-Sep-27	CARE 'A'	Standard

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Sr. No.	Name	Type of Facility	Amount Sanctioned in Cr	Availed Amount (Rs. Crs)	Principal Outstanding As on 31-12-2023 (Rs . Crs)	Security Type	Repayment Date	Credit Rating	Asset Classification
61	IDFC First Bank Ltd TL II	Term Loan	60.00	40.00	56.67	Book Debts	27-Sep-26	CARE 'A'	Standard
62	Karnataka Bank Ltd TL II	Term Loan	25.00	25.00	23.44	Book Debts	29-Sep-27	CARE 'A'	Standard
63	Central Bank of India - TL III	Term Loan	75.00	25.00	71.25	Book Debts	30-Sep-28	CARE 'A'	Standard
64	Bandhan Bank TL II	Term Loan	85.00	85.00	77.27	Book Debts	1-Jul-26	CARE 'A'	Standard
65	BOB TL - II	Term Loan	75.00	50.00	70.31	Book Debts	25-Sep-27	CARE 'A'	Standard
66	Bank of Maharshtra	Term Loan	50.00	50.00	50.00	Book Debts	05-Dec-26	CARE 'A'	Standard
67	HDFC Bank	Term Loan	95.00	50.00	50.00	Book Debts	30-Dec-27	CARE 'A'	Standard
68	Nabkisan Finance Limited II	Term Loan	35.00	35.00	14.57	Book Debts	01-Feb-25	CARE 'A'	Standard
69	Mudra	Term Loan	25.00	25.00	8.90	Book Debts	01-Mar-25	CARE 'A'	Standard
70	Sundaram Finance Limited - 8	Term Loan	25.00	25.00	11.31	Book Debts	22-Mar-25	CARE 'A'	Standard
71	Bajaj Finance Ltd	Term Loan	35.00	35.00	22.36	Book Debts	27-Oct-25	CARE 'A'	Standard

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Sr. No.	Name	Type of Facility	Amount Sanctioned in Cr	Availed Amount (Rs. Crs)	Principal Outstanding As on 31-12-2023 (Rs . Crs)	Security Type	Repayment Date	Credit Rating	Asset Classification
72	Mahindra & Mahindra Finance	Term Loan	40.00	40.00	25.89	Book Debts	27-Oct-25	CARE 'A'	Standard
73	Aditya Birla TL	Term Loan	25.00	25.00	18.27	Book Debts	30-Jan-26	CARE 'A'	Standard
74	Mudra TL II	Term Loan	50.00	50.00	36.35	Book Debts	10-Oct-25	CARE 'A'	Standard
75	STCI TL	Term Loan	25.00	25.00	20.31	Book Debts	28-Mar-27	CARE 'A'	Standard
76	Sundaram Finance Limited - 9	Term Loan	25.00	25.00	19.41	Book Debts	22-Mar-26	CARE 'A'	Standard
77	MAS Financial TL	Term Loan	20.00	20.00	15.00	Book Debts	25-Mar-26	CARE 'A'	Standard
78	Nabkisan Finance Limited II	Term Loan	25.00	25.00	25.00	Book Debts	01-Feb-25	CARE 'A'	Standard
79	Tata Capital Finance Limited TL	Term Loan	22.00	22.00	21.54	Book Debts	05-Nov-27	CARE 'A'	Standard
80	Bajaj Finance Ltd TL - II	Term Loan	25.00	25.00	24.31	Book Debts	31-Oct-26	CARE 'A'	Standard
81	Secured NCDs - Neo	NCDs	100.00	100.00	87.50	Book Debts	11-Aug-25	CARE 'A'	Standard
82	UnSecured NCDs - NORTHERN ARC	NCDs	70.00	70.00	43.75	Book Debts	27-Mar-25	CARE 'A'	Standard

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Sr. No.	Name	Type of Facility	Amount Sanctioned in Cr	Availed Amount (Rs. Crs)	Principal Outstanding As on 31-12-2023 (Rs . Crs)	Security Type	Repayment Date	Credit Rating	Asset Classification
83	Northern Arc Capital	NCDs	25.00	25.00	25.00	Book Debts	20-Jul-26	CARE 'A'	Standard
84	Piramal Tier II NCDs	NCDs	140.00	140.00	140.00	Book Debts	28-Apr-28	CARE 'A'	Standard
85	Mudra TL - III 25CR	Term Loan	25.00	25.00	25.00	Book Debts	05-Dec-26	CARE 'A'	Standard
86	Poonawalla Fincorp Term Loan 50Cr	Term Loan	50.00	50.00	50.00	Book Debts	05-Dec-26	CARE 'A'	Standard
87	Aditya Birla Finance Ltd TL - II 25 Cr	Term Loan	25.00	25.00	25.00	Book Debts	05-Dec-26	CARE 'A'	Standard

7. Details of outstanding non-convertible securities as on the preceding quarter (as on 31st December 2023)

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	62500	27.03.2023	27.03.2025	CAREA	UNSECURED	

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Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	62500	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	375000	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	62500	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBOR	INE859C08111	24 months	10.6	62500	27.03.2023	27.03.2025	CAREA	UNSECURED	

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Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
DINATED, NON-CONVERTIBLE DEBENTURES									
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	125000	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	125000	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	562500	27.03.2023	27.03.2025	CAREA	UNSECURED	

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Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	125000	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	62500	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	187500	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBOR	INE859C08111	24 months	10.6	812500	27.03.2023	27.03.2025	CAREA	UNSECURED	

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Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
DINATED, NON-CONVERTIBLE DEBENTURES									
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	500000	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	62500	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	62500	27.03.2023	27.03.2025	CAREA	UNSECURED	

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Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	65437500	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	2375000	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	4000000	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBOR	INE859C08111	24 months	10.6	3437500	27.03.2023	27.03.2025	CAREA	UNSECURED	

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Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
DINATED, NON-CONVERTIBLE DEBENTURES									
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	11250000	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	3500000	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	81250000	27.03.2023	27.03.2025	CAREA	UNSECURED	

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Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	750000	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	750000	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	8937500	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBOR	INE859C08111	24 months	10.6	3500000	27.03.2023	27.03.2025	CAREA	UNSECURED	

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Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
DINATED, NON-CONVERTIBLE DEBENTURES									
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	15125000	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	17437500	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	3062500	27.03.2023	27.03.2025	CAREA	UNSECURED	

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Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	1312500	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	1750000	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	1562500	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBOR	INE859C08111	24 months	10.6	2312500	27.03.2023	27.03.2025	CAREA	UNSECURED	

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Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
DINATED, NON-CONVERTIBLE DEBENTURES									
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	3750000	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	7500000	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	437500	27.03.2023	27.03.2025	CAREA	UNSECURED	

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Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	187500	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	312500	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	10437500	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBOR	INE859C08111	24 months	10.6	62500	27.03.2023	27.03.2025	CAREA	UNSECURED	

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Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
DINATED, NON-CONVERTIBLE DEBENTURES									
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	62500	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	41250000	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	125000	27.03.2023	27.03.2025	CAREA	UNSECURED	

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Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	1062500	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	1250000	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	625000	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBOR	INE859C08111	24 months	10.6	875000	27.03.2023	27.03.2025	CAREA	UNSECURED	

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Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
DINATED, NON-CONVERTIBLE DEBENTURES									
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	1875000	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	750000	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	687500	27.03.2023	27.03.2025	CAREA	UNSECURED	

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Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	687500	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	312500	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	1812500	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBOR	INE859C08111	24 months	10.6	875000	27.03.2023	27.03.2025	CAREA	UNSECURED	

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Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
DINATED, NON-CONVERTIBLE DEBENTURES									
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	812500	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	9250000	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	500000	27.03.2023	27.03.2025	CAREA	UNSECURED	

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Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	500000	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	500000	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	437500	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBOR	INE859C08111	24 months	10.6	937500	27.03.2023	27.03.2025	CAREA	UNSECURED	

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Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
DINATED, NON-CONVERTIBLE DEBENTURES									
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	1812500	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	4500000	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	1000000	27.03.2023	27.03.2025	CAREA	UNSECURED	

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Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	937500	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	562500	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	750000	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBOR	INE859C08111	24 months	10.6	1062500	27.03.2023	27.03.2025	CAREA	UNSECURED	

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Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
DINATED, NON-CONVERTIBLE DEBENTURES									
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	1000000	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	937500	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	1000000	27.03.2023	27.03.2025	CAREA	UNSECURED	

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Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	937500	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	1187500	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	687500	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBOR	INE859C08111	24 months	10.6	1500000	27.03.2023	27.03.2025	CAREA	UNSECURED	

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Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
DINATED, NON-CONVERTIBLE DEBENTURES									
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	3187500	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	1062500	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	875000	27.03.2023	27.03.2025	CAREA	UNSECURED	

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Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	187500	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	1000000	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	8687500	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBOR	INE859C08111	24 months	10.6	1000000	27.03.2023	27.03.2025	CAREA	UNSECURED	

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Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
DINATED, NON-CONVERTIBLE DEBENTURES									
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	1500000	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	1562500	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	937500	27.03.2023	27.03.2025	CAREA	UNSECURED	

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Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	2625000	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	500000	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	500000	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBOR	INE859C08111	24 months	10.6	1000000	27.03.2023	27.03.2025	CAREA	UNSECURED	

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Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
DINATED, NON-CONVERTIBLE DEBENTURES									
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	1000000	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	875000	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	1000000	27.03.2023	27.03.2025	CAREA	UNSECURED	

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Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	812500	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	937500	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	62500	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBOR	INE859C08111	24 months	10.6	2000000	27.03.2023	27.03.2025	CAREA	UNSECURED	

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Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
DINATED, NON-CONVERTIBLE DEBENTURES									
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	562500	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	62500	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	68562500	27.03.2023	27.03.2025	CAREA	UNSECURED	

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Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	62500	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	125000	27.03.2023	27.03.2025	CAREA	UNSECURED	
10.60 % UNSECURED, RATED, LISTED, REDEEMABLE, UNSUBORDINATED, NON-CONVERTIBLE DEBENTURES	INE859C08111	24 months	10.6	62500	27.03.2023	27.03.2025	CAREA	UNSECURED	
13.25% Rated, Subordinated, Unsecured, Unlisted, Taxable, Transferabl	INE859C08079	5.5 years	13.25	1000000	18.01.2021	20.07.2026	CAREA	UNSECURED	

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Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
e, Redeemable Non Convertible Debentures									
13.25% Rated, Subordinated, Unsecured, Unlisted, Taxable, Transferable, Redeemable Non Convertible Debentures	INE859C08079	5.5 years	13.25	6000000	18.01.2021	20.07.2026	CAREA	UNSECURED	
13.25% Rated, Subordinated, Unsecured, Unlisted, Taxable, Transferable, Redeemable Non Convertible Debentures	INE859C08079	5.5 years	13.25	100000	18.01.2021	20.07.2026	CAREA	UNSECURED	
13.25% Rated, Subordinated, Unsecured, Unlisted, Taxable, Transferable, Redeemable Non Convertible Debentures	INE859C08079	5.5 years	13.25	242900000	18.01.2021	20.07.2026	CAREA	UNSECURED	
13.20%(Floating) Unsecured, Rated, Listed, Redeemabl	INE859C08103	5.5 years	13.85	1400000000	28.10.2023	28.04.2028	CAREA	UNSECURED	

Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
e, Subordinated, Tier-II Non-convertible Debentures									
9.75% SECURED, LISTED, RATED, UNSUBORDINATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES	INE859C07154	24 months	9.75	15000000	11.08.2023	11.08.2025	CARE A	SECURED	TRADE RECEIVABLES
9.75% SECURED, LISTED, RATED, UNSUBORDINATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES	INE859C07154	24 months	9.75	1875000	11.08.2023	11.08.2025	CARE A	SECURED	TRADE RECEIVABLES
9.75% SECURED, LISTED, RATED, UNSUBORDINATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE	INE859C07154	24 months	9.75	217125000	11.08.2023	11.08.2025	CARE A	SECURED	TRADE RECEIVABLES

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Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
DEBENTURES									
9.75% SECURED, LISTED, RATED, UNSUBORDINATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES	INE859C07154	24 months	9.75	112500000	11.08.2023	11.08.2025	CARE A	SECURED	TRADE RECEIVABLES
9.75% SECURED, LISTED, RATED, UNSUBORDINATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES	INE859C07154	24 months	9.75	7500000	11.08.2023	11.08.2025	CARE A	SECURED	TRADE RECEIVABLES
9.75% SECURED, LISTED, RATED, UNSUBORDINATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES	INE859C07154	24 months	9.75	1875000	11.08.2023	11.08.2025	CARE A	SECURED	TRADE RECEIVABLES

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Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
9.75% SECURED, LISTED, RATED, UNSUBORDINATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES	INE859C07154	24 months	9.75	750000	11.08.2023	11.08.2025	CAREA	SECURED	TRADE RECEIVABLES
9.75% SECURED, LISTED, RATED, UNSUBORDINATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES	INE859C07154	24 months	9.75	375000	11.08.2023	11.08.2025	CAREA	SECURED	TRADE RECEIVABLES
9.75% SECURED, LISTED, RATED, UNSUBORDINATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES	INE859C07154	24 months	9.75	37500000	11.08.2023	11.08.2025	CAREA	SECURED	TRADE RECEIVABLES
9.75% SECURED, LISTED, RATED, UNSUBOR	INE859C07154	24 months	9.75	14250000	11.08.2023	11.08.2025	CAREA	SECURED	TRADE RECEIVABLES

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Series of NCS	ISIN	Tenor / Maturity Period	Coupon Rate (%)	Amount Outstanding	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
DINATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES									
9.75% SECURED, LISTED, RATED, UNSUBORDINATED, REDEEMABLE, TRANSFERABLE, NON-CONVERTIBLE DEBENTURES	INE859C07154	24 months	9.75	3750000	11.08.2023	11.08.2025	CARE A	SECURED	TRADE RECEIVABLES

8. List of top 10 holders of non-convertible securities in terms of value as on the preceding quarter (as on 31st December 2023) (in cumulative basis)

Sr. No.	Name of holder	Category of holder	Face value of holding	Amount	Principal Amount Outstanding	% of total non-convertible security outstanding
1	PIRAMAL STRUCTURED CREDIT OPPORTUNITIES FUND	TRUSTS - DOMESTIC COMPANIES	10000000	1400000000	1400000000	49.33920705
2	KOTAK MAHINDRA INVESTMENTS LIMITED	CORPORATE BODIES - DOMESTIC COMPANIES	100000	500000000	37,50,00,000	13.21585903
3	NORTHERN ARC CAPITAL LIMITED	CORPORATE BODIES - DOMESTIC COMPANIES	100000	242900000	242900000	8.560352423

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Sr. No.	Name of holder	Category of holder	Face value of holding	Amount	Principal Amount Outstanding	% of total non-convertible security outstanding
4	NEO WEALTH MANAGEMENT PRIVATE LIMITED	CLEARING MEMBER - DOMESTIC COMPANIES	100000	289500000	21,71,25,000	7.651982379
5	KOGTA FINANCIAL INDIA LTD	CORPORATE BODIES - DOMESTIC COMPANIES	100000	150000000	112500000	3.964757709
6	NAVAL GROUP INSURANCE FUND	TRUSTS - DOMESTIC COMPANIES	100000	130000000	8,12,50,000	2.863436123
7	NORTHERN ARC CAPITAL LIMITED	CORPORATE BODIES - DOMESTIC COMPANIES	100000	109700000	6,85,62,500	2.416299559
8	UNIFI AIF	ALTERNATE INVESTMENT FUND - DOMESTIC COMPANIES	100000	104700000	6,54,37,500	2.306167401
9	PROFECTUS CAPITAL PRIVATE LIMITED	CORPORATE BODIES - DOMESTIC COMPANIES	100000	66000000	4,12,50,000	1.453744493
10	PRAKASH COTTON MILLS PRIVATE LIMITED	CORPORATE BODIES - DOMESTIC COMPANIES	100000	27900000	1,74,37,500	0.614537445

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ANNEXURE XI: LAST AUDITED FINANCIAL STATEMENTS

Audited Financials for FY 2020-2021, FY 2021-2022 and FY 2022-2023 along with limited review financial statements for the period ended 31st December 2023 are attached separately to this Key Information Document.

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Related Party Transactions

IKF Finance Limited
Notes to financial statements for the year ended Dec 31, 2023
(Currency : INR in lakhs)

42 Related Party Disclosure (continued)
b. Transaction with related parties:

Name of related party	Nature of transaction	For the FY 2023					For the FY 2024			
		As at March 31, 2022	Transaction value for the year ended March 31, 2023	Received During the year	Paid During the Year	As at March 31, 2023	Transaction value for the year ended Dec 31, 2023	Received During the year	Paid During the Year	As at Dec 31, 2023
Key management personnel										
Mr. V G K Prasad	Rent paid	-	21.60	-	-	-	18.90	-	-	-
	Director's remuneration	-	84.00	-	-	-	83.60	-	-	-
	Director Commission Payable	51.02	63.27	-	51.02	63.27	42.45	-	63.27	42.45
	Rent deposit given	50.00	-	-	-	50.00	-	-	-	50.00
	Advance Received	-	-	-	-	-	-	-	-	-
	Interest paid on advance	-	-	-	-	-	-	-	-	-
	Share Capital (INR 10/- Paid up)	1974.32*	-	-	-	1985.36*	-	-	-	1985.36*
	Partly paid up shares (Rs 10 Paid Up) **	-	-	-	-	-	-	-	-	-
	Premium Received on Allotment of Partly Paid up Shares **	-	-	-	-	-	-	-	-	-
Mrs. V Indira Devi	Rent paid	-	48.00	-	-	-	42.00	-	-	-
	Director's remuneration	-	36.00	-	-	-	10.40	-	-	-
	Director Commission Payable	21.71	26.92	-	21.71	26.92	-	-	26.92	0.00
	Rent deposit given	38.50	-	-	-	38.50	-	-	-	38.50
	Share Capital (INR 10/- Paid up)	164.81	-	-	-	164.81	-	-	-	164.81
	Partly paid up shares (Rs 10 Paid Up) **	-	-	-	-	-	-	-	-	-
	Premium Received on Allotment of Partly Paid up Shares **	-	-	-	-	-	-	-	-	-
Mrs.K.Vasumathi Devi	Director's remuneration	-	60.00	-	-	-	47.00	-	-	-
	Director Commission Payable	35.82	44.42	-	35.82	44.43	20.91	-	44.42	20.91
	Share Capital (INR 10/- Paid up)	264.73	-	-	-	264.73	-	-	-	264.73
	Partly paid up shares (Rs 10 Paid Up) **	-	-	-	-	-	-	-	-	-
	Premium Received on Allotment of Partly Paid up Shares **	-	-	-	-	-	-	-	-	-
Mr.Sreepal Gulabchand Jain	Salary Paid	-	55.40	-	-	-	-	-	-	-
Mr.Ch.Sreenivasa Rao	Salary Paid	-	25.41	-	-	-	22.87	-	-	-
	Staff Loan	-	-	-	-	-	-	-	-	-
	Interest Received	-	-				-			
	ESOP Compensation	-	-	-	-	-	-	-	-	-
Relatives of key management personnel										
Mrs. D Vasantha Lakshmi	Share Capital (INR 10/- Paid up)	249.18	-	-	-	249.18	-	-	-	249.18
	Partly paid up shares (Rs 10 Paid Up) **	-	-	-	-		-	-	-	
	Premium Received on Allotment of Partly Paid up Shares **	-	-	-	-		-	-	-	
	Purchase of IKF Home Finance Limited Shares	-	-	-	-	-	-	-	-	-
Mr. V Raghu Ram	Share Capital (INR 10/- Paid up)	180.07	-	-	-	180.07	-	-	-	180.07
	Partly paid up shares (Rs 10 Paid Up) **	-	-	-	-	-	-	-	-	-
	Premium Received on Allotment of Partly Paid up Shares **	-	-	-	-		-	-	-	
Mr. Sinha Satyanand Chunduri	Share Capital (INR 10/- Paid up)	11.77	-	-	-	11.77	-	-	-	11.77
Mrs. Durga Rani Chunduri	Share Capital (INR 10/- Paid up)	149.41	-	-	-	149.41	-	-	-	149.41
IKF Home Finance Limited	Loan given	-	-	(400.00)	400.00	-	-	(4,470.00)	4,470.00	-
	Interest Received	-	1.42	-	-	-	0.62		-	-
	Inter Corporate deposits taken ***	-	-	(27,000.00)	27,000.00	-	-	-	-	-
	Interest Paid	-	126.42	-	-	-	-	-	-	-
	Direct Assignment	2,782.98	-	(803.10)	-	1,979.88	-	(471.58)	-	1,508.30
	Interest Receivable on Direct Assignment	34.46	313.39	(318.87)	-	28.98	134.29	-	(140.64)	22.63
	Investments in equity shares by IKF Finance Ltd.,	6,252.92	-	-	4,509.81	10,762.73	-	-	-	10,762.73
	Investments in equity shares Refundable	1.75		(1.75)	-	-		-	-	-
	Service Fee Collected	-	28.35	-	-		15.61	-	-	
	Service Fee Paid	-	-	-	-		-	-	-	
	Purchase of IKF Home Finance Limited Shares	-		-	-			-	-	
Enterprises significantly influenced by key management personnel or their relatives										
IKF Infratech Private Limited	Non Convertible Debentures	-	-	-	-	-	-	-	-	-
	Interest Paid	-	-	-	-	-	-	-	-	-
Enterprises in which Directors are interested										
SVR Finance & Leasing Private Limited	Trade Advance	-	-	-	-	-	-	-	-	-
	Interest Paid	-	-		-	-	-	-	-	-
Enterprises having a significant influence										
India Business Excellence Fund-IIA	Share Capital (INR 10/- Paid up)	1,305.16	-	-	-	1,305.16	-	-	-	1,305.16
	Share Premium	-	-	-	-	-	-	-	-	
	Compulsorily Convertible Preference Shares of Rs 100/- Each (Converted into equity shares during the FY 2018-19)			-						
	Share premium on preference shares	-	-	-	-	-				
Vistra ITCL (India) Limited (formerly	Share Capital (INR 10/- Paid up)	780.40	-	-	-	780.40	-	-	-	780.40
	Share premium on preference shares	-	-		-	-				

Particulars	As at Dec 31, 2023	As at March 31, 2023
Short-term employee benefits	227.23	395.42
Post-employment benefits#	-	-
Long-term employee benefits	-	-
Termination benefits	-	-
Employee-share based payment	-	-
Total compensation	**227.23**	**395.42**

#As the provision for gratuity is made for the Company as a whole, the amount pertaining to the Key Management Personnel is not specifically identified and hence is not included above.
* The Increased/Decreased value is relating to purchase of shares/debentures from the public.
** Partly paid shares are full paid and converted to fully paid equity shares .
*** Inter Corporate Deposits taken from IKF Home Finance Ltd are at Interest of 8%

Notes:
(i) Transaction values are excluding taxes and duties.
(ii) Name of the related parties and nature of their relationships where control exists have been disclosed irrespective of whether or not there have been transactions with the Company. In other cases,
(iii) Related parties as defined under clause 9 of the Ind AS 24 'Related party disclosures' have been identified based on representations made by key managerial personnel and information available with the Company. All above transactions are in the ordinary course of business
(iv) The Company has not granted loans or advances to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, that is repayable on demand or without specifying any terms or period of repayment for the financial years ended Jun 30, 2023 and March 31, 2023.

IKF FINANCE

Statement of Unaudited Financial Results for the Period Ended 31 December 2023

Rs. In Lakhs

Particulars			Unaudited as on 31 December 2023	Unaudited as on 30 Dec 2022
Assets				
(1)	**Financial assets**			
(a)	Cash and cash equivalents	1	6,479.10	7,558.02
(b)	Bank balance other then included in (a) above	2	3,008.28	5,220.32
(c)	Receivables	3	0.00	0.00
	(I) Trade receivables		0.00	0.00
(d)	Loans	4	2,85,955.42	1,94,499.90
(e)	Other financial assets	5	1,617.38	1,930.24
(f)	Investments	6	22,900.31	28,675.05
			3,19,960.49	**2,37,883.53**
(2)	**Non-financial assets**			
(a)	Current tax assets (net)		100.66	437.87
(b)	Deferred tax assets (net)		81.38	15.59
(c)	Investment Property	9	72.02	72.19
(d)	Property, plant and equipment	8	262.96	249.29
(e)	Right of use asset		244.30	289.32
(f)	Intangible assets	10	137.54	158.99
(g)	Other non-financial assets	7	2,990.81	2,239.92
			3,889.68	**3,463.17**
Total Assets			**3,23,850.17**	**2,41,346.70**
Liabilities and Equity				
Liabilities				
(1)	**Financial liabilities**			
(a)	Debt Securities	11	13,154.04	13,658.94
(b)	Borrowings (other than debt securities)	12	2,03,894.11	1,60,084.89
(c)	Subordinated liabilities	13	16,365.71	18,356.50
(d)	Other financial liabilities	14	4,867.74	2,816.94
			2,38,281.60	**1,94,917.26**
(2)	**Non-financial liabilities**			
(a)	Current tax liabilities (net)			
(b)	Provisions	15	300.50	366.17
(c)	Deferred tax liabilities (Net)		0.00	0.00
(d)	Other non-financial liabilities	16	178.11	114.01
			478.60	**480.18**
Equity				
(a)	Equity share capital	17	7,015.64	5,453.47
(b)	Other equity	18	78,074.32	40,495.78
			85,090	**45,949**
Total Liabilities and Equity			**3,23,850**	**2,41,347**

IKF FINANCE

Statement of Unaudited Financial Results for the Period Ended 31 December 2023

	Particulars	Note No	Unaudited as on 31 December 2023	Unaudited as on 30 Dec 2022
(I)	**Revenue from operations**			
	(i) Interest income	19	29,764.35	19,865.35
	(ii) Fees and commission income	20	226.20	122.06
(I)	**Total revenue from operations**		**29,990.55**	**19,987.42**
(II)	Other income	21	23.97	6.73
(III)	**Total income (I + II)**		**30,014.52**	**19,994.15**
(IV)	**Expenses**			
	(i) Finance costs	22	15,780.29	10,644.30
	(ii) Impairment on financial instruments	23	1,148.09	767.21
	(iii) Employee benefits expenses	24	5,022.66	2,975.75
	(iv) Depreciation, amortization and impairment	25	224.93	193.08
	(v) Others expenses	26	1,502.70	986.15
(IV)	**Total expenses**		**23,678.67**	**15,566.49**
	Profit before tax (III - IV)		**6,335.85**	**4,427.66**
(VI)	**Tax expenses**			
	(i) Current tax		1,884.72	1,081.70
	(ii) Deferred tax		-271.60	53.18
	(iii) Adjustment of tax relating to earlier periods		8.82	0.44
(VI)	**Total tax expenses**		**1,621.94**	**1,135.33**
(VII)	**Profit for the period (V - VI)**		**4,713.91**	**3,292.33**
(VIII)	**Other comprehensive income**			
	(A) Items that will not be reclassified to profit or loss (specify items and amounts)			
	(a) Remeasurements of the defined benefit plans		5.58	6.24
			0.00	0.00
	Income tax relating to items that will not be reclassified to profit or loss		-1.40	-1.57
	Other comprehensive income / (loss)		**4.18**	**4.67**
(IX)	**Total comprehensive income for the period (VII + VIII)**		**4,718.09**	**3,297.00**

Statement of Unaudited Financial Results for the Period Ended 31 December 2023

Particulars		Unaudited as on 31 December 2023	Unaudited as on 30 Dec 2022
1 Cash and cash equivalents			
- Cash on hand		110.86	68.09
- Balance with bank in current accounts		6,368.24	7,489.93
Total		**6,479.10**	**7,558.02**
2 Bank balance other than cash and cash equivalents			
- Bank balance other than cash & cash equivalents		3,008.28	5,220.32
Total		**3,008.28**	**5,220.32**
3 Receivables			
- Trader receivables		0.00	0.00
Less: Provision for impairment		0.00	0.00
Total		**0.00**	**0.00**
4 Loans			
- Term loans		2,89,241.76	1,97,844.15
- Term loans - related parties		0.00	0.00
- Staff Loans		83.39	38.39
Total		**2,89,325.15**	**1,97,882.55**
Less Impairment loss allowance		3,369.74	3,382.64
Total Net of Impairment loss allowance		**2,85,955.42**	**1,94,499.90**
5 Other Financial Assets			
- Rent and utlity deposit		293.32	230.37
- Excess Interest Spread (EIS) Receivables		1,209.51	1,483.41
- Other - Unsecured, considered good		114.56	216.46
Total		**1,617.38**	**1,930.24**
6 Investments			
- Subsidiary - IKF Home Finance Limited		10,762.73	8,752.33
- Investment in MLD		0.00	19,922.73
- Investment in Debentures		12,137.59	0.00
- Investment in Mutual Funds		0.00	0.00
Total		**22,900.31**	**28,675.05**

7 Other Non-Financial Assets			
- Prepaid expenses		347.78	213.99
- Advances to employees		0.57	0.13
- GST input credit		642.46	525.80
- Other - Unsecured, considered good		2,000.00	1,500.00
Total		**2,990.81**	**2,239.92**

Particulars		Unaudited as on 31 December 2023	Unaudited as on 30 Dec 2022
11 Debt Securities			
Secured			
- Non-convertible debentures		8,792.36	10,128.29
Unsecured			
- Other non-convertible debentures		4,361.68	3,530.65
- Commercial paper			
Total		**13,154.04**	**13,658.94**
12 Borrowings (other than debt securities)			
Term loans (Secured)			
- from banks		1,35,432.80	1,08,197.36
- from non-banking financial companies		36,285.79	21,674.09
- from financial institutions		3,074.93	4,606.76
Loans repayable on demand (Secured):		0.00	0.00
- Cash credit from Bank		29,100.59	25,524.91
- Associated liabilities in respect of securitisation transaction		0.00	81.77
Inter Corporate Deposits		0.00	0.00
Total		**2,03,894.11**	**1,60,084.89**
13 Subordinated Liabilities			
- Non-convertible debentures (Tier-II)		16,365.71	18,356.50
- Indian rupee loan from banks (Tier-II)		0.00	0.00
Total		**16,365.71**	**18,356.50**
14 Other financial liabilities			
- Lease Liabilities		260.66	284.62
- Employee benefits payable		314.03	194.15
- Expenses payables		38.67	22.95
- Other payables		624.95	247.36
- Deposit from franchises		1,937.98	370.55
- Payable towards securitisation / assignment transactions		1,691.44	1,697.32
Total		**4,867.74**	**2,816.94**

15 Provisions			
- Provision for gratuity		206.80	145.13
- Provision for leave benefits		93.70	221.04
Total		**300.50**	**366.17**
16 Other non-financial liabilities			
- Statutory dues payable		178.11	114.01
Total		**178.11**	**114.01**

Particulars		Unaudited as on 31 December 2023	Unaudited as on 30 Dec 2022
17 Equity share capital			
Authorised Capital			
- 8,00,00,000 equity shares of INR 10 each		8,000.00	6,000.00
- 25,00,000 preference shares of INR 100 each		2,500.00	2,500.00
Issued, subscribed and fully paid-up shares			
- Equity shares of INR 10 each fully paid up		7,015.64	5,453.47
Issued, Subscribed and paid up - party paid			
-			
Total		**7,015.64**	**5,453.47**
18 Other equity			
- Capital reserve		32.50	32.50
- Securities premium reserve		45,454.27	14,308.82
- Share Based Payment reserve		21.71	20.09
- Statutory Reserve under section 45-IC of the Reserve		5,993.60	4,993.50
- General reserve		1,471.49	1,221.46
- Retained earnings		25,100.75	19,919.41
Total		**78,074.32**	**40,495.78**

Particulars		Unaudited as on 31 December 2023	Unaudited as on 30 Dec 2022
19 Interest income			
- Interest on loans		27,988.95	19,559.30
- Interest on deposits with banks		170.55	91.59
- Interest on investment in debentures		1,604.63	214.46
- Income on Investment from Mutual Funds		0.22	0.00
Total		**29,764.35**	**19,865.35**
20 Fees and commission income			
- Other fees and charges		226.20	122.06
Total		**226.20**	**122.06**
21 Other income			
- Interest on income tax refund		16.48	0.00
- Rental income		6.86	5.72
- Miscellaneous Income		0.62	1.01
Total		**23.97**	**6.73**
22 Finance costs			
- Interest on deposits		51.03	40.27
- Interest on borrowings		11,871.59	7,978.37
- Interest on commercial paper and bonds		0.00	0.00
- Interest on debentures		1,237.57	1,027.02
- Interest on subordinated liabilities		1,766.21	870.52
- Interest on lease liabilities		24.76	23.96
- Interest on securitisation		0.00	47.35
- Interest on ICDs		0.00	123.22
- Bank Charges		4.75	6.82
- Other finance cost		824.38	526.76
Total		**15,780.29**	**10,644.30**
23 Impairment on financial instruments			
- Loans		396.29	364.23
- Trade receivables		0.00	0.00
- Bad debts and write offs		751.80	402.99
Total		**1,148.09**	**767.21**

Particulars		Unaudited as on 31 December 2023	Unaudited as on 30 Dec 2022
24 Employee benefits expenses			
- Salaries and wages		4,567.45	2,690.47
- Contribution to provident and other funds		235.44	148.93
- Share based payment to employees		1.08	-4.53
- Staff welfare expenses		114.27	57.85
- Gratuity		50.18	30.90
- Leave encashment		54.23	52.12
Total		**5,022.66**	**2,975.75**
25 Depreciation, amortization and impairment			
- Depreciation on property, plant and equipment		184.67	157.28
- Depreciation on investment property		0.13	0.13
- Amortization of intangible assets		40.13	35.67
Total		**224.93**	**193.08**
26 Other expenses			
- Rent		264.39	170.32
- Communication cost		76.74	50.74
- Travelling and conveyance		218.24	138.98
- Rates and taxes		394.31	269.06
- Insurance		1.51	2.97
- Commission and Brokerage		23.18	29.02
- Repairs and maintenance		65.84	49.05
- Printing and stationary		21.66	26.25
- Payment to auditors		25.70	19.35
- Advertisement, publicity and sales promotion expenses		5.00	0.00
- Operation Cost		34.93	23.91
- Legal and professional fees		161.91	98.25
- Directors' sitting fees		8.50	2.00
- Corporate social responsibility		82.89	68.21
- Provision		0.00	0.00
- Loss on sale of property, plant and equipment		0.00	0.00
- Loss on sale of Investment Property		0.00	3.15
- Miscellaneous expenses		117.91	34.90
Total		**1,502.70**	**986.15**

INDEPENDENT AUDITOR'S REPORT

To the Members of IKF Finance Limited

Report on the audit of Standalone financial statements

We have audited the accompanying Standalone financial statements of IKF Finance Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and notes to the Standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone financial statements in accordance with the Standards on Auditing (SA), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone financial statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India ("ICAI"} together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Standalone financial statements for the year ended March 31, 2023. These matters were addressed in the context of our audit of the Standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the

accompanying Standalone financial statements.

Key audit Matters	How our audit addressed the key audit matter
Impairment of Financial Instruments (expected credit Losses) has been described in Note 2.4.c, 2.6.f and 6 of the Standalone financial statements.	
Management estimates impairment provision using Expected Credit loss model for the loan exposure as per the Board approved policy which is in line with Ind AS and the Regulations. Measurement of loan impairment involves application of significant judgement by the management. The most significant judgements are: • Timely identification and classification of the impaired loans, including classification of assets to stage 1, 2, or 3 using criteria in accordance with Ind AS 109 which also include considering the impact of RBI's regulatory circulars, • The segmentation of financial assets when their ECL is assessed on a collective basis, • Determination of probability of defaults (PD) and loss given defaults (LGD) based on the default history of loans, subsequent recoveries made and other relevant factors and • Assessment of qualitative factors having an impact on the credit risk.	• We evaluated the design and operating effectiveness of controls across the processes relevant to ECL, including the judgements and estimates. • We tested the completeness of loans and advances included in the Expected Credit Loss calculations as of March 31, 2023 by reconciling it with the balances as per loan balance register and loan commitment report as on that date. • We tested assets in stage 1, 2 and 3 on sample basis to verify that they were allocated to the appropriate stage. • Tested samples to ascertain the completeness and accuracy of the input data used for determining the PD and LGD rates and agreed the data with underlying books of accounts and records. • For samples of exposure, we tested the appropriateness of determining EAD, PD and LGD. • We performed an overall assessment of the ECL provision levels at each stage including management's assessment and provision on account of Company's portfolio, risk profile, credit risk management practices. • We assessed the adequacy and appropriateness of disclosures in compliance with the Ind AS 107 in relation to ECL.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis and Directors' Report (the "Reports") but does not include Standalone financial statements and our auditors' report thereon. The reports are

expected to be made available to us after the date of this auditors' report.

Our opinion on the Standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Other Information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 (Revised) 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Those Charged with Governance for the Standalone financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5} of the Act with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards} Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively to ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone financial statements

Our objectives are to obtain reasonable assurance about whether the Standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone financial statements.

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

• Identify and assess the risks of material misstatement of the Standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3}(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

• Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the Standalone financial statements, including the disclosures, and whether the Standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare

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circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2020 ("the Order"} issued by the Central Government of India in terms of sub-section (11} of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

(b} In our opinion, proper books of account as required by law have been Kept by the Company so far as it appears from our examination of those books;

(c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid Standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of written representations received from the directors as on March 31, 2023, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;

(g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

SGCO & Co LLP FRN-112081W/ W100184 MUMBAI Chartered Accountants

iv. (a) The Management has represented that to the best of it's knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or other wise , that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of it's knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For SGCO & CO. LLP
Chartered Accountants
Firm Reg. No.:- 112081W/W100184

SGCO & CO LLP FRN-112081W/W100184 MUMBAI Chartered Accountants

Suresh Murarka
Partner
Membership No. :- 044739
UDIN :- 23044739BGUNOX2293
Place :- Mumbai
Date :- 30-05-2023

ANNEXURE A

REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS OF OUR REPORT OF EVEN DATE

Re: IKF Finance Limited (" the Company")

(i) (a) (1) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

(2) The Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us, as per the phase programme of physical verification of fixed assets, the Company carries out physical verification of its entire fixed assets every year and no material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in investment property are held in the name of the Company.

(d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii)(a) of the Order are not applicable to the Company

(b) The Company has been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.

(iii) During the year, in the ordinary course of its business, the Company has made investments in, provided guarantee / security to and granted loans and advances in the nature of loans, secured and unsecured, to companies, firms, limited liability partnerships and other parties. With respect to such investments, guarantees /security and loans and advances:

(a) The Company's principal business is to give loans and, accordingly, the requirements under paragraph 3(iii)(a) of the Order is not applicable to the Company.

(b) The investments made and the terms and conditions of the grant of all the loans and advances in the nature of loans, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(c) According to the information and explanations given to us and based on examination of the books and records, in respect of the loans and advances in the nature of loans granted by the company, the schedule of repayment of principle and payment of interest has been stipulated and repayments or receipts are regular, except for the credit impaired cases.

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(d) The total amount overdue for more than ninety days, in respect of loans and advances in the nature of loans, as at the year-end is Rs. 3402.44 lakhs . Reasonable steps are being taken by the company for recovery of the principal and interest as stated in the applicable regulations and loan agreements.

(e) The Company's principal business is to give loans and, accordingly, the requirements under paragraph 3(iii)(e) of the Order are not applicable to the Company.

(f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

(iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investment made and guarantees, and securities given have been complied with by the Company.

(v) The Company has not accepted any deposits from the public. Hence, reporting under clause 3(v) of the order is not applicable.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the services of the Company. Hence, reporting under clause 3 (vi) of the Order is not applicable to the Company.

(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities. As informed, the provisions relating to service tax, wealth tax, sales tax, value added tax, excise duty and customs duty are currently not applicable to the Company.

There were no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. As informed, the provisions relating to service tax, wealth tax, sales tax, value added tax, excise duty and customs duty are currently not applicable to the Company.

(b) According to the information and explanations given to us, there are no dues of income tax, goods and service tax and cess which have not been deposited on account of any dispute. As informed, the provisions of service tax, wealth tax, sales tax, value added tax, excise duty and customs duty are not applicable to the Company.

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) In our opinion and according to the information and explanations given by the management, the company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.

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(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has applied term loans for the purpose for which the loans were obtained.

(d) The Company has not utilised fund raised on short term basis for long term purposes.

(e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting on clause 3(ix)(f) of the Order is not applicable.

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) The company has made private placement of shares as well as debentures and the requirement of section 42 of the Companies Act, 2013 have been complied with and according to information and explanations given to us, the amount raised have been used for the purposes for which the funds were raised.

(xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) There were no whistle blower complaint received during the year and hence reporting under clause 3(xi)(c) of the Order is not applicable.

(xii) The Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

SGCO & CO LLP FRN-112081W/ W100184 MUMBAI Chartered Accountants

(xvi) (a) According to the information and explanations given to us, we report that the Company has registered as required, under section 45-IA of the Reserve Bank of India Act, 1934.

(b) The company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) In our opinion, the Company is not a core investment company (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi) (c) and (d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of statutory auditors of the company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) There are no unspent amounts towards CSR on ongoing projects under sub-section (5) of Section 135 requiring transfer to special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.

For SGCO & CO. LLP
Chartered Accountants
Firm Reg. No.: 112081W/W100184

Suresh Murarka
Partner
Mem. Number: 044739
UDIN: 23044739BGUNOX2293

SGCO & CO. LLP FRN-112081W/W100184 MUMBAI Chartered Accountants

Place : Mumbai
Date: 30/05/2023

ANNEXURE B

REFERRED TO IN PARAGRAPH 2 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REOUIREMENTS" OF OUR REPORT OF EVEN DATE

Report on the Internal Financial Controls under Clause (i) of 5ub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of IKF Finance Limited ("the Company") as of March 31, 2023, in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these Standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the " Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these Standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these Standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these Standalone financial statements.

SGCO & CO LLP FRN-112081W Chartered Accountants MUMBAI

Meaning of Internal Financial Controls Over Financial Reporting with reference to these Standalone financial statements

A company's internal financial control over financial reporting with reference to these Standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone financial statements for external purpose in accordance with generally accepted accounting principles. A company's Internal financial control over financial reporting with reference to these Standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transaction are recorded as necessary to permit preparation of Standalone financial statements in accordance with generally accepted accounting Principles, and that receipts and expenditure of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisitions, use or disposition of the company's assets that could have a material effect on the Standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting with Reference to these Standalone financial statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these Standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these Standalone financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these Standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these Standalone financial statements and such internal financial controls over financial reporting with reference to these Standalone financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the guidance note on audit of Internal financial controls over financial reporting issued by the Institute of Chartered Accountants of India.

For SGCO & CO. LLP
Chartered Accountants
FRN :- 112081W/W100184

SGCO & CO LLP FRN-112081W/ W100184 MUMBAI Chartered Accountants

Suresh Murarka
Partner
Membership No. :- 044739
UDIN :- 23044739BGUNOX2293
Place :- Mumbai
Date :- 30/05/2023

IKF Finance Limited

Standalone Balance Sheet as at March 31, 2023

(Currency : INR in lakhs)

Particulars	Note No	As at March 31, 2023	As at March 31, 2022
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	3	23,039.43	3,377.21
(b) Bank Balance other than included in (a) above	4	5,573.17	2,208.65
(c) Loans	5	2,10,754.51	1,56,325.40
(d) Investments	7	30,810.55	6,252.92
(e) Other financial assets	6	2,251.57	1,800.96
		2,72,429.23	**1,69,965.14**
(2) Non-financial assets			
(a) Current Tax Assets (Net)		372.98	183.04
(b) Deferred Tax Assets (Net)	28	-	70.34
(c) Investment Property	10	72.14	114.31
(d) Property, Plant and Equipment	9	250.23	260.11
(e) Right of use asset	9	270.26	10.75
(f) Intangible assets	11	156.38	154.42
(g) Other non-financial assets	8	2,878.41	1,067.42
		4,000.41	**1,860.39**
Total assets		**2,76,429.64**	**1,71,825.53**
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial liabilities			
(a) Debt securities	12	18,838.54	15,186.47
(b) Borrowings (other than debt securities)	13	1,68,496.32	1,09,462.84
(c) Subordinated Liabilities	14	16,345.06	6,003.45
(d) Other financial liabilities	15	2,921.34	2,030.13
		2,06,601.26	**1,32,682.89**
(2) Non-financial liabilities			
(a) Provisions	16	210.50	306.37
(b) Deferred tax liabilities (Net)	28	188.82	-
(c) Other non-financial liabilities	17	179.07	99.50
		578.39	**405.87**
EQUITY			
(a) Equity share capital	18	6,457.51	5,265.91
(b) Other equity	19	62,792.48	33,470.86
		69,249.99	**38,736.77**
Total liabilities and equity		**2,76,429.64**	**1,71,825.53**

Significant accounting policies and key accounting estimates and judgments **2**

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

per Suresh Murarka
Partner
Membership No.044739
Place: Mumbai
Date: 30 May 2023

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

V.G.K Prasad
Chairman
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Ch.Sreenivasa Rao
Company Secretary &
Chief Financial Officer
M.No. ACS14723
Place: Vijayawada
Date: 30 May 2023

IKF Finance Limited

Standalone Statement of Profit and Loss for the year ended March 31, 2023

(Currency : INR in lakhs)

Particulars	Note No	Year ended March 31, 2023	Year ended March 31, 2022
Revenue From operations			
(i) Interest income	20	28,401.52	21,932.36
(ii) Fees and commission income	21	240.36	160.21
(I) Total revenue from operations		**28,641.88**	**22,092.57**
(II) Other income	22	17.80	30.25
(III) Total income (I + II)		**28,659.68**	**22,122.82**
Expenses			
(i) Finance costs	23	15,402.63	11,787.65
(ii) Impairment on financial instruments	24	539.85	511.78
(iii) Employee benefits expenses	25	4,297.44	3,248.03
(iv) Depreciation, amortization and impairment	26	264.23	128.96
(v) Others expenses	27	1,424.80	1,019.11
(IV) Total expenses		**21,928.95**	**16,695.53**
(V) Profit before tax (III - IV)		**6,730.73**	**5,427.29**
(VI) Tax Expense:			
(1) Current Tax	28	1,461.47	1,487.04
'(2) Deferred Tax	28	255.84	(100.25)
'(3) Adjustment of tax relating to earlier periods	28	12.91	10.06
		1,730.22	**1,396.85**
(VII) Profit for the period (V-VI)		**5,000.51**	**4,030.44**
(VIII) Other comprehensive income			
(A) Items that will not be reclassified to profit or loss (specify items and amounts)			
(a) Remeasurements of the defined benefit plans	29	13.18	11.07
Income tax relating to items that will not be reclassified to profit or loss		(3.32)	(2.79)
Other comprehensive income / (loss)		**9.86**	**8.28**
(IX) Total comprehensive income for the period (VII + VIII)		**5,010.37**	**4,038.72**
(X) Earnings per share (equity share, par value of Rs.10 each)			
Basic	30	9.31	7.80
Diluted	30	9.31	7.80

Significant accounting policies and key accounting estimates and judgments 2

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

per Suresh Murarka

Partner
Membership No.044739

Date: 30 May 2023
Place: Mumbai

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

V.G.K Prasad
Chairman
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Ch.Sreenivasa Rao
Company Secretary & Chief Financial Officer
M.No. ACS14723

Place: Vijayawada
Date: 30 May 2023

IKF Finance Limited

Standalone Cash Flow statement for the year ended March 31, 2023

(Currency : INR in lakhs)

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	**6,730.73**	**5,427.28**
Adjustments for:		
Depreciation, amortisation and impairment	264.23	128.96
Interest Income	(28,401.52)	(21,932.36)
Interest expenses	15,402.63	11,787.65
Impairment on financial instrument	539.85	511.78
Share based payment expense	(3.99)	(6.03)
Provision for expenses	2.25	6.60
Employee benefit expenses	(57.21)	81.57
Rental income on Investment property	(7.63)	(7.63)
(Profit)/ Loss on sale of property, plant and equipment	1.14	(0.07)
(Profit)/ Loss on sale of immovable Property	3.15	6.10
Cash generated from / (used in) operations before working capital changes and adjustments for interest received and interest paid	**(5,526.37)**	**(3,996.15)**
Adjustments for changes in Working Capital :		
Decrease / (Increase) in trade receivable	-	26.21
Decrease / (Increase) in loans	(55,475.48)	(24,454.76)
Decrease / (Increase) in bank balances other than cash and cash equivalents	(3,364.52)	1,756.18
Decrease / (Increase) in other financial assets	12.05	126.85
Decrease / (Increase) in other non-financial assets	(1,810.98)	(685.42)
(Decrease) / Increase in other financial liabilities	622.18	(631.52)
(Decrease) / Increase in provisions	(25.48)	(39.67)
(Decrease) / Increase in other non-financial liabilities	79.57	(12.59)
Interest received	27,454.85	22,360.47
Interest paid	(15,826.72)	(11,836.88)
	(53,860.90)	**(17,387.28)**
Income tax paid (net of refunds)	(1,664.32)	(1,462.20)
Deferred tax adjustment	0.00	0.00
NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES	**(55,525.22)**	**(18,849.48)**
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(67.99)	(86.52)
Purchase of Investment property	0.00	(224.11)
Rental income on Investment property	7.63	7.63
Proceeds from sale of property, plant and equipment	0.82	0.08
Proceeds from sale of Investment property	38.85	110.00
Purchase of intangible assets	(50.25)	(27.55)
Purchase of investments measured at Amortised cost and FVTPL	(24,557.63)	(1,727.82)
NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES	**(24,628.57)**	**(1,948.29)**
CASH FROM FINANCING ACTIVITIES		
Proceeds from issue of equity shares (including securities premium)	25,506.83	714.39
Amount received from debt securities	7,000.00	8,000.00
Repayment of debt securities	(3,400.00)	(25,950.00)
Amount received from borrowings other than debt securities	1,09,340.00	56,500.00
Repayment of borrowings other than debt securities	(48,983.70)	(26,861.44)
Amount received from subordinated Liabilities	14,000.00	-
Repayment of subordinated debt	(3,500.00)	
Payment of principal portion of lease liabilities	(113.49)	(19.13)
Payment of interest on lease liabilities	(33.63)	(2.12)
NET CASH GENERATED FROM / (USED IN) FROM FINANCING ACTIVITIES	**99,816.01**	**12,381.70**
Net Increase / (Decrease) in Cash and Cash Equivalents	**19,662.22**	**(8,416.07)**
Cash and Cash Equivalents at the beginning of Year	3,377.21	11,793.28
Cash and Cash Equivalents at the end of the Year	23,039.43	3,377.21

The above Cash Flow Statement has been prepared under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows'.

As per our report of even date

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

per Suresh Murarka
Partner
Membership No.044739

Date: 30 May 2023

Place: Mumbai

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

V.G.K Prasad
Chairman
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Ch.Sreenivasa Rao
Company Secretary & Chief Financial Officer
M.No. ACS14723
Place: Vijayawada
Date: 30 May 2023

IKF Finance Limited

Statement of Changes in Equity for the year ended March 31, 2023

(Currency : INR in lakhs)

A. Equity share capital

Current Reporting Period

Particulars	Balance at the beginning of the current reporting period As at March 31, 2022	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period As at March 31, 2023
Issued, Subscribed and paid up - fully paid (Equity shares of Rs.10 each, Fully paid-up)	5,265.91	-	5,265.91	1,191.60	**6,457.51**
Issued, Subscribed and paid up - partly paid	0.00	-	0.00	-	**0.00**

Previous Reporting Period

Particulars	Balance at the beginning of the current reporting period As at March 31, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period As at March 31, 2022
Issued, Subscribed and paid up - fully paid (Equity shares of Rs.10 each, Fully paid-up)	4,747.94	-	4,747.94	517.97	**5,265.91**
Issued, Subscribed and paid up - partly paid	419.55	-	419.55	(419.55)	**0.00**

B. Other equity

Particulars	Reserves and Surplus						Total
	Statutory Reserve	Capital Reserve	Securities Premium	General Reserve	Share based payment Reserve	Retained Earnings	
Balance at April 01, 2021	**4,187.40**	**32.50**	**9,960.39**	**1,019.93**	**30.65**	**13,591.30**	**28,822.19**
Changes in Accounting Policies / Prior Period Errors	-	-	-	-	-	-	-
Restated balance as at April 01, 2021	4,187.40	32.50	9,960.39	1,019.93	30.65	13,591.30	**28,822.18**
Profit for the year	-	-	-	-	-	4,030.44	**4,030.44**
Other comprehensive income for the year	-	-	-	-	-	8.28	**8.28**
Total comprehensive income for the year (net of tax)	-	-	-	-	-	**4,038.72**	**4,038.72**
Transfer to Statutory Reserve	806.09	-	-	-	-	(806.09)	-
Transfer to General Reserve	-	-	-	201.52	-	(201.52)	-
Issue of equity shares	-	-	615.97	-	-	-	**615.97**
Share based payment expense	-	-	-	-	(6.03)	-	**(6.03)**
Balance at March 31, 2022	**4,993.49**	**32.50**	**10,576.37**	**1,221.45**	**24.62**	**16,622.41**	**33,470.84**
Changes in Accounting Policies / Prior Period Errors	-	-	-	-	-	-	-
Restated balance as at April 01, 2022	4,993.49	32.50	10,576.37	1,221.45	24.62	16,622.43	**33,470.86**
Profit for the year	-	-	-	-	-	5,000.51	**5,000.51**
Other comprehensive income for the year	-	-	-	-	-	9.86	**9.86**
Total comprehensive income for the year (net of tax)	-	-	-	-	-	**5,010.37**	**5,010.37**
Transfer to Statutory Reserve	1,000.10	-	-	-	-	(1,000.10)	-
Transfer to General Reserve	-	-	-	250.03	-	(250.03)	-
Issue of equity shares	-	-	24,315.23	-	-	-	**24,315.23**
Share based payment expense	-	-	-	-	(3.99)	-	**(3.99)**
Balance at March 31, 2023	**5,993.59**	**32.50**	**34,891.60**	**1,471.48**	**20.63**	**20,382.67**	**62,792.48**

As per our report of even date

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

per Suresh Murarka
Partner
Membership No.044739

Date: 30 May 2023
Place: Mumbai

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

V.G.K Prasad
Chairman
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Ch.Srinivasa Rao
Company Secretary & Chief Financial Officer
M.No. ACS14723

Place: Vijayawada
Date: 30 May 2023

S G C O & CO LLP FRN-112081W/ W100184 MUMBAI Chartered Accountants

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IKF Finance Limited
Notes to the financial statements for the year ended March 31, 2023
(All amount in Rs. Lakhs, unless otherwise stated)

1 Company Overview

IKF Finance Limited ('the Company') is a public company domiciled in India and incorporated under the provision of the Companies Act, 1956. The Company was registered as a non-deposit accepting Non-Banking Financial Company ('NBFC-ND') with the Reserve Bank of India ('RBI') and classified as a Non-Banking Financial Company- Asset Finance Company ('NBFC-AFC') with effect from May 12, 2014.The Company provides finance for commercial vehicles, construction equipment and other loans.

2 Significant Accounting Policies

2.1 Basis of preparation

The financial statements for the year ended March 31, 2023 have been prepared by the Company in accordance with Indian Accounting Standards ("Ind AS") notified by the Ministry of Corporate Affairs, Government of India under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016, as amended from time to time, in this regard. Any application guidance/ clarifications/ directions issued by RBI or other regulators are implemented as and when they are issued/ applicable.

2.2 Presentation of Financial Statements

The financial statement of the company are presented as per Division III of the Schedule III to the Companies Act 2013 as amended from time to time, for Non-Banking Financial Companies ('NBFCs') that are required to comply with Ind-AS. The Statement of Cash Flows has been presented as per the requirements of Ind-AS 7 Statement of Cash Flows. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non–current) is presented in Note 33 – Maturity analysis of assets and liabilities.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Company and/or its counterparties

2.3 Basis of Measurement

The financial statements have been prepared under the historical cost convention on the accrual basis except for certain financial instruments, plan assets of defined benefit plans and share based payment plans, which are measured at fair values at the end of each reporting period as explained in the accounting policies below. All amounts disclosed in the financial statements and notes have been rounded off to the nearest INR Lakhs in compliance with Schedule III of the Act, unless otherwise stated.

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2.4 Significant accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) at the date of the financial statements and the reported amounts of revenues and expenses for the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual results could differ from these estimates. Any revisions to accounting estimates are recognized prospectively in the current and future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Key sources of estimation of uncertainty at the date of financial statements, which may cause a material adjustment to the carrying amount of assets and liabilities within the next financial year are included in the following notes:

a. Business model assessment

Classification and measurement of financial assets depends on the results of the solely payments of principal and interest (SPPI) and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

b. Effective Interest Rate (EIR) method

The Company recognizes interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loans given / taken.

This estimation, by nature, requires an element of judgement regarding the expected behaviour and lifecycle of the instruments, as well as expected changes to other fee income/expense that are integral parts of the instrument.

c. Impairment of loans portfolio

The measurement of impairment losses on loan assets requires judgement, in estimating the amount and timing of future cash flows and recoverability of collateral values while determining the impairment losses and assessing a significant increase in credit risk.
The Company's Expected Credit Loss (ECL) calculation is the output of a complex model with a number of underlying assumptions regarding the choice of variable inputs and their

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interdependencies. Elements of the ECL model that are considered accounting judgements and estimates include:

- PD calculation includes historical data, benchmarking, assumptions and expectations of future conditions.
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life-time expected credit loss and the qualitative assessment.
- The segmentation of financial assets when their ECL is assessed on a collective basis.
- Development of ECL models, including the various formulas and the choice of inputs.
  It is the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

The impairment loss on loans and advances is disclosed in more detail in Note 5-Loans and Note 41- Risk Management.

d. Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

e. Fair value measurement:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

f. Operating leases

Company as a lessee:

The Company has applied Ind AS 116 using the partial retrospective approach.

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

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Right of use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short term lease

The Company has elected not to recognise right of use asset and lease liabilities for short term leases of property that has lease term of 12 months or less. The Company recognises lease payment associated with these leases as an expense on a straight line basis over lease term.

g. Share based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

2.5 Revenue recognition

a. Interest Income on loans

Interest income is recorded using effective interest rate (EIR) method for all financial assets measured at amortised cost.

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EIR is the rate that exactly discounts the estimated future cash flows through the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset except for credit impaired asset.

The calculation of the effective interest rate includes transaction costs and fees (loan processing fees, commission paid to direct selling agents and other premiums or discounts) that are an integral part of the contract. Transaction costs include incremental costs that are directly attributable to the acquisition of financial asset.

b. Rental Income

Rental income arising from operating leases is recognised on a straight-line basis over the lease term. In cases where the increase is in line with expected general inflation rental income is recognised as per the contractual terms.

Operating leases are leases where the Company does not transfer substantially all of the risk and benefits of ownership of the asset.

c. Interest income on fixed deposits

Interest on fixed deposits is recognised on a time proportion basis taking into account the amount outstanding and the applicable rate.

d. Other income

Other charges including application fees (penal interest, cheque bouncing charges, etc.) are recognised on realization basis.

2.6 Financial instruments

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Recognised financial assets and financial liabilities are initially measured at transaction price, which equates fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

A financial asset and a financial liability are offset and presented on net basis in the balance sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

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a. Classification and measurement of Financial assets

Based on the business model, the contractual characteristics of the financial assets and specific elections where appropriate, the Company classifies and measures financial assets in the following categories:
- Amortised cost
- Fair value through other comprehensive income ('FVOCI')
- Fair value through profit and loss ('FVTPL')

Financial assets at amortised cost

Financial assets are measured at amortised cost using the effective interest rate (EIR) if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement and based on the assessment of the business model as asset held to collect contractual cash flows and SPPI, such financial assets are subsequently measured at amortised cost using effective interest rate ('EIR') method. Interest income and impairment expenses are recognised in statement of profit and loss. Any gain or loss on derecognition is also recognised in statement of profit and loss.

The EIR method is a method of calculating the amortised cost of a financial instrument and of allocating interest over the relevant period. The EIR is the rate that exactly discounts estimated future cash flows (including all fees paid or received that form an integral part of the EIR, transaction costs and other premiums or discounts) through the expected life of the instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

The Company records loans at amortised cost.

Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to sole payments of principal and interest on the principal amount outstanding and by selling financial assets.

Movements in the carrying amount of such financial assets are recognised in Other Comprehensive Income ('OCI'), except dividend income and interest income which is recognised in statement of profit and loss. Equity instruments at FVOCI are not subject to an impairment assessment.

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Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

b. Financial Liabilities

Financial liabilities are measured at amortised cost. The carrying amounts are determined based on the EIR method. Interest expense is recognised in statement of profit and loss. Any gain or loss on de-recognition of financial liabilities is also recognised in statement of profit and loss.

c. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company is recognised at the proceeds received, net of directly attributable transaction costs.

d. Reclassification

Financial assets and liabilities are not reclassified subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line or in the period the Company changes its business model for managing financial assets.

e. De-recognition of financial assets and financial liabilities

i. Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Company has transferred the financial asset if, and only if, either:

i. The Company has transferred its contractual rights to receive cash flows from the financial asset, or

ii. It retains the rights to the cash flows but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement.

Pass-through arrangements are transactions whereby the Company retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

i. The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.
ii. The Company cannot sell or pledge the original asset other than as security to the eventual recipients.
iii. The Company has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Company is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

i. The Company has transferred substantially all the risks and rewards of the asset, or
ii. The Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

ii. Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying value of the original financial liability and the new financial liability with modified terms is recognised in statement of profit and loss.

f. Impairment of Financial Assets

The Company recognises impairment allowances for Expected Credit Loss (ECL) on all the financial assets that are not measured at FVTPL:

The ECL provision is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss.

The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on financial assets that are possible within the 12 months after the reporting date.

The Company performs an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Company categorises its loans into three stages as described below:

For non-impaired financial instruments

- Stage 1 is comprised of all non-impaired financial instruments which have not experienced a significant increase in credit risk (SICR) since initial recognition. A 12-month ECL provision is made for stage 1 financial instruments. In assessing whether credit risk has increased significantly, the Company compares the risk of a default occurring on the financial instrument as at the reporting date, with the risk of a default occurring on the financial instrument as at the date of initial recognition.

- Stage 2 is comprised of all non-impaired financial instruments which have experienced a SICR since initial recognition. The Company recognises lifetime ECL for stage 2 financial instruments. In subsequent reporting periods, if the credit risk of the financial instrument improves such that there is no longer a SICR since initial recognition, then entities shall revert to recognizing 12 months of ECL.

For impaired financial instruments:

Financial instruments are classified as stage 3 when there is objective evidence of impairment as a result of one or more loss events that have occurred after initial recognition with a negative impact on the estimated future cash flows of a loan or a portfolio of loans. The Company recognises lifetime ECL for impaired financial instruments.

The calculation of ECLs

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

Probability of Default (PD) -

The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been

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previously derecognized and is still in the portfolio. The concept of PD is further explained in Note 41- Risk Management.

Exposure at Default - The Exposure at Default is an estimate of the exposure at a future default date, considering expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

Loss Given Default – The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive.

Collateral Valuation

To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. The collateral comes in various forms, such as movable and immovable assets, guarantees, etc. However, the fair value of collateral affects the calculation of ECLs. To the extent possible, the Company uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using other methodologies. Non-financial collateral, such as vehicles, is valued based on data provided by third parties or management judgements.

Collateral repossessed

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

Write-offs

Loans are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when it is determined that the customer does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

g. Determination of fair value

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, the Company measures certain categories of financial instruments (as explained in Note 40- Fair Value Measurement) at fair value on each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1 financial instruments - Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2 financial instruments - Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.

Level 3 financial instruments - Those that include one or more unobservable input that is significant to the measurement as whole.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. No such instances of transfers between levels of the fair value hierarchy were recorded during the reporting period.

2.7 Property, plant and equipment

Property, plant and equipment are carried at cost of acquisition less accumulated depreciation and accumulated impairment loss (if any). The total cost of the asset comprises the purchase price, taxes, duties, freight (net of rebates and discounts) and any other directly attributable costs of bringing the assets to their working condition for their intended use. Borrowing costs

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directly attributable to acquisition of those assets which necessarily take a substantial period of time to get ready for their intended use are capitalised. Advances paid towards the acquisition of assets outstanding at each balance sheet date are disclosed as other non-financial assets. The cost of assets not ready for their intended use at each balance sheet date is disclosed as capital work-in-progress.

Depreciation is provided on a straight-line method, over the estimated useful life of each asset as prescribed in Schedule II of the Companies Act, 2013 as follows:

Asset	**Useful Life**
Building (Investment Property)	60 years
Office Equipment	5 years
Furniture and Fixture	10 years
Computers	3 years
Vehicles (Car, Lorry, Bus)	8 years
Vehicles (Bike, Moped, Cycle)	10 years
Servers	6 years

An item of property, plant and equipment, is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment, is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.8 Intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Cost comprise the purchase price and any attributable cost of bringing the asset to its working condition for its intended use

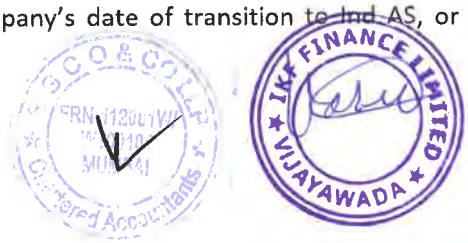
Intangible assets are amortised on a straight line basis over their estimated useful life.

The estimated useful life of intangible assets are as follows:

Asset	Useful Life
Software	6 years

2.9 Investment in Subsidiaries

Ind AS 101 permits a first time adopter to measure its investment, at the date of transition, at cost determined in accordance with Ind AS 27, or deemed cost. The deemed cost of such investment shall be its fair value at the Company's date of transition to Ind AS, or Previous



GAAP carrying amount at that date. The Company has elected to measure its investment in subsidiary at the Previous GAAP carrying amount as its deemed cost on the transition date.

2.10 Impairment of non-financial assets

Assessment is done at each balance sheet date as to whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, the recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting years may no longer exist or may have decreased.

2.11 Employee benefits

Defined Contribution Plan:

The Company has a defined contribution plan for post-employment benefits in the form of Provident Fund. Under the Provident Fund Plan, the Company contributes to a Government administered provident fund / recognized provident fund on behalf of the employees. The Company has no further obligation beyond making the contributions.

The Company's contributions to the above Plan are charged to the Statement of Profit and Loss.

Defined Benefit Plan:

The Company provides for gratuity to all employees. The benefit is in the form of lump sum payments to vested employees on resignation, retirement, or death while in employment or on termination of employment of an amount equivalent to 15 days basic salary payable for each completed year of service as required under 'The Payment of Gratuity Act, 1972'. Vesting occurs upon completion of five years of service.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit

to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:
- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non- routine settlements; and
- Net interest expense or income

An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Other Employee Benefits:

The employees of the Company are entitled to compensated absence and deferred compensation as per the policy of the Company, the liability in respect of which is provided, based on an actuarial valuation carried out by an independent actuary as at the year end. The actuarial valuation method used by the independent actuary for measuring the liability is the Projected Unit Credit Method.

Actuarial gains and losses comprise experience adjustments and the effects of changes in the actuarial assumptions are recognized immediately in the Statement of Profit and Loss in the year in which they arise.

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. Unutilised leave balance that accrues to employees as at the year end is charged to the Statement of Profit and Loss on an undiscounted basis.

2.12 Income Taxes

Income-tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income-tax expense is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in equity or in OCI.

(a) Current tax

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961, enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.
Current tax assets and liabilities are offset only if, the Company:

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- has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(b) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are reviewed at each reporting date and based on management's judgement, are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if the Company:
• has a legally enforceable right to set off current tax assets against current tax liabilities; and
• the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

2.13 Provision and contingencies

A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost.

A contract is considered as onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

2.14 Earnings per share

The Company reports basic and diluted earnings per share in accordance with Indian Accounting Standard 33 – "Earnings Per Share". Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share reflects the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by weighted average number of equity shares considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all potential equity shares.

2.15 Cash and cash equivalent

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

2.16 Statement of cash flows

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash future, any deferrals or accruals of past or future operating cash receipts or payments and item of expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.17 Share based payments

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting year, based on the Company`s estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting year, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in

Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve.

2.18 Statutory Reserve

In accordance with section 45-IC of the RBI Act, 1934, the Company creates a reserve fund and transfers therein a sum not less than twenty per cent of its net profit every year as disclosed in the Statement of Profit and loss before any dividend is declared.

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Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

3 Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	221.31	96.00
Balances with banks in current accounts	22,818.12	3,281.21
Total	**23,039.43**	**3,377.21**

Increase of cash and cash equivalents is on account of equity raised during the end of the financial year

4 Bank balance other than cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks to the extent held as margin money*	5,573.17	2,208.65
Total	**5,573.17**	**2,208.65**

*Represent margin money deposits placed to avail term loans from banks, financial institutions and as cash collateral in connection with securitisation transactions.

5 Loans (at Amortised Cost)

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Term loans	2,13,644.56	1,59,308.77
(ii) term loans - related parties	0.00	-
(iii) Staff loans	83.39	35.04
Total	**2,13,727.95**	**1,59,343.81**
Less: Impairment loss allowance	2,973.44	3,018.42
Total - Net of impairment loss allowance	**2,10,754.51**	**1,56,325.40**
(i) Secured by tangible assets*	2,13,644.56	1,59,308.77
(i) Secured by intangible assets	-	-
(ii) Covered by Bank/ Government Guarantees	-	-
(iii) Unsecured	83.39	35.04
Total	**2,13,727.95**	**1,59,343.81**
Less: Impairment loss allowance	2,973.44	3,018.42
Total - Net of impairment loss allowance	**2,10,754.51**	**1,56,325.40**
(i) Public sectors	-	-
(ii) Others	2,13,727.95	1,59,343.81
Total	**2,13,727.95**	**1,59,343.81**
Less: Impairment loss allowance	2,973.44	3,018.42
Total - Net of impairment loss allowance	**2,10,754.51**	**1,56,325.40**
(i) Loans in India	2,13,727.95	**1,59,343.81**
(ii) Loans outside India		
Total	**2,13,727.95**	**1,59,343.81**
Less: Impairment loss allowance	2,973.44	3,018.42
Total - Net of impairment loss allowance	**2,10,754.51**	**1,56,325.40**

*Secured against hypothecation of automobiles, book debts, equitable mortgage of immovable property etc.

5.1 The table below discloses credit quality and the maximum exposure to credit risk based on the company's year end stage classification. The numbers presented are gross of impairment loss allowance:

Particulars	As at March 31, 2023	As at March 31, 2022
Term loans		
Stage I	1,69,430.51	1,29,809.42
Stage II	38,155.73	25,161.20
Stage III	6,058.32	4,338.15
Total	**2,13,644.56**	**1,59,308.77**

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Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

5.2 Gross movement of loans for the year ended March 31, 2023:-

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount as at April 1, 2022				
Term loans	**1,29,809.42**	**25,161.20**	**4,338.15**	**1,59,308.77**
Staff loans	**35.04**	**-**	**-**	**35.04**
New loans originated during the year				
Term loans	1,18,581.75	7,959.69	729.63	1,27,271.07
Staff loans	48.80			48.80
Inter-stage movements:				
-Term loans				
Transfers to Stage 1	1,555.80	(1,542.59)	(13.21)	-
Transfers to Stage 2	(21,396.99)	21,423.38	(26.39)	
Transfers to Stage 3	(1,577.21)	(1,524.33)	3,101.54	-
Interest on stage 3 loans	-	-	69.56	69.56
Amounts written off				
Term loans	(123.40)	(27.92)	(343.48)	(494.81)
Staff loans	-	-	-	-
Assets derecognised or repaid (excluding write offs)				
Term loans	(57,418.86)	(13,293.70)	(1,797.48)	(72,510.03)
Staff loans	(0.45)	-	-	(0.45)
Gross carrying amount as at March 31, 2023				
Term loans	**1,69,430.51**	**38,155.74**	**6,058.32**	**2,13,644.56**
Staff loans	**83.39**	**-**	**-**	**83.39**

5.3 Gross movement of loans for the year ended March 31, 2022:-

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount as at April 1, 2021				
Term loans	**82,084.22**	**56,993.86**	**4,275.96**	**1,43,354.04**
Staff loans	**49.69**	**-**	**-**	**49.69**
New loans originated during the year				
Term loans	80,082.60	2,782.07	104.43	82,969.10
Staff loans	6.35			-
Inter-stage movements:				
-Term loans				
Transfers to Stage 1	17,315.85	(17,251.52)	(64.34)	-
Transfers to Stage 2	(8,774.35)	8,849.51	(75.16)	-
Transfers to Stage 3	(527.83)	(1,672.81)	2,200.63	-
Interest on stage 3 loans	-	-	84.13	84.13
Amounts written off				
Term loans	(48.00)	(103.66)	(584.28)	(735.94)
Staff loans	-	-	-	-
Assets derecognised or repaid (excluding write offs)				
Term loans	(40,323.07)	(24,436.26)	(1,603.23)	(66,362.56)
Staff loans	(14.65)	-	-	(14.65)
Gross carrying amount as at March 31, 2022				
Term loans	**1,29,809.42**	**25,161.20**	**4,338.15**	**1,59,308.77**
Staff loans	**35.04**	**-**	**-**	**35.04**

5.4 ECL movement of term loans during the year ended March 31, 2023:-

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount as at April 1, 2022	**989.64**	**563.47**	**1,465.31**	**3,018.42**
New loans originated during the year	709.16	140.40	87.58	937.14
Inter-stage movements:				
Transfers to Stage 1	45.96	(42.41)	(3.55)	-
Transfers to Stage 2	(276.13)	294.27	(18.14)	-
Transfers to Stage 3	(18.96)	(53.80)	72.76	-
Amounts written off	(4.80)	(4.38)	(320.19)	(329.36)
Assets derecognised or repaid (excluding write offs)	(130.05)	(150.56)	(321.64)	(602.25)
Net Remeasurement of ECL arising from transfer of stage	(341.49)	(35.09)	326.07	(50.50)
Gross carrying amount as at March 31, 2023	**973.33**	**711.90**	**1,288.21**	**2,973.44**

5.5 ECL movement of term loans during the year ended March 31, 2022:-

Particulars	Stage I	Stage II	Stage III	Total
Gross carrying amount as at April 1, 2021	**678.70**	**1,355.87**	**1,208.00**	**3,672.10**
New loans originated during the year	648.57	68.49	39.11	756.16
Inter-stage movements:				
Transfers to Stage 1	654.22	(623.13)	(31.09)	
Transfers to Stage 2	(100.45)	140.51	(40.06)	
Transfers to Stage 3	(5.99)	(50.47)	56.46	
Amounts written off	(1.49)	(14.10)	(395.79)	(411.38)
Assets derecognised or repaid (excluding write offs)	(130.09)	(190.49)	(194.01)	
Net Remeasurement of ECL arising from transfer of stage	(753.83)	(123.21)	822.67	(54.36)
Gross carrying amount as at March 31, 2022	**989.64**	**563.47**	**1,465.31**	**3,018.42**

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Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

6 Other Financial Assets

Particulars	As at March 31, 2023	As at March 31, 2022
Rent and utility deposit	239.69	217.70
Excess Interest Spread (EIS) Receivables	1,926.33	1,450.27
Other -unsecured, considered good	85.55	132.99
Total	**2,251.57**	**1,800.96**

7 Investments

Particulars	As at March 31, 2023	As at March 31, 2022
Investment in Equity instruments		
- Subsidiary (at cost)		
IKF Home finance limited*	10,762.73	6,252.92
(March 31,2023:5,74,04,177 Equity shares of Rs 10 each fully paid ; March 31, 2022: 3,76,14,747 Equity shares of Rs. 10 each, fully paid & 1,97,89,430 Equity shares of Rs. 2.77, partly paid)		
Investment in Market Linked Debentures(at Fair Value through Profit or loss)	15,960.75	-
Investment in Debentures(at Amortised cost)	4,087.07	-
Total (A)	**30,810.55**	**6,252.92**
(i) Investments in India	30,810.55	6,252.92
(ii) Investments outside India		-
Total (B)	**30,810.55**	**6,252.92**

8 Other Non-Financial Assets

Particulars	As at March 31, 2023	As at March 31, 2022
Prepaid expenses	354.73	161.05
Advances to employees	0.27	2.39
GST input credit	523.41	403.98
Advance given for purchase of property	2,000.00	500.00
Total	**2,878.41**	**1,067.42**

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Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

9 Property, plant and equipment

Particulars	Furniture and Fixtures	Computer & Printer	Office equipment	Vehicles	Total	Right to Use Assets
Gross carrying amount						
As at March 31, 2021	**270.52**	**81.96**	**11.16**	**75.51**	**439.16**	**130.15**
Additions	28.52	58.05	-	-	86.57	4.92
Disposals		(0.25)	-	-	(0.25)	(1.67)
As at March 31, 2022	**299.04**	**139.76**	**11.16**	**75.51**	**525.48**	**133.39**
Additions	6.35	55.80	5.84	-	67.99	399.37
Disposals	(2.47)	(27.70)	(0.54)	-	(30.71)	(13.97)
As at March 31, 2023	**302.92**	**167.86**	**16.46**	**75.51**	**562.76**	**518.79**
Accumulated depreciation and impairment:						
As at March 31, 2021	**96.45**	**61.20**	**5.44**	**35.56**	**198.64**	**105.39**
Depreciation for the year	36.50	17.68	1.76	11.00	66.93	18.17
Disposals	-	(0.20)	-	-	(0.20)	(0.93)
As at March 31, 2022	**132.95**	**78.68**	**7.20**	**46.56**	**265.37**	**122.64**
Depreciation for the year	33.60	29.55	2.24	10.52	75.91	139.86
Disposals	(1.96)	(26.31)	(0.48)	- .00	(28.75)	(13.97)
As at March 31, 2023	**164.59**	**81.92**	**8.96**	**57.08**	**312.53**	**248.53**
Net book value						
As at March 31, 2021	174.07	20.76	5.72	39.95	240.52	24.77
As at March 31, 2022	166.09	61.09	3.97	28.94	260.11	10.75
As at March 31, 2023	138.33	85.94	7.50	18.43	250.23	270.26

Note: The Company has not revalued any of its property, plant and equipment during the years ended March 31, 2023 and March 31, 2022. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is nil.

IKF Finance Limited

Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

10 Investment Property

Particulars	Buildings	Land	Total
Gross carrying amount			
As at March 31, 2021	**6.98**		**6.98**
Additions	-	224.11	224.11
Disposals	-	(116.10)	(116.10)
As at March 31, 2022	**6.98**	**108.01**	**114.99**
Additions	-	-	-
Disposals	-	(42.00)	(42.00)
As at March 31, 2023	**6.98**	**66.01**	**72.99**
As at March 31, 2021	**0.51**	-	**0.51**
Depreciation for the year	0.17	-	0.17
Disposals	-	-	-
As at March 31, 2022	**0.68**	-	**0.68**
Depreciation for the year	0.17	-	0.17
Disposals	-	-	-
As at March 31, 2023	**0.85**	-	**0.85**
Net book value			
As at March 31, 2021	6.47	-	6.47
As at March 31, 2022	6.30	108.01	114.31
As at March 31, 2023	6.13	66.01	72.14

(i) Amounts recognised in Statement of Profit and Loss for Investment Property

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Rental Income	7.63	7.63
Direct operating expense from property that generated rental income		-
Profit from investment properties before depreciation	**7.63**	**7.63**
Depreciation	0.17	0.17
Profit from investment properties	**7.46**	**7.46**

(ii) Contractual obligations

The Company has no contractual obligations to purchase, construct or develop investment property. However, the responsibility for its repairs, maintenance or enhancements is with the Company.

(iii) Fair value

The fair valuation of investment property as at March 31, 2023 is INR 394.18 lakhs(PY: INR 389.65 lakhs)

(iv) Pledged details

Building is pledged in favor of consortium leader central bank for cash credit facility.

(v) Estimation of fair value

The fair values of investment property is determined by guidance value given by the local government of the area where the investment properties are located.

(vi) Revaluation

The Company has not revalued any of its investment property during the years ended March 31, 2023 and March 31, 2022. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is nil.

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Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

11 Intangible assets

Particulars	Computer software
Gross carrying amount	
As at March 31, 2021	**270.24**
Additions	27.54
Disposal	-
As at March 31, 2022	**297.78**
Additions	50.25
Disposal	-
As at March 31, 2023	**348.03**
Accumulated amortisation and impairment	
As at March 31, 2021	**99.67**
Amortisation for the year	43.70
Disposal	-
As at March 31, 2022	**143.37**
Amortisation for the year	48.29
Disposal	-
As at March 31, 2023	**191.65**
Net book value	
As at March 31, 2021	170.57
As at March 31, 2022	154.42
As at March 31, 2023	156.38

Note: The Company has not revalued any of its intangible assets during the years ended March 31, 2023 and March 31,2022. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is nil.

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Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

12 Debt Securities

Particulars	As at March 31, 2023	As at March 31, 2022
At amortised cost		
Secured		
Non convertible debentures	10,125.66	11,369.58
Unsecured		
Other non convertible debentures	8,712.88	3,816.89
Total	**18,838.54**	**15,186.47**
Debt Securities:		
Within India	18,838.54	15,186.47
Outside India	-	-
Total	**18,838.54**	**15,186.47**

Nature of security

Non convertible debentures (secured)

Non convertible debentures are secured by an exclusive charge by way of hypothecation of specific loan receivable created out of the loan proceeds and mortgage of personal properties of directors in addition to their personal guarantees.

The Company has utilised the funds raised from banks and financial institutions for the specific purpose for which they were borrowed.

The Company has borrowed funds from banks and financial institutions on the basis of security of current assets. It has filed quarterly returns or statements of current assets with banks and financial institutions and the said returns/statements are in agreement with books of accounts.

Terms of repayment of Debt securities as on March 31, 2023

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Monthly repayment schedule								
1-7 Years	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Quarterly repayment schedule								
1-5 Years	9.01%-10.00%	-	-	-	-	-	-	-
	10.01%-11.00%	4	3,500.00	4	3,500.00	-	-	7,000.00
	11.01%-12.00%	-	-	-	-	-	-	-
	12.01%-12.50%	-	-	-	-	-	-	-
Bullet repayment schedule								
1-7 Years	8.51%-9.50%	1	5,000.00	-	-	-	-	5,000.00
	9.51%-10.50%	2	6,500.00	-	-	-	-	6,500.00
	10.51%-11.50%	-	-	-	-	-	-	-
	11.51%-12.50%	-	-	-	-	-	-	-
Total			**15,000.00**	**-**	**3,500.00**	-	-	**18,500.00**
Add : Interest accrued but not due								385.72
Less : Unamortized Finance Cost								(47.18)
Total Amortized Cost			**15,000.00**		**3,500.00**		-	**18,838.54**

Terms of repayment of Debt securities as on March 31, 2022

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Monthly repayment schedule								
1-7 Years	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Quarterly repayment schedule								
1-5 Years	9.01%-10.00%	-	-	-	-	-	-	-
	10.01%-11.00%	-	-	-	-	-	-	-
	11.01%-12.00%	-	-	-	-	-	-	-
	12.01%-12.50%	5	650.00	-	-	-	-	650.00
Bullet repayment schedule								
1-7 Years	8.51%-9.50%	1	1,250.00	1	5,000.00	-	-	6,250.00
	9.51%-10.50%	1.00	1,500.00	2	6,500.00	-	-	8,000.00
	10.51%-11.50%	-	-	-	-	-	-	-
	11.51%-12.50%	-	-	-	-	-	-	-
Total			**3,400.00**	**-**	**11,500.00**	-	-	**14,900.00**
Add : Interest accrued but not due								299.41
Less : Unamortized Finance Cost								(12.95)
Total Amortized Cost			**3,400.00**		**11,500.00**		-	**15,186.47**

CHARTERED ACCOUNTANTS FRN-112001W/W100044 MUMBAI

IKF FINANCE LIMITED VIJAYAWADA

IKF Finance Limited

Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

13 Borrowings (other than debt securities)

Particulars	As at March 31, 2023	As at March 31, 2022
At amortised cost		
Term loans (Secured)		
from banks	1,11,172.40	59,562.30
from non banking financial companies	26,757.56	10,993.61
from financial institutions	4,454.33	5,344.18
Loans repayable on demand (Secured):		
Cash credit from Bank	26,112.03	32,691.04
Associated liabilities in respect of securitisation transactions	-	871.72
Total	**1,68,496.32**	**1,09,462.84**
Borrowings:		
Within India	1,68,496.32	1,09,462.84
Outside India		
Total	**1,68,496.32**	**1,09,462.84**

Nature of security

Term loans (secured)

Term Loans from bank, financial institutions and NBFCs are secured by an exclusive charge by way of hypothecation of specific loan receivable created out of the loan proceeds and cash collateral by way of fixed deposits and mortgage of personal properties of directors in addition to their personal guarantees.

Loans repayable on demand (Secured)

These loans are secured against the first pari passu charge on current assets, book debts and receivables including loans & advances of the Company as per the agreement. Further, the loan has been guaranteed by personal guarantee of director/promoter to the extent of INR 332.20 Cr (March 31, 2022: INR 342.20 Cr).

The Company has utilised the funds raised from banks and financial institutions for the specific purpose for which they were borrowed

The Company has borrowed funds from banks and financial institutions on the basis of security of current assets. It has filed quarterly returns or statements of current assets with banks and financial institutions and the said returns/statements are in agreement with books of accounts.

Terms of repayment of borrowings (other than debt) as on March 31, 2023

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Monthly repayment schedule								
1-7 Years	6.00%-7.00%	-	-	-	-	-	-	-
	7.01%-8.00%	-	-	-	-	-	-	-
	8.01%-9.00%	71	5,190.28	100	7,240.50	-	-	12,430.78
	9.01%-10.50%	275	22,070.18	417	32,909.19	-	-	54,979.37
	10.51%-11.50%	36	2,262.97	38	2,463.37	-	-	4,726.34
	11.51%-12.50%	3	115.38	-	-	-	-	115.38
Quarterly repayment schedule								
1-5 Years	6.00%-7.00%	-	-	-	-	-	-	-
	7.01%-8.00%	4	1,820.00	7	3,180.00	-	-	5,000.00
	8.01%-9.00%	25	6,060.44	37	9,988.05	-	-	16,048.49
	9.01%-10.50%	62	14,416.67	112	26,683.06	-	-	41,099.73
	10.51%-11.50%	9	3,333.20	16	5,380.49	-	-	8,713.69
	11.51%-12.50%	-	-	-	-	-	-	-
Total			**55,269.12**		**87,844.66**		-	**1,43,113.78**
Add : Interest accrued but not due								196.30
Less : Unamortized Finance Cost								(925.79)
Total Amortized Cost			**55,269.12**	-	**87,844.66**	-	-	**1,42,384.29**

Terms of repayment of borrowings (other than debt) as on March 31, 2022

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Monthly repayment schedule								
1-7 Years	6.00%-7.00%	4	5,335.00	-	-	-	-	5,335.00
	7.01%-8.00%	12	930.71	11	869.33	-	-	1,800.04
	8.01%-9.00%	150	7,993.59	270	15,973.10	-	-	23,966.69
	9.01%-10.50%	35	1,250.32	21	1,175.66	-	-	2,425.98
	10.51%-11.50%	14	698.81	-	-	-	-	698.81
	11.51%-12.50%	28	1,692.40	-	-	-	-	1,692.40
Quarterly repayment schedule								
1-5 Years	6.00%-7.00%	-	-	-	-	-	-	-
	7.01%-8.00%	-	-	-	-	-	-	-
	8.01%-9.00%	47	9,853.33	93	19,850.83	-	-	29,704.16
	9.01%-10.50%	12	3,566.67	18	6,155.76	-	-	9,722.43
	10.51%-11.50%	5	832.98	-	-	-	-	832.98
	11.51%-12.50%	-	-	-	-	-	-	-
Total			**32,153.80**		**44,024.68**		-	**76,178.48**
Add : Interest accrued but not due								153.74
Less : Unamortized Finance Cost								(432.14)
Total Amortized Cost			**32,153.80**	-	**44,024.68**	-	-	**75,900.08**

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IKF FINANCE LIMITED VIJAYAWADA

IKF Finance Limited

Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

14 Subordinated Liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured - At amortised cost		
Non convertible debentures (Tier-II)	16,345.06	4,505.22
Indian rupee loan from banks (Tier-II)	-	1,498.23
Total	**16,345.06**	**6,003.46**
Subordinated Liabilities:		
Within India	**16,345.06**	**6,003.45**
Total	**16,345.06**	**6,003.45**

Terms of repayment of subordinated liabilities as on March 31, 2023

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Bullet repayment schedule								
1-7 Years	11.51%-12.50%	-	-	-	-	-	-	-
	>13.50%			1	2,500.00	1	14,000.00	16,500.00
Total					**2,500.00**		**14,000.00**	**16,500.00**
Add : Interest accrued but not due								8.98
Less : Unamortized Finance Cost								(163.92)
Total Amortized Cost					**2,500.00**		**14,000.00**	**16,345.06**

Terms of repayment of subordinated liabilities as on March 31, 2022

Original maturity loan	Interest rate	Due within 1 year		Due between 2 to 5 Years		Due more than 5 Years		Total
		No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	No. of Installments	Amount (In lakhs)	
Bullet repayment schedule								
1-7 Years	11.51%-12.50%	1.00	1,500.00	2	4,500.00	-	-	6,000.00
	>13.50%							-
Total					**4,500.00**		**-**	**6,000.00**
Add : Interest accrued but not due								37.37
Less : Unamortized Finance Cost								(33.92)
Total Amortized Cost					**4,500.00**		**-**	**6,003.45**

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IKF FINANCE LIMITED VIJAYAWADA

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Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

15 Other financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Lease Liabilities	278.39	11.61
Employee benefits payable	318.14	216.76
Expenses payable	26.79	4.45
Other Payables	233.80	204.17
Deposit from franchisees	431.47	341.41
Payable towards securitisation / assignment transactions	1,632.75	1,251.73
Total	**2,921.34**	**2,030.13**

16 Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for gratuity	154.38	122.20
Provision for leave benefits	56.12	184.17
Total	**210.50**	**306.37**

17 Other non-financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory dues payable	179.07	99.50
Total	**179.07**	**99.50**

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IKF FINANCE LIMITED VIJAYAWADA

IKF Finance Limited

Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

18. Equity share capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number	Amount	Number	Amount
Authorised Capital				
Equity shares of INR 10 each	8,00,00,000	8,000.00	6,00,00,000	6,000.00
Preference shares of INR 100 each	25,00,000	2,500.00	25,00,000	2,500.00
	8,25,00,000	**10,500.00**	**6,25,00,000**	**8,500.00**
Issued, subscribed and fully paid-up shares				
Equity Shares of INR 10 each fully paid up	6,45,75,050	6,457.51	4,74,79,379	4,747.94
Coverted from Partly Paid to Fully Paid Equity Shares	-	-	51,79,688	517.97
	6,45,75,050	**6,457.51**	**5,26,59,067**	**5,265.91**
Issued, subscribed and fully paid-up shares				
Equity Shares of INR 10 each, Fully paid up INR 10 per share				
	-	-	51,79,688	517.97
Converted to Fully Paid Equity Shares			(51,79,688)	(517.97)
	-	-	-	-
Total	**6,45,75,050**	**6,457.51**	**5,26,59,067**	**5,265.91**

A. Reconciliation of number of shares

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number	Amount	Number	Amount
Fully paid equity share of INR 10 each				
At the beginning of the year	5,26,59,067	5,265.91	4,74,79,379	4,747.94
Shares issued during the year	1,19,15,983	1,191.60		
Coverted from Partly Paid to Fully Paid Equity Shares	-	-	51,79,688	517.97
Outstanding at the end of the year	**6,45,75,050**	**6,457.51**	**5,26,59,067**	**5,265.91**
Partly paid up equity share of INR 10 each, partly paid up INR 10 per share				
At the beginning of the year	-	-	51,79,688	419.55
Amount called/Issued during the year	-	-	-	98.41
Converted to Fully Paid Equity Shares	-	-	**-51,79,688**	(517.97)
Outstanding at the end of the year	-	-	-	-

Notes:

B. Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of INR 10 per share fully paid up. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend if and when proposed by the Board of Directors will be subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, if any, in proportion to the number of equity shares held by the shareholder.

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IKF FINANCE LIMITED VIJAYAWADA

IKF Finance Limited

Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

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

Name of shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of shares held	% Holding	No. of shares held	% Holding
Equity shares of INR 10 each fully paid up				
Vupputuri Gopala Kishan Prasad	1,98,53,581	30.74%	1,97,43,156	37.49%
India Business Excellence Fund-IIA	1,30,51,546	20.21%	1,30,51,546	24.78%
Vistra ITCL (India) Limited (formerly known as IL and FS Trust Company Limited) (Trustee of Business Excellence Trust-II - India Business Excellence Fund II)	78,04,018	12.09%	78,04,018	14.82%
Koganti Vasumathi Devi	26,47,266	4.10%	26,47,266	5.03%
Accion Digital Transformation Fund , LP	55,81,395	8.64%	-	-

As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

D. Shareholding of Promotors

Shares held by promotors at the end of the year	As at March 31, 2023			As at March 31, 2022		
	No. of Shares	% of Total Shares	% Change during the year	No. of Shares	% of Total Shares	% Change during the year
a. Equity shares of INR 10 each fully paid up *						
Vupputuri Gopala Kishan Prasad	1,98,53,581	30.74%	0.56%	1,97,43,156	37.49%	24.36%
Vupputuri Indira Devi	16,48,142	2.55%	0.00%	16,48,142	3.13%	24.21%
Koganti Vasumathi Devi	26,47,266	4.10%	0.00%	26,47,266	5.03%	24.21%
Devineni Vasantha Lakshmi	24,91,794	3.86%	0.00%	24,91,794	4.73%	24.21%
Vupputuri Raghu Ram	18,00,670	2.79%	0.00%	18,00,670	3.42%	24.21%
Durga Rani Chunduri	14,94,100	2.31%	0.00%	14,94,100	2.84%	0.00%
Sinha Satyanand Chunduri	1,17,700	0.18%	0.00%	1,17,700	0.22%	0.00%

* Partly paid shares are full paid and converted to fully paid equity shares in March 22

E. Aggregate number of equity shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

Particular	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Equity shares of ₹ 10 each, fully paid up, allotted on conversion of 19,53,125/- 0.01% Compulsorily convertible preference share of INR 100 each, Fully paid-up	-	-	-		195.31

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IKF FINANCE LIMITED VIJAYAWADA

IKF Finance Limited

Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

19. Other equity

Particulars	As at March 31, 2023	As at March 31, 2022
Capital reserve	32.50	32.50
Securities premium reserve	34,891.60	10,576.37
Share Based Payment reserve	20.63	24.62
Statutory Reserve under section 45-IC of the Reserve Bank of India Act, 1934	5,993.60	4,993.50
General reserve	1,471.49	1,221.46
Retained earnings	20,382.66	16,622.42
Total	**62,792.48**	**33,470.86**

Nature and purpose of reserve

a. Capital reserve

This reserve was created to record the excess carrying value of optionally convertible debentures provided through securities premium. The excess value is recorded by reversing the capital reserve with corresponding debit to debentures.

b. Securities premium reserve

The securities premium reserve is used to record the premium received on issue of shares. The reserve cab be utilised only for limited purpose such as issuance of bonus shares in accordance with provision of the Companies Act, 2013.

c. Statutory reserve

Reserves created under Section 45IC of The Reserve Bank of India Act, 1934

d. Share based payment reserve

The share based payment reserve is used to recognise the grant date fair value of options issued to employees of the Company and its subsidiaries under stock option schemes of the Company.

e. Retained earnings

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

f. General Reserve

It is a free reserve which is created by appropriation from profits of the current year and/or undistributed profits of previous years, before declaration of dividend duly complying with any regulations in this regard.

B. Movement in Other equity

Particulars	As at March 31, 2023	As at March 31, 2022
I. Capital Reserve		
Opening balance	32.50	32.50
Add : Share issued during the year	-	-
	32.50	**32.50**
II. Securities premium reserve		
Opening balance	10,576.37	9,960.39
Add : Premium received on issue of securities	24,315.23	615.97
Impact of first time adoption of Ind AS	-	-
	34,891.60	**10,576.37**
III. Share Based Payment reserve		
Opening balance	24.62	30.65
Add : During the year	-3.99	(6.03)
	20.63	**24.62**
IV. Statutory Reserve under section 45-IC of the Reserve Bank of India Act, 1934		
Opening balance	4,993.50	4,187.41
Add : Transfer from retained earnings	1,000.10	806.09
	5,993.60	**4,993.50**
V. General Reserve		
Opening balance	1,221.46	1,019.94
Add : Transfer from retained earnings	250.03	201.52
	1,471.49	**1,221.46**
VI. Retained earnings		
Opening balance	16,622.42	13,591.31
Add : Profit for the year	5,000.51	4,030.44
Add : Other comprehensive income	9.86	8.28
Appropriations:		
Transfer to Statutory Reserve u/s 45-IC of the Reserve Bank of India, 1934	(1,000.10)	(806.09)
Transfer to General reserve	(250.03)	(201.52)
Total	**20,382.66**	**16,622.42**

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IKF FINANCE LIMITED VIJAYAWADA

IKF Finance Limited

Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

20 Interest income

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
On financial assets measured at amortised cost		
Interest on loans	27,672.71	21,757.50
Interest on deposits with banks	122.43	141.80
Interest on investment in debentures	606.38	33.06
Total	**28,401.52**	**21,932.36**

21 Fees and commission income

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Other fees and charges	240.36	160.21
Total	**240.36**	**160.21**

22 Other income

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest on income tax refund	-	-
Rental income	7.63	7.63
Miscellaneous Income	10.17	22.61
Total	**17.80**	**30.25**

23 Finance costs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
On financial liabilities measured at amortised cost		
Interest on deposits	50.07	70.16
Interest on borrowings	11,440.35	6,879.65
Interest on commercial paper and bonds	-	-
Interest on debentures	1,354.17	2,720.03
Interest on subordinated liabilities	1,506.21	800.06
Interest on ICD	126.42	265.90
Interest on lease liabilities	33.63	2.12
Interest on securitisation	99.70	475.13
Bank Charges	5.51	9.57
Other finance cost	786.57	565.04
Total	**15,402.63**	**11,787.65**

24 Impairment on financial instruments

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
On financial instruments measured at amortised cost		
Loans	(44.98)	(224.16)
Trade receivables	-	(26.21)
Bad debts and write offs	584.83	762.15
Total	**539.85**	**511.78**

25 Employee benefits expenses

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries and wages	4,057.01	2,964.03
Contribution to provident and other funds	216.75	165.42
Share based payment to employees	(3.99)	(6.03)
Staff welfare expenses	84.87	43.05
Gratuity	47.37	34.49
Leave encashment	(104.57)	47.07
Total	**4,297.44**	**3,248.03**

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IKF FINANCE LIMITED VIJAYAWADA

26 Depreciation, amortization and impairment

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation on property, plant and equipment	215.77	85.10
Depreciation on investment property	0.17	0.17
Amortization of intangible assets	48.29	43.70
Total	**264.23**	**128.96**

27 Other expenses

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Rent	245.30	200.31
Communication cost	75.23	49.06
Travelling and conveyance	212.14	113.57
Rates and taxes	379.17	224.80
Insurance	3.31	3.83
Commission and Brokerage	49.38	17.20
Repairs and maintenance	72.54	66.61
Printing and stationary	40.64	28.68
Payment to auditors (Refer Note 27.1)	26.20	32.97
Advertisement, publicity and sales promotion expenses	11.49	3.36
Operation Cost	31.30	29.84
Legal and professional fees	144.54	128.29
Corporate social responsibility (Refer Note 27.2)	91.29	96.53
Director sitting fees	7.50	1.00
Loss on sale of property, plant and equipment	1.91	-
Loss on sale of Investment Property	3.15	6.10
Miscellaneous expenses	29.71	16.97
Total	**1,424.80**	**1,019.11**

27.1 Payment to the auditors:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Auditor's remuneration		
- Audit fees (including Limited review fees)	25.00	31.00
In other capacity		
- Certification services	1.20	1.91
Other of pocket expenses	-	0.06
Total	**26.20**	**32.97**

27.2 Corporate social responsibility:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
a) Amount required to be spent by the company during the year	90.94	88.85
b) Amount of expenditure incurred		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	91.29	96.53
c) Shortfall at the end of the year	-	-
d) Total of previous years shortfall	-	-
e) Net Shortfall	-	-
f) Reason for shortfall	NA	NA
g) Nature of CSR activities	Disaster relief, Sanitation and Hygiene.	Disaster relief, Sanitation and Hygiene.
h) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting	-	-
i) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	-	-

IKF FINANCE LIMITED ★ VIJAYAWADA ★

IKF Finance Limited

Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

28 Income tax

(a) Income tax expense

Particulars	Year ended March 31, 2023 INR	Year ended March 31, 2022 INR
Current tax		
Current tax on profits for the year	1,461.47	1,487.04
Adjustment for current tax of the prior periods	12.91	10.06
Subtotal (A)	**1,474.38**	**1,497.10**
Deferred tax		
Decrease/(Increase) in deferred tax assets	(91.42)	52.59
(Decrease)/Increase in deferred tax liabilities	343.94	(155.62)
Subtotal (B)	**252.53**	**(103.03)**
Deferred tax asset/ (liability) relating to items recognised in other Comprehensive Income (C)	**(3.32)**	**(2.79)**
Income tax expense for the year (A+B+C)	**1,730.22**	**1,396.85**

(b) Deferred tax

The major components of deferred tax (liabilities) arising on account of timing differences for the year ended March 31, 2023:

Particulars	Net balance March 31, 2022	Recognised in profit or loss	Recognised in OCI	Net balance March 31, 2023
Deferred tax assets				
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	77.11	(20.81)	(3.32)	52.98
Impact of provision for expected credit loss on loans	617.45	(11.97)		605.48
Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	4.98	3.70		8.68
Impact of leases under Ind AS 116	2.92	67.14		70.06
Share based payment	6.21	(1.01)		5.20
Others	-	-		-
EIR impact of financial asssets and liabilities	(39.98)	51.05		11.06
(A)	**668.67**	**88.10**	**(3.32)**	**753.46**
Deferred tax liabilities				
Impact of amortisation of anciallary borrowing cost	120.56	165.58		286.13
EIR impact of financial asssets and liabilities				
Impact of direct assignment and securitisaton transactions	379.46	95.55		475.01
Interest income recognised on stage 3 loans	95.60	17.51		113.11
Others	2.71	65.31		68.03
(B)	**598.33**	**343.94**	**-**	**942.28**
Deferred tax assets (net) (A-B)	**70.34**	**(255.84)**	**(3.32)**	**(188.82)**

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Notes to financial statements for the year ended March 31, 2023

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The major components of deferred tax (liabilities) arising on account of timing differences for the year ended March 31, 2022:

Particulars	Net balance March 31, 2021	Recognised in profit or loss	Recognised in OCI	Net balance March 31, 2022
Deferred tax assets				
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	69.35	10.55	(2.79)	77.11
Impact of provision for expected credit loss on loans	680.46	(63.01)	-	617.45
Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	2.58	2.40	-	4.98
Impact of leases under Ind AS 116	6.71	(3.79)	-	2.92
Share based payment	7.72	(1.52)	-	6.21
Others	-		-	-
(A)	**766.82**	**(55.38)**	**(2.79)**	**708.66**
Deferred tax liabilities				
Impact of amortisation of anciallary borrowing cost	119.00	1.56	-	120.56
EIR impact of financial asssets and liabilities	86.49	(46.51)	-	39.98
Impact of direct assignment and securitisaton transactions	507.77	(128.31)	-	379.46
Interest income recognised on stage 3 loans	74.43	21.17	-	95.60
Others	6.24	(3.53)	-	2.71
(B)	**793.94**	**(155.62)**	**-**	**638.31**
Deferred tax assets (net) (A-B)	**(27.11)**	**100.25**	**(2.79)**	**70.34**

(c) Reconciliation of effective tax rate

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
	INR	INR
Profit before tax as per Statement of profit and loss (A)	6,730.73	5,427.29
Applicable income tax rate	25.17%	25.17%
Expected Income Tax Expense (B)	1,693.99	1,365.94
Tax effect of:		
Effect of income exempt from tax	(0.55)	(0.55)
Effect of expenses/provisions not deductible in determining taxable profit	23.31	24.31
Effect of differential tax rate	-	-
Adjustment related to tax of prior years	12.91	10.06
Others	0.56	(2.92)
Income tax expense	**1,730.22**	**1,396.85**

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Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

29 Employee Benefits

a. Defined contribution plan - provident funds

In accordance with Employees' Provident Fund and Miscellaneous Provisions Act, 1952, employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which, both the employee and the Company contribute monthly at a determined rate. These contributions are made to a recognized provident fund administered by Regional Provident Fund Commissioner. The employees contribute 12% of their basic salary and the Company contributes an equal amount.

The Company recognised INR 216.75 lakhs (PY: INR 165.42 lakhs) for year ended March 31, 2023, for provident fund and other contributions in the Statement of profit and loss.

b. Defined Benefit Plan - Gratuity

The Company has a defined benefit gratuity plan (unfunded). Every employee who has completed five years or more of service is eligible for gratuity on cessation of employment and it is computed at 15 days salary (last drawn salary) for each completed year of service subject to limit of INR 20 lakhs as per The Payment of Gratuity Act. 1972.

The following tables summarizes the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the Balance Sheet for the gratuity plan.

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of obligation (A)	154.38	122.20
Fair Value of plan assets (B)	-	-
Present value of obligation (A- B)	154.38	122.20

Particulars	As at March 31, 2023	As at March 31, 2022
Obligation expected to be settled in the next 12 months	15.02	9.62
Obligation expected to be settled beyond next 12 months	139.37	112.58

Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

Particulars	Defined Benefit Obligation		Fair Value of plan assets		Net defined benefit (asset) liability	
	March 31, 2023.	March 31, 2022.	March 31, 2023.	March 31, 2022.	March 31, 2023.	March 31, 2022.
Opening balance	122.20	110.45	-	-	122.20	110.45
Current service cost	38.50	27.26	-	-	38.50	27.26
Past service cost	-	-	-	-	-	-
Interest cost (income)	8.87	7.23	-	-	8.87	7.23
Defined benefit cost included in P&L	**47.37**	**34.49**	**-**	**-**	**47.37**	**34.49**
Other comprehensive income						
Remeasurement loss (gain) due to:						
Demographic assumptions	-	-	-	-	-	-
Financial assumption	(1.89)	(3.69)	-	-	(1.89)	(3.69)
Experience adjustments	(10.87)	(7.38)	-	-	(10.87)	(7.38)
Total remeasurements in OCI	**(12.77)**	**(11.07)**	**-**	**-**	**(12.77)**	**(11.07)**
Others						
Benefits paid	(2.42)	(11.67)	-	-	(2.42)	(11.67)
Closing balance	**154.38**	**122.20**	**-**	**-**	**154.38**	**122.20**

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

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate	7.51%	7.33%
Salary escalation rate	6.00%	6.00%
Withdrawal/attrition rate (based on categories)	9.00%	9.00%
Mortality rate (as % of IALM (2012-14) Ult. Mortality Table)	100.00%	100.00%
Disability rate	0.00%	0.00%
Expected weighted average remaining working lives of employees	25.36 years	24.90 years

Notes:
a) The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields / rates available on applicable bonds as on the current valuation date.

b) The salary growth rate indicated above is the Company's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

c) Attrition rate indicated above represents the Company's best estimate of employee turnover in future (other than on account of retirement, death or disablement) determined considering various factors such as nature of business, retention policy, industry factors, past experience, etc.

Sensitivity analysis:
Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	As at March 31, 2023		As at March 31, 2022	
	Increase	Decrease	Increase	Decrease
Salary escalation Rate (+/- 1%)	165.19 7.00%	144.64 -6.31%	130.98 7.20%	114.20 -6.50%
Discount Rate (+/- 1%)	144.60 -6.34%	165.47 7.18%	114.15 -6.60%	131.33 7.50%
Withdrawal Rate (+/- 1%)	154.54 0.10%	154.13 -0.17%	122.42 0.20%	121.90 -0.20%

The Sensitivity is performed on the defined benefit obligation at the respective valuation date by modifying one parameter whilst retaining other parameters constant. There are no changes from the previous year to the methods and assumptions underlying the sensitivity analyses.

Expected future contributions
The Best Estimate Contribution for the Company during the next year would be INR Nil

Expected cash flow for following years:

Maturity Profile of Defined Benefit Obligations	
Year 1	15.12
Year 2	13.52
Year 3	26.88
Year 4	12.57
Year 5	19.90
Year 6	13.51
Year 7	12.26
Year 8	12.33
Year 9	14.05
Year 10	14.41
Year 11+	138.94

The weighted average duration of the defined benefit obligation is 7.77

c. **Compensated absences :**
The Company provides for accumulated compensated absences as at the balance sheet date using projected unit credit method based on actuarial valuation.

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of unfunded obligation	56.12	184.17
Expenses recognised in the Statement of Profit and Loss	(104.57)	47.07

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Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

30 Earnings per share

Particulars	As at March 31, 2023	As at March 31, 2022
Profit for the year	**5,000.51**	**4,030.44**
Weighted average number of equity shares used in calculating basic earnings per share	536.99	516.78
Effect of potential dilutive Equity Shares on account of unexercised employee stock options	0.19	0.23
Weighted average number of equity shares and potential equity shares used in calculating diluted earnings per share	**537.18**	**517.01**
Basic earnings per share	**9.31**	**7.80**
Diluted earnings per share	**9.31**	**7.80**

31 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Promoters of the Company. The Company operates only in one Business Segment i.e. lending, since the nature of the loans are exposed to similar risks and return profiles, hence they are collectively operating under a single segment. Accordingly the Company does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

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32 Transfer of financial assets

Transfer of financial assets that are not derecognised in their entirety

(i) Securitisations:
The Company uses securitisations as a source of finance. Such transactions generally result in the transfer of contractual cash flows from portfolios of financial assets to holders of issued debt securities. Securitisation has resulted in the continued recognition of the securitised assets.

The table below outlines the carrying amounts and fair values of all financial assets transferred that are not derecognised in their entirety and associated liabilities.

Particulars	As at March 31, 2023	As at March 31, 2022
Carrying amount of transferred assets measured at amortised cost	-	1,195.10
Carrying amount of associated liabilities	-	871.72

The carrying amount of above assets and liabilities is a reasonable approximation of their fair values.

Transfer of financial assets which qualify for derecognition in their entirety

(i) Assignment transaction

The Company has sold loans and advances measured at amortised cost under assignment deals, as a source of finance. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the buyer, the assets have been derecognised from the Company's balance sheet.

The gain arising on said transactions are recorded upfront by discounting the future cash flows accruing in the form of differential interest on such assigned loan to their present values.

The table below summarises the carrying amount of the Excess Interest Spread (EIS) receivable on above transaction which are derecognised

Particulars	As at March 31, 2023	As at March 31, 2022
Carrying amount of EIS receivable	1,926.33	1,450.27

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Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

33 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulars	As at March 31, 2023			As at March 31, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	23,039.43		23,039.43	3,377.21	-	3,377.21
Bank Balance other than cash and cash equivalents	4280.30	1292.87	5,573.17	1274.79	933.86	2,208.65
Loans	76173.43	134581.08	2,10,754.51	65514.88	90810.52	1,56,325.40
Investments	20,047.82	10,762.73	30,810.55	-	6,252.92	6,252.92
Other Financial assets	1,417.27	834.30	2,251.57	1,173.95	627.01	1,800.96
Sub total	**1,24,958.25**	**1,47,470.98**	**2,72,429.23**	**71,340.83**	**98,624.31**	**1,69,965.14**
Non-financial assets						
Current Tax assets (Net)	372.98		372.98	183.04	-	183.04
Deferred Tax assets (Net)		-	-	-	70.34	70.34
Investment Property		72.14	72.14	-	114.31	114.31
Property, plant and equipment		250.23	250.23	-	260.11	260.11
Right to Use Assets		270.26	270.26	-	10.75	10.75
Intangible assets		156.38	156.38	-	154.42	154.42
Other non-financial assets	0.27	2,878.14	2,878.41	2.39	1,065.03	1,067.42
Sub total	**373.25**	**3,627.16**	**4,000.41**	**185.43**	**1,674.96**	**1,860.39**
Total assets	**1,25,331.50**	**1,51,098.13**	**2,76,429.64**	**71,526.26**	**1,00,299.26**	**1,71,825.53**
LIABILITIES AND EQUITY						
LIABILITIES						
Financial liabilities						
Debt Securities	15,385.72	3,452.82	18,838.54	3,699.42	11,487.05	15,186.47
Borrowings (Other than Debt Securities)	81,577.44	86,918.88	1,68,496.32	65,827.60	43,635.24	1,09,462.84
Subordinated Liabilities	8.98	16,336.07	16,345.06	1,537.37	4,466.08	6,003.45
Other Financial liabilities	2,641.02	280.32	2,921.34	1,808.65	221.48	2,030.13
Sub total	**99,613.16**	**1,06,988.10**	**2,06,601.26**	**72,873.04**	**59,809.85**	**1,32,682.89**
Non-Financial liabilities						
Provisions	26.62	183.87	210.50	31.70	274.67	306.37
Deferred tax liabilities (Net)	188.82		188.82	-	-	-
Other non-financial liabilities	179.07		179.07	99.50	-	99.50
Sub total	**394.51**	**183.87**	**578.38**	**131.20**	**274.67**	**405.87**
Total liabilities	**1,00,007.67**	**1,07,171.97**	**2,07,179.64**	**73,004.24**	**60,084.52**	**1,33,088.76**

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(Currency : INR in lakhs)

34 Changes in liabilities arising from financing activities

Particulars	As at March 31, 2022	Cash Flows (net)	Others (net)*	As at March 31, 2023
Subordinated liabilities	6,003.44	10,500.00	(158.39)	16,345.05
Debt securities	15,186.48	3,600.00	52.07	18,838.55
Borrowing other than debt securities	1,09,462.84	60,356.30	(1,322.82)	1,68,496.31
	1,30,652.75	**74,456.30**	**(1,429.14)**	**2,03,679.91**

Particulars	As at March 31, 2021	Cash Flows (net)	Others (net)*	As at March 31, 2022
Subordinated liabilities	5,986.80	-	16.65	6,003.44
Debt securities	33,687.94	(17,950.00)	(551.48)	15,186.48
Borrowing other than debt securities	85,755.90	29,638.55	(5,931.61)	1,09,462.84
	1,25,430.64	**11,688.55**	**(6,466.44)**	**1,30,652.75**

* Others column includes the effect of accrued but not paid interest on borrowing, amortisation of processing fees and cash flows from securitisation etc.

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35 Employee Stock Option Plan (ESOP)

The Company had granted 5,62,860 Equity shares (face value of INR 10/- each) under Employee Stock Option Plan 2019 on June 11, 2019 to the employees of IKF Finance Limited. The shares will vest gradually and vesting of these shares is dependent on continued employment with the company.

A. Expenses arising from share-based payment transactions

Total expenses arising from equity - settled share-based payment transaction recognised in profit or loss as part of employee benefit expense for the year ended March 31, 2023 is INR (4.00) lakhs (March 31, 2022 - INR (6.03) lakhs).

B. Movement during the year

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year:

Particulars	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2022
	Number	WAEP	Number	WAEP
Outstanding at 1 April	2,06,000.00	120.00	3,56,930.00	120.00
Granted during the year	-		-	
Forfeited during the year	59,200.00	120.00	1,50,930.00	120.00
Exercised during the year	-		-	
Expired during the year	-		-	
Outstanding at 31 March	1,46,800.00	120.00	2,06,000.00	120.00
Exercisable at 31 March	1,02,760.00	120.00	92,700.00	120.00

No Share options granted during the year. No options were vested or exercised during the year.

The weighted average remaining contractual life for the share options outstanding as at March 31, 2023 is 0.15 years (March 31, 2022: 0.58 years).

The weighted average fair value of options granted during the year ending March 31, 2020 was 14.79

C. Fair value of options granted

The weighted average fair value of options granted during the year ending March 31, 2020 was 14.79. The fair value of options was determined using the Black Scholes Model using the following inputs as follows :

Particulars	As at March 31, 2023	As at March 31, 2022
Weighted average fair values at the measurement date	14.79	14.79
Expected volatility (%)	0.36%	0.36%
Risk--free interest rate (%)	4.50%	4.50%
Expected life of share options/SARs (years)	1.30 years to 4.30 years	1.30 years to 4.30 years
Weighted average share price (INR)	120.00	120.00

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

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36 Contingent liabilities and commitments

In the ordinary course of business, the Company faces claims and assertions by various parties. The Company assesses such claims and assertions and monitors the legal environment on an ongoing basis, with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

The Company believes that the outcome of these proceedings will not have a materially adverse effect on the Company's financial position and results of operations.

36.1 Contingent Liability

There are no Contingent Liabilities as on March 31, 2023 (March 31, 2022: INR 0.)

36.2 Commitment

There are no commitment as on March 31, 2023 (March 31, 2022: INR 0.)

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37 Leases

Company as a Lessee

The Company's lease asset classes primarily consist of leases for office spaces. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:(i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) . For these short-term leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Following are the changes in the carrying value of right of use assets

Particulars	As at March 31, 2023	As at March 31, 2022
Opening	10.78	24.77
Additions	399.37	4.92
Deletion	-	(0.74)
Depreciation	(139.86)	(18.17)
Closing Balance	**270.29**	**10.78**

The following is the movement in lease liabilities :

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning	11.61	26.68
Additions	380.28	4.80
Finance cost accrued during the period	33.63	2.12
Payment of lease liabilities	(147.12)	(21.99)
Balance at the end	**278.39**	**11.61**

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at March 31, 2023	As at March 31, 2022
Less than 3 months	38.51	2.61
Over 3 months & upto 6 months	38.51	2.76
Over 6 months & upto 1 year	77.05	3.18
Over 1 year & upto 3 years	164.28	9.81
Over 3 years	-	6.41

The following are the amounts recognised in statement of profit or loss:

Particulars	As at March 31, 2023	As at March 31, 2022
Depreciation expense of right-of-use assets	139.86	18.17
Interest expense on lease liabilities	33.63	2.12
Expense relating to short-term leases	245.30	200.31
Total amount recognised in profit or loss	**418.79**	**220.60**

Future Commitments:

Particulars	As at March 31, 2023
Future undiscounted lease payments for which the leases have not yet commenced	-

Extension / Termination Options:

Some of the leases contain extension and termination options. Such options are taken into account in the determination of the lease term only if extension or non-termination can be assumed with reasonable certainty. On this basis, there were no such amounts included in the measurement of lease liabilities as at March 31, 2023.

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38 Capital Management

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements iron its regulators and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

39 Analytical Ratios

Particulars	As at March 31, 2023			As at March 31, 2022	% Variance	Reasons for Variance (if above 25%)
	Numerator	Denominator	Ratio	Ratio		
Capital to Risk Weighted Assets Ratio (CRAR)	80,338.70	243322.36	33.02%	24.11%	36.95%	
Tier I CRAR	63,863.99	243322.36	26.25%	21.55%	21.79%	Increase on account of New equity raised during the year
Tier II CRAR	16,474.70	243322.36	6.77%	2.56%	164.62%	Increase on account of new tier II Capital raised during the year
Liquidity Coverage Ratio			NA	NA		

Note: As per the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, liquidity coverage ratio is not applicable on the company.

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(Currency : INR in lakhs)

40 Fair Value Measurement:

A. Valuation Principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques:

Level 1 - Valuation technique using quoted market price: financial instruments with quoted prices for identical instruments in active markets that Company can access at the measurement date.

Level 2 - Valuation technique using observable inputs: Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life.

Level 3 - Valuation technique with significant unobservable inputs: Those that include one or more unobservable input that is significant to the measurement as whole.

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

Particulars	Fair Value			Fair Value Hierarchy	Valuation Technique	Key Inputs for Level 2 & Level 3	Significant unobservable input(s) for Level 3
Financial Assets	Category	As at March 31, 2023	As at March 31, 2022				
Investment in Market Linked Debentures	FVTPL	15,960.75	0.00	Level 2	Mark-to-Market of the debt insrument	Valuation received from the rating agency	NA

B. Fair value of financial instrument not measured at fair value:

The table below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non-financial assets and non-financial liabilities.

Particulars	Level	Carrying value		Fair value	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Financial Assets					
Cash and cash equivalents	1	23,039.43	3,377.21	23,039.43	3,377.21
Bank Balance other than cash and cash equivalents	1	5,573.17	2,208.65	5,573.17	2,208.65
Loans	2	210,754.51	156,325.40	212,021.80	161,025.03
Rent and utility deposits	2	239.69	217.70	239.69	217.70
EIS receivable	2	1,926.33	1,450.27	1,926.33	1,450.27
Other financial assets	2	85.55	132.99	85.55	132.99
Investment in debentures	2	4,087.07	-	4,087.07	-
		245,705.75	**163,712.21**	**246,973.05**	**168,411.85**
Financial Liabilities					
Debt securities	2	18,838.54	15,186.47	19,252.78	15,506.33
Borrowings (other than debt securities)	2	168,496.32	109,462.84	168,231.86	109,459.96
Subordinated Liabilities	2	16,345.06	6,003.45	16,458.38	6,099.99
Other financial liabilities	2	2,921.34	2,030.13	2,921.34	2,030.13
Total Financial liabilities		**206,601.26**	**132,682.89**	**206,864.36**	**133,096.40**

Investment in subsidiary is measured at cost in accordance with Ind AS 27.

Valuation Methodologies of Financial Instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables and, as such, may differ from the techniques and assumptions explained in notes.

Short Term Financial Assets and Liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, bank balance other than cash and cash equivalents, trade receivables, rent and utility deposits and other financial liabilities.

Loans and advances to customers

The fair values of loans are estimated by discounted cash flow models based on contractual cash flows using actual or estimated yields.

Borrowings other than debt securities, Debt securities and Subordinated liabilities

The fair value of issued debt is estimated by a discounted cash flow model incorporating the Company's own credit risk.

EIS receivable

EIS receivable is calculated by discounting the contractual future cash flows. The carrying value closely approximates its fair value.

C. Categories of Financial Instruments :

Particulars	As at March 31, 2023			
	Amortised cost	At Fair Value Through profit or loss	At Deemed Cost	Total
Cash and cash equivalents	23,039.43	-	-	23,039.43
Bank Balance other than included in (a) above	5,573.17	-	-	5,573.17
Loans	210,754.51	-	-	210,754.51
Investments	4,087.07	15,960.75	10,762.73	30,810.55
Other financial assets	2,251.57	-	-	2,251.57
Total	**245,705.75**	**15,960.75**	**10,762.73**	**272,429.23**
Debt securities	18,838.54	-	-	18,838.54
Borrowings (other than debt securities)	168,496.32	-	-	168,496.32
Subordinated Liabilities	16,345.06	-	-	16,345.06
Other financial liabilities	2,921.34	-	-	2,921.34
Total	**206,601.26**	-	-	**206,601.26**

Particulars	As at March 31, 2022			
	Amortised cost	At Fair Value Through profit or loss	At Deemed Cost	Total
Cash and cash equivalents	3,377.21	-	-	3,377.21
Bank Balance other than included in (a) above	2,208.65	-	-	2,208.65
Loans	156,325.40	-	-	156,325.40
Investments	-	-	6,252.92	6,252.92
Other financial assets	1,800.96	-	-	1,800.96
Total	**163,712.22**	-	**6,252.92**	**169,965.14**
Debt securities	15,186.47	-	-	15,186.47
Borrowings (other than debt securities)	109,462.84	-	-	109,462.84
Subordinated Liabilities	6,003.45	-	-	6,003.45
Other financial liabilities	2,030.13	-	-	2,030.13
Total	**132,682.89**	-	-	132,682.89

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41 Risk management

Risk is an integral part of the Company's business and sound risk management is critical to the success. As a financial intermediary, the Company is exposed to risks that are particular to its lending and the environment within which it operates and primarily includes credit, liquidity and market risks. The Board of Directors of the Company are responsible for the overall risk management approach and for approving the risk management strategies and principles. The Company has a risk management policy which covers all the risk associated with its assets and liabilities.

41.1 Introduction and Risk Profile

Risk management and mitigation

The Company's risks are measured using a method that reflects both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the ultimate actual loss. The models make use of probabilities derived from historical experience, adjusted to reflect the economic environment, as necessary.

The Company's policy is to measure and monitor the overall risk-bearing capacity in relation to the aggregate risk exposure across all risk types and activities.

It is the Company's policy to ensure that a robust risk awareness is embedded in its organisational risk culture. Employees are expected to take ownership and be accountable for the risks the Company is exposed to that they decide to take on. The Company's continuous training and development emphasises that employees are made aware of the Company's risk appetite and they are supported in their roles and responsibilities to monitor and keep their exposure to risk within the Company's risk appetite limits.

The Company is generally exposed to credit risk, liquidity risk, market risk, prepayment risk and operational risk.

41.2 Credit Risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical concentrations, and by monitoring exposures in relation to such limits.
Credit risk is monitored by the credit department of the Company. It is their responsibility to review and manage credit risk. Credit risk consists of line credit managers who are responsible for their business lines and manage specific portfolios and experts who support both the line credit manager, as well as the business with tools like credit risk systems, policies, models and reporting.
The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

Impairment assessment

The references below show where the Company's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the summary of significant accounting policies.

Definition of default and cure

The Company considers a financial instrument as defaulted and therefore Stage 3 (credit-impaired) for Expected Credit Loss (ECL) calculations in all cases when the borrower becomes more than 3 months past due on its contractual payments.

The staging criteria used by the Company is as below:

Loans months past due	Stage
Upto 1 month	Stage 1
Between 1 month to 3 months	Stage 2
More than 3 months	Stage 3

The Company considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes past due for more than 3 months on its contractual payments.

It is the Company's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage 3 when the due amount have been paid. The decision whether to classify an asset as Stage 2 or Stage 1 once cured depends on the updated credit grade, at the time of the cure, and whether this indicates there has been a significant increase in credit risk compared to initial recognition.

Exposure at default (EAD)

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the ability to increase its exposure while approaching default and potential early repayments too.

To calculate the EAD for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12 months ECL.
For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments.

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Probability of default (PD)

The Probability of Default is an estimate of the likelihood of default over a given time horizon. To calculate the ECL for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12month ECL. For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments. The Company uses historical information wherever available to determine PD

Loss given Default (LGD)

LGD is the estimated loss that the Company might bear if the borrower defaults. The Company determines its recovery (net present value) by analysing the recovery trends, borrower rating, collateral value and expected proceeds from sale of asset.

LGD Rates have been computed internally based on the discounted recoveries in defaulted accounts that are closed/ written off/ repossessed and upgraded during the year.

When estimating ECLs on a collective basis for a group of similar assets, the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

Significant increase in credit risk

The Company continuously monitors all assets subject to ECLs in order to determine whether an instrument or a portfolio of instruments is subject to 12 month ECL or lifetime ECL. The Company assesses whether there has been an event which could cause a significantly increase in the credit risk of the underlying asset or the customers ability to pay and accordingly change the 12 month ECL to a lifetime ECL.

If contractual payments are more than 30 days past due, the credit risk is deemed to have increased significantly since initial recognition.

Concentration of Credit Risk

Company's loan portfolio is predominantly to finance commercial vehicle loans. The Company manages concentration of risk primarily by geographical region. The following tables show the region-wise concentrations of net terms loans.

Geography	March 31, 2023.	March 31, 2022.
West	59,658.29	37,808.22
Central	8,709.95	5,531.19
South	1,45,276.32	1,15,969.36
	2,13,644.56	**1,59,308.77**

Quantitative Information of Collateral

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

As at March 31, 2023	Loan to value			
	Upto 50%	51%-70%	More than 70%	Total
Cars & Muvs	1130.94	23,463.73	12,695.19	37,289.86
Commercial Vehicles	1,578.17	31,736.73	29,246.64	62,561.54
Construction Equipment	4,047.76	17,681.56	23,318.34	45,047.66
Three Wheeler	34.88	10,852.93	1,572.51	12,460.32
Tractor	152.27	2,362.86	408.85	2,923.98
Two Wheeler	894.05	1,080.67	462.34	2,437.06
SME	39,829.78	4,335.27	6,759.09	50,924.14
Total	**47,667.85**	**91,513.75**	**74,462.96**	**2,13,644.56**

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As at March 31, 2022	Loan to value			
	Upto 50%	51%-70%	More than 70%	Total
Cars & Muvs	1,224.12	19,288.11	10,382.32	30,894.55
Commercial Vehicles	2,350.49	28,154.20	14,292.21	44,796.91
Construction Equipment	3,477.80	14,367.04	12,146.46	29,991.30
Three Wheeler	48.26	9,201.86	1,808.16	11,058.28
Tractor	203.45	2,018.47	381.49	2,603.41
Two Wheeler	1,139.12	1,041.94	772.97	2,954.04
SME	6,491.94	4,304.85	26,213.51	37,010.29
Total	**14,935.19**	**78,376.45**	**65,997.12**	**1,59,308.77**

41.3 Liquidity Risk

In assessing the Company's liquidity position, consideration shall be given to: (1) present and anticipated asset quality (2) present and future earnings capacity (3) historical funding requirements (4) current liquidity position (5) anticipated future funding needs, and (6) sources of funds. The Company maintains a portfolio of marketable assets that are assumed to be easily liquidated and undrawn cash credit limits which can be used in the event of an unforeseen interruption in cash flow. The Company also enters into securitization deals (direct assignment as well as pass through certificates) of their loan portfolio, the funding from which can be accessed to meet liquidity needs. Net liquid assets consist of cash and short–term bank deposits. Borrowings from banks and financial institutions and issue of Non convertible debentures are considered as important sources of funds to finance lending to customers.

Analysis of financial assets and liabilities by remaining contractual maturities:

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at March 31, 2023.

Particulars	Less than 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years	Total
Financial assets						
Cash and cash equivalents	6,239.43	-	16,800.00	-	-	23,039.43
Bank Balance other than included in (a) above	3,587.71	514.95	294.64	1,389.27	-	5,786.57
Loans	24,272.24	27,193.57	52,365.27	1,39,232.39	24,521.28	2,67,584.76
Investments	20,047.82	-	-	-	10,762.73	30,810.55
Other financial assets	521.66	385.06	580.15	692.05	254.36	2,433.27
Total undiscounted financial assets	**54,668.86**	**28,093.58**	**70,040.06**	**1,41,313.70**	**35,538.36**	**3,29,654.57**
Financial liabilities						
Subordinated Liabilities	566.01	571.32	1,137.10	4,539.82	20,644.59	27,458.84
Debt securities	6,310.82	2,983.62	7,116.57	3,732.82	-	20,143.83
Borrowings (other than debt securities)	20,277.82	17,255.58	56,758.18	85,377.77	11,035.39	1,90,704.73
Other financial liabilities	2,470.62	55.10	123.90	279.57	51.21	2,980.40
Total undiscounted financial liabilities	**29,625.26**	**20,865.62**	**65,135.76**	**93,929.97**	**31,731.19**	**2,41,287.80**
Net undiscounted financial assets / (liabilities)	**25,043.60**	**7,227.96**	**4,904.30**	**47,383.73**	**3,807.17**	**88,366.77**

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at March 31, 2022.

Particulars	Less than 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years	Total
Financial assets						
Cash and cash equivalents	3,377.21	-	-	-	-	3,377.21
Bank Balance other than included in (a) above	267.49	906.32	122.85	999.25	-	2,295.91
Loans	32,748.04	19,308.14	33,438.99	96,340.47	16,332.84	1,98,168.48
Investments	-	-	-	-	6,252.92	6,252.92
Other financial assets	493.84	292.83	440.36	480.51	221.30	1,928.84
Total undiscounted financial assets	**36,886.58**	**20,507.29**	**34,002.20**	**97,820.23**	**22,807.06**	**2,12,023.36**
Financial liabilities						
Subordinated Liabilities	198.70	1,696.45	304.02	1,221.46	5,084.17	8,504.80
Debt securities	1,949.37	377.48	2,640.40	12,296.95	-	17,264.20
Borrowings (other than debt securities)	13,263.27	10,566.57	49,799.03	44,216.10	4,158.98	1,22,003.95
Other financial liabilities	1,723.42	18.60	77.09	275.92	-	2,095.03
Total undiscounted financial liabilities	**17,134.76**	**12,659.10**	**52,820.54**	**58,010.43**	**9,243.15**	**1,49,867.98**
Net undiscounted financial assets / (liabilities)	**19,751.82**	**7,848.19**	**(18,818.34)**	**39,809.80**	**13,563.91**	**62,155.38**

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The table below shows the contractual expiry by maturity of the Company's contingent liabilities and commitments. Each undrawn loan commitment is included in the time band containing the earliest date it can be drawn down.

Particulars	On demand	Less than 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years
As at March 31, 2023						
Guarantees and counter guarantees	-	-	-	-	-	-
Estimated amount of contracts remaining to be executed on capital account, net of advances	-	-	-	-	-	-
Total commitments	-	-	-	-	-	-
As at March 31, 2022						
Guarantees and counter guarantees	-	-	-	-	-	-
Estimated amount of contracts remaining to be executed on capital account, net of advances	-	-	-	-	-	-
Total commitments	-	-	-	-	-	-

41.4 Market Risk

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity, and other market changes. The objective of market risk management is to avoid excessive exposure of our earnings and equity to loss and reduce our exposure to the volatility inherent in financial instruments. There are broadly two types of market risks: (1) Interest rate risk, and (2) Price risk. The Company has not made investments in quoted equity instruments or other quoted investments and hence is not exposed to Equity price risk. Interest rate risk is discussed below:

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is subject to interest rate risk, primarily since it lends to customers at fixed rates and for maturity periods shorter than the funding sources.

The Company has taken borrowings at floating rates gives rise to interest rate risk. Interest rates are highly sensitive to many factors beyond control, including the monetary policies of the Reserve Bank of India, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. In order to manage interest rate risk, the Company seek to optimize borrowing profile between short-term and long-term loans. The Company adopts funding strategies to ensure diversified resource-raising options to minimize cost and maximize stability of funds. Assets and liabilities are categorized into various time buckets based on their maturities. The Interest Rate Risk is mitigated by availing funds at very competitive rates through diversified borrowings and for different tenors.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the portion of borrowings affected. With all other variables held constant, the profit before taxes affected through the impact on floating rate borrowings are as follows:

Impact on Profit before taxes	As at March 31, 2023	As at March 31, 2022
On Floating Rate Borrowings:		
1% increase in interest rates	(1,215.02)	(523.75)
1% decrease in interest rates	1,215.02	523.75

41.5 Prepayment risk

Prepayment risk is the risk that the Company will incur a financial loss because its customers and counterparties repay or request repayment earlier or later than expected, such as fixed rate loans like ours when interest rates fall.

41.6 Operational and business risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

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42 Related Party Disclosure

a. Name of related party and nature of relationship:

Enterprises having a significant influence	India Business Excellence Fund -IIA Vistra ITCL (india) Limied (formerly known as IL and FS trust Company Limited) (Trustee of Business Excellence Trust -II - India Business Excellence Fund - II)
Subsidiary	IKF Home Finance Limited (formerly known as IKF Housing Finance Private Limited)
Enterprises in which directors are interested	SVR Finance & Leasing Private Limited
Enterprises significantly influenced by Key Management Personnel and their relatives	IKF Infratech Private Limited
Relative of Key Management Personnel	Mrs. D. Vasantha Lakshmi Mr. V. Raghu Ram Mr. Sinha Satyanand Chunduri Mrs. Durga Rani Chunduri
Key Management Personnel (KMP)	Mr V.G.K.Prasad — Chairman Mrs. V. Indira Devi — Whole time Director Mrs. K Vasumathi Devi — Managing Director Mr.Sreepal Gulabchand Jain-Chief Financial Officer(Upto 10th February 2023) Mr. Ch.Sreenivasa Rao - Company Secretary and Chief Financial Officer

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42 Related Party Disclosure (continued)
b. Transaction with related parties:

Name of related party	Nature of transaction	For the FY 2022					For the FY 2023			
		As at March 31, 2021	Transaction value for the year ended March 31, 2022	Received During the year	Paid During The year	As at March 31, 2022	Transaction value for the year ended March 31, 2023	Received During the year	Paid During the Year	As at March 31, 2023
Key management personnel										
Mr. V G K Prasad	Rent paid	-	21.60	-	-	-	21.60	-	-	-
	Director's remuneration	-	75.83	-	-	-	84.00	-	-	-
	Director Commission Payable	41.55	51.02	-	41.55	51.02	63.27	-	51.02	63.27
	Rent deposit given	50.00	-	-	-	50.00	-	-	-	50.00
	Advance Received	-	-	-	-	-	-	-	-	-
	Interest paid on advance	-	-	-	-	-	-	-	-	-
	Share Capital (INR 10/- Paid up)	1587.56*	-	-	-	1974.32*	-	-	-	1985.36*
	Partly paid up shares (Rs 10 Paid Up) **	283.97	-	66.61	-	-	-	-	-	-
	Premium Received on Allotment of Partly Paid up Shares **	1,777.38	-	416.92	-	-	-	-	-	-
Mrs. V Indira Devi	Rent paid	-	48.00	-	-	-	48.00	-	-	-
	Director's remuneration	-	32.50	-	-	-	36.00	-	-	-
	Director Commission Payable	17.68	21.71	-	17.68	21.71	26.92	-	21.71	26.92
	Rent deposit given	38.50	-	-	-	38.50	-	-	-	38.50
	Share Capital (INR 10/- Paid up)	132.69	-	-	-	164.81	-	-	-	164.81
	Partly paid up shares (Rs 10 Paid Up) **	26.02	-	6.10	-	-	-	-	-	-
	Premium Received on Allotment of Partly Paid up Shares **	162.86	-	38.20	-	-	-	-	-	-
Mrs.K.Vasumathi Devi	Director's remuneration	-	54.17	-	-	-	60.00	-	-	-
	Director Commission Payable	29.17	35.82	-	29.17	35.82	44.42	-	35.82	44.43
	Share Capital (INR 10/- Paid up)	213.13	-	-	-	264.73	-	-	-	264.73
	Partly paid up shares (Rs 10 Paid Up) **	41.79	-	9.80	-	-	-	-	-	-
	Premium Received on Allotment of Partly Paid up Shares **	261.59	-	61.36	-	-	-	-	-	-
Mr.Sreepal Gulabchand Jain	Salary Paid	-	51.05	-	-	-	55.40	-	-	-
Mr.Ch.Sreenivasa Rao	Salary Paid	-	23.10	-	-	-	25.41	-	-	-
	Staff Loan	-	(10.00)	10.00	-	-	-	-	-	-
	Interest Received		0.04	-	-	-	-			
	ESOP Compensation	-	-	-	-	-	-	-	-	-
Relatives of key management personnel										
Mrs. D Vasantha Lakshmi	Share Capital (INR 10/- Paid up)	200.61	-		-	249.18	-	-	-	249.18
	Partly paid up shares (Rs 10 Paid Up) **	39.34	-	9.23		-	-	-	-	
	Premium Received on Allotment of Partly Paid up Shares **	246.23		57.76		-	-	-	-	
	Purchase of IKF Home Finance Limited Shares	-	-		-	-	-	-	-	-
Mr. V Raghu Ram	Share Capital (INR 10/- Paid up)	144.97	-		-	180.07	-	-	-	180.07
	Partly paid up shares (Rs 10 Paid Up) **	28.43	-	6.67	-	-	-	-	-	-
	Premium Received on Allotment of Partly Paid up Shares **	177.93	-	41.74	-	-	-	-	-	
Mr. Sinha Satyanand Chunduri	Share Capital (INR 10/- Paid up)	11.77	-	-	-	11.77	-	-	-	11.77
Mrs. Durga Rani Chunduri	Share Capital (INR 10/- Paid up)	149.41	-	-	-	149.41	-	-	-	149.41
IKF Home Finance Limited	Loan given	-	-	-	-	-	-	(400.00)	400.00	-
	Interest Received	-	-	-	-	-	1.42		-	-
	Inter Corporate deposits taken ***	-	-	(48,200.00)	48,200.00	-	-	(27,000.00)	27,000.00	-
	Interest Paid	-	265.90	-	-	-	126.42	-	-	-
	Direct Assignment	3,487.22	-	(704.24)	-	2,782.98	-	(803.10)	-	1,979.88
	Interest Receivable on Direct Assignment	22.85	441.76	(430.15)	-	34.46	313.39	(318.87)	-	28.98
	Investments in equity shares by IKF Finance Ltd.,	4,525.10	-	-	1,727.82	6,252.92	-	-	4,509.81	10,762.73
	Investments in equity shares Refundable				1.75	1.75		(1.75)	-	-
	Service Fee Collected	-	28.89	-	-	-	28.35	-	-	
	Service Fee Paid	-	-	-	-	-	-	-	-	
	Purchase of IKF Home Finance Limited Shares	-	-	-	-	-		-	-	
Enterprises significantly influenced by key management personnel or their relatives										
IKF Infratech Private Limited	Non Convertible Debentures	58.20*	-	-	58.20	-	-	-	-	-
	Interest Paid	1.38	0.76	-	2.14	-	-	-	-	-

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42 Related Party Disclosure (continued)

b. Transaction with related parties:

Name of related party	Nature of transaction	For the FY 2022					For the FY 2023			
		As at March 31, 2021	Transaction value for the year ended March 31, 2022	Received During the year	Paid During The year	As at March 31, 2022	Transaction value for the year ended March 31, 2023	Received During the year	Paid During the Year	As at March 31, 2023
Enterprises in which Directors are interested										
SVR Finance & Leasing Private Limited	Trade Advance	-	-	-	-	-	-	-	-	-
	Interest Paid	-	-		-	-	-	-	-	-
Enterprises having a significant influence										
India Business Excellence Fund-IIA	Share Capital (INR 10/- Paid up)	1,305.16	-	-	-	1,305.16	-	-	-	1,305.16
	Share Premium	-	-	-	-	-	-	-	-	
	Compulsorily Convertible Preference Shares of Rs 100/- Each (Converted into equity shares during the FY 2018-19)			-						
	Share premium on preference shares	-	-	-	-	-				
Vistra ITCL (India) Limited (formerly	Share Capital (INR 10/- Paid up)	780.40	-	-	-	780.40	-	-	-	780.40
	Share premium on preference shares	-	-		-	-				

Particulars	As at March 31, 2023	As at March 31, 2022
Short-term employee benefits	395.42	345.20
Post-employment benefits#	-	-
Long-term employee benefits	-	-
Termination benefits	-	-
Employee-share based payment	-	-
Total compensation	**395.42**	**345.20**

#As the provision for gratuity is made for the Company as a whole, the amount pertaining to the Key Management Personnel is not specifically identified and hence is not included above.
* The increased/Decreased value is relating to purchase of shares/debentures from the public.
** Partly paid shares are full paid and converted to fully paid equity shares
*** Inter Corporate Deposits taken from IKF Home Finance Ltd are at Interest of 8%

Notes:
(i) Transaction values are excluding taxes and duties.
(ii) Name of the related parties and nature of their relationships where control exists have been disclosed irrespective of whether or not there have been transactions with the Company. In other cases,
(iii) Related parties as defined under clause 9 of the Ind AS 24 'Related party disclosures' have been identified based on representations made by key managerial personnel and information available with the Company. All above transactions are in the ordinary course of business
(iv) The Company has not granted loans or advances to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, that is repayable on demand or without specifying any terms or period of repayment for the financial years ended March 31, 2023 and March 31, 2022.

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43 Disclosure pursuant to Reserve Bank of India notification DOR (NBFC).CC.PD.No.109 /22.10.106/2019-20 dated 13th March 2020 - Implementation of Indian Accounting Standards:
A comparison between provision required under IRACP and impairment allowances under Ind AS 109:
As at March 31, 2023

Asset Classification as per RBI Norms	Asset Classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provision required as per IRACP norms*	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard	Stage 1	1,69,430.51	973.33	1,68,457.18	678.69	294.65
	Stage 2	38,155.74	711.90	37,443.83	151.10	560.80
Subtotal for Performing Assets		**2,07,586.24**	**1,685.23**	**2,05,901.01**	**829.79**	**855.45**
Non-Performing Assets (NPA)						
Substandard	Stage 3	2,337.17	716.21	1,620.96	623.18	93.03
Doubtful - upto 1 year	Stage 3	3,721.15	572.00	3,149.15	351.53	220.47
Doubtful - 1 to 3 years	Stage 3	-	-	-	-	-
Doubtful - more than 3 years	Stage 3	-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**6,058.32**	**1,288.21**	**4,770.11**	**974.71**	**313.50**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal for other items		**-**	**-**	**-**	**-**	**-**
Total	**Stage 1**	**1,69,430.51**	**973.33**	**1,68,457.18**	**678.69**	**294.65**
	Stage 2	**38,155.74**	**711.90**	**37,443.83**	**151.10**	**560.80**
	Stage 3	**6,058.32**	**1,288.21**	**4,770.11**	**974.71**	**313.50**
	Total	**2,13,644.56**	**2,973.44**	**2,10,671.12**	**1,804.50**	**1,168.95**

* Provision required as per IRACP norms is excluding provision on interest income from Stage 3 loans.

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44 RBI Disclosures

The following additional information is disclosed in the terms of Master Direction - Non-Banking Financial Company - Systematically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 issued vide Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 01, 2016 as amended.

44.01 Capital to Risk Asset Ratio (CRAR)

Particulars	As at March 31, 2023	As at March 31, 2022
Tier I Capital	63,863.99	35,287.42
Tier II Capital	16,474.70	4,189.64
Total Capital	80,338.70	39,477.07
Total Risk Weighted Assets	2,43,322.36	1,63,803.79
CRAR (%)	33.02%	24.11%
CRAR - Tier I Capital (%)	26.25%	21.55%
CRAR - Tier II Capital (%)	6.77%	2.56%
Amount of subordinated debt raised as Tier - II Capital	16,500.00	6,000.00
Amount raised by issue of perpetual debt instruments	-	-

"Tier I capital", "Tier II capital", "Owned fund" and Capital adequacy ratio are calculated as defined in Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 and notification RBI/2019-20/170 DO R (NBFC).CC .PD.No.109/22.10.106/2019-20 "Implementation of Indian Accounting Standards" issued by RBI on March 13, 2020 as amended.

44.02 Investments

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Value of Investments		
(I) Gross value of investments		
(a) In India	30,810.55	6,252.92
(a) Outside India	-	-
(II) Provisions for Depreciation		
(a) In India	-	-
(a) Outside India	-	-
(III) Net value of investments		
(a) In India	30,810.55	6,252.92
(a) Outside India	-	-
(b) Movements of provisions held towards impairment on investments		
(I) Opening balance	-	-
(II) Add : Provisions made during the year	-	-
(III) Less : Write-off/ Written- back of excess provisions during the year	-	-
(IV) Closing balance	-	-

44.03 Derivatives

The Company has not entered into any forward rate agreements, interest rate swaps, and exchange traded interest rate derivatives. Hence, no disclosure is made for the same

IKF Finance Limited

Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

44.04 Disclosure Relating to Securitisation for STC Transactions as per Master Direction – Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021 dated September 24, 2021

Particulars	As at March 31, 2023	As at March 31, 2022
(I) No of SPEs holding assets for securitisation transactions originated by the originator	-	1.00
(II) Total amount of securitised assets as per books of the SPEs	-	1,104.05
(III) Total amount of exposure retained by the originator to comply with MRR as on date of balance sheet		
(a) Off-balance sheet exposure towards credit enhancements		
(i) First Loss	-	
(ii) Others	-	
(a) On-balance sheet exposure towards credit enhancements		
(i) First Loss	-	352.00
(ii) Others	-	-
(IV) Amount of exposures to securitisation transactions other than MRR		
(a) Off-balance sheet exposure		
(i) Exposure to own securitisations		
(1) First Loss	-	-
(2) Others	-	-
(i) Exposure to third party securitisations		
(1) First Loss	-	-
(2) Others	-	-
(b) On balance sheet exposure		
(i) Exposure to own securitisations		
(1) First Loss	-	232.33
(2) Others	-	-
(i) Exposure to third party securitisations		
(1) First Loss	-	-
(2) Others	-	-
(V) Sale consideration received for the securitised assets	-	2,749.59
Gain/loss on sale on account of securitisation	-	-
(VI) Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	Credit Enhancement, Servicing Agent	Credit Enhancement, Servicing Agent
(VII) Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided. **(Credit Enhancement)**		
(a) Amount paid	-	-
(b) Repayment received	-	2,349.16
(c) Outstanding amount	-	352.00
(VIII) Average default rate of portfolios observed in the past.		
(a) Vehicle Loans	-	1.97
(b) Others	-	-
(IX) Amount and number of additional/top up loan given on same underlying asset.		
(a) Vehicle Loans	-	-
(b) Others	-	-
(X) Investor complaints (a) Directly/Indirectly received and; (b) Complaints outstanding	-	-

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Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

44.05 Details of financial assets sold to securitisation / reconstruction company for asset reconstruction.

The Company has not sold financial assets to Securitisation / Reconstruction companies for asset reconstruction in the current and previous year

44.06 Details of loans transferred / acquired during the quarter ended March 31, 2023 under RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021

(i) Details of loans not in default transferred / acquired through assignment during the Year ended March 31, 2023

Particulars	Transferred	Acquired
Aggregate amount of loans transferred	22575.80	6356.72
Weighted average maturity (in years)	29.31	21.19
Weighted average holding period (in ye	8.39	9.50
Retention of beneficial economic intere	10.00%	12.01%
Tangible security Coverage	100.00%	100.00%
Rating-wise distribution of rated loans	Not Applicable	Not Applicable

* Represents the total Pool Value

(ii) The Company has not transferred any non-performing assets (NPAs)

(iii) The Company has not transferred any Special Mention Account (SMA) and loan not in default.

(iv) The Company has not acquired any loans not in default through assignment.

(v) The Company has not acquired any stressed loan.

44.07 Value of Imports calculated on CIF basis

The Company has not imported any goods therefore value of import on CIF basis is Nil

44.08 Expenditure in Foreign Currency

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Legal and professional fees	0.51	0.90
Total	**0.51**	**0.90**

44.09 Earnings in Foreign Currency

The Company does has not have any earnings in foreign currency

44.10 Details of credit impaired assets purchased / sold

The Company has not purchased / sold non-performing financial assets in the current and previous year

44.11 Exposure to Real estate sector

The Company has no exposure to the real estate sector directly or indirectly in the current and previous year.

44.12 Exposure to Capital Market

The Company has no exposure to the capital market directly or indirectly in the current and previous year.

44.13 Financing of Parent Company Product

This disclosure is not applicable as the Company does not have any holding / parent company

44.14 Single Borrower Limit / Group Borrower Limit

The Company has not lent / invested / lent and invested in any borrower / group of borrower in excess of limits prescribed by the RBI.

44.15 Unsecured Advances

The Company has no unsecured advances given against rights, licenses, authorizations etc. during the year and for previous year.

44.16 Registration from Other Financial Sector Regulators

The Company is registered with following other financial sector regulators (Financial regulators as described by Ministry of Finance):

i. R.B.I. - B-09.00172

ii. Ministry of Corporate Affairs - U65992AP1991PLC012736

iii. Ministry of Finance (Financial Intelligence Unit) - FINBF13220

IKF Finance Limited

Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

44.17 Penalty

No penalties were imposed by RBI and other regulators during the current year

44.18 Credit Rating

Particulars	As at March 31, 2023	As at March 31, 2022
Nature of borrowing	**Rating / Outlook**	**Rating / Outlook**
	CARE	**CARE**
Long term bank facilities	A (Stable)	A (Stable)
Commercial Paper	-	-
Non - Convertible Debentures	A (Stable)	A (Stable)

Particulars	As at March 31, 2023	As at March 31, 2022
Nature of borrowing	**Rating / Outlook**	**Rating / Outlook**
	Brickwork Ratings	**Brickwork Ratings**
Long term bank facilities	A (Stable)	A (Stable)
Non - Convertible Debentures	A (Stable)	A (Stable)

44.19 Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
1. Provisions towards income tax	1,461.47	1,487.04
2. Provisions towards loans	-44.98	-224.16
3. Provisions towards trade receivables	-	-26.21

44.20 Draw down from Reserves:

There has been no draw down from reserves during the year ended March 31, 2023 (previous year: Nil)

44.21 Concentration of Loans

Particulars	As at March 31, 2023	As at March 31, 2022
Total Loans to twenty largest borrowers	27,668.83	17,475.78
Percentage of Loans to twenty largest borrowers to total advances of the NBFC	12.95%	10.97%

44.22 Concentration of All Exposure (including off - balance sheet exposures)

Particulars	As at March 31, 2023	As at March 31, 2022
Total Exposure to twenty largest borrowers / customers	27,668.83	17,576.15
Percentage of exposure to twenty largest borrowers / customers to total exposure of the NBFC on borrowers / customers.	12.95%	10.09%

44.23 Concentration of credit impaired loans

Particulars	As at March 31, 2023	As at March 31, 2022
Total Exposure to top ten credit impaired accounts	1,178.46	674.31

44.24 Sector Wise Credit-Impaired Assets under Ind AS

Particulars	As at March 31, 2023	As at March 31, 2022
1. Agriculture & allied activities	2.14%	1.24%
2. MSME	-	-
3. Corporate Borrowers	-	-
4. Services	-	-
5. Unsecured Personal Loans	-	-
6. Auto Loans	3.12%	3.01%
7. Others	2.03%	1.76%

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Notes to financial statements for the year ended March 31, 2023
(Currency : INR in lakhs)

44.25 Movement of Credit-Impaired Loans under Ind AS

Particulars	As at March 31, 2023	As at March 31, 2022
(I) Net impaired loss allowance to Net loans (%)	2.26%	1.84%
(II) Movement of Credit impaired loans under Ind-AS (Gross)		
(a) Opening Balance	4,338.15	4,275.96
(b) (Deletion)/Addition during the year	1,720.17	62.19
(c) Closing balance	6,058.32	4,338.15
(III) Movement of Net Impaired loss		
(a) Opening Balance	2,872.82	3,067.95
(b) (Deletion)/Addition during the year	1,897.29	(195.10)
(c) Closing balance	4,770.11	2,872.84
(III) Movement of impairment loss allowance on credit impaired loans		
(a) Opening Balance	1,465.32	1,208.00
(b) (Deletion)/Addition during the year	(177.11)	257.31
(c) Closing balance	1,288.21	1,465.31

44.26 Overseas Assets

The Company does not have any joint venture or subsidiary abroad; hence this disclosure is not applicable.

44.27 Off Balance Sheet SPVs sponsored (which are required to be consolidated as per accounting norms)

The Company has not sponsored any off-Balance Sheet SPV

44.28 Customer Complaints

Sr No		Particulars	Year ended March 31, 2023	Year ended March 31, 2022
		Complaints received by the Company from its customers		
1		Number of complaints pending at beginning of the year	-	2
2		Number of complaints received during the year	48	13
3		Number of complaints disposed during the year	48	15
	3.1	*Of which, number of complaints rejected by the Company* - -		
4		Number of complaints pending at the end of the year	-	-
		Maintainable complaints received by the Company from Office of ombudsman		
5		Number of maintainable complaints received by the Company from Office of Ombudsman	4	2
	5.1	Of 5, number of complaints resolved in favour of the Company by office of Ombudsman	4	2
	5.2	Of 5,number of complaints resolved through conciliation/ mediation/ advisories issued by Office of Ombudsman		-
	5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the Company	-	-
6		Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

Top five grounds of complaints received by the NBFCs from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
		Year ended March 31, 2023			
Credit reports related		11	1000%	-	-
Document related		22	450%	-	-
Loan related		9	125%	-	-
Payment related		6	50%	-	-
Others		-	-	-	-
Total		48	269%	-	-
		Year ended March 31, 2022			
Credit reports related		1	-	-	-
Document related		4	-	-	-
Loan related		4	-	-	-
Payment related		4	-	-	-
Others		-	-	-	-
Total		13	-	-	-

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44.29 As required by the RBI Master Direction DNBS. PPD.01/66.15.001/2016-17 dated September 29, 2016 the details of frauds noticed / reported are as below:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Amount Involved	-	-
Amount Recovered	-	-
Amount Written off/provided	-	-
Balance	-	-

44.30 Transactions with Non-Executive Directors

Name of Non-Executive Director	Transaction Type	Year ended March 31, 2023	Year ended March 31, 2022
Nageswara Rao Yalamanchili	Payment of Sitting Fees	3.50	1.00
Sunil Rewachand Chandiramani	Payment of Sitting Fees	2.00	
Gopalakrishna Gurrappa	Payment of Sitting Fees	2.00	

44.31 Postponement of Revenue Recognition

Refer note 2.5 Revenue from operations for the circumstances in which revenue recognition has been postponed pending uncertainty of realisation.

44.32 Dues to micro, small and medium enterprises

There are no amounts that need to be disclosed in accordance with the Micro Small and Medium Enterprise Development Act, 2006 (the 'MSMED') pertaining to micro or small enterprises.

For the year ended March 31, 2023, no vendor / supplier has intimated the Company about its status as micro or small enterprises or its registration with the appropriate authority under MSMED

44.33 Disclosure on Resolution Framework – 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses in terms of RBI circular RBI / 2021-22 / 31 DOR. STR. REC.11 /21.04.048 / 2021-22 dated May 5, 2021:

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year **
Personal Loans	-	-	-	-	-
Corporate Persons*	-	-	-	-	-
of which MSMEs		-	-	-	-
Others	82.81	-	-	1.66	81.15
Total	82.81	-	-	1.66	81.15

* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

Disclosures for Reserve Bank of India circular on Resolution Framework for Covid-19 related stress dated August 6, 2020 are not applicable to the Company as none of the borrowers opted for the resolution plan.

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44.34 Asset liability management

Maturity pattern of certain items of asset and liabilities - As at March 31, 2023

Pattern	1 day to 7 days	8 day to 14 days	15 day to 30-31 days	Over 1 month to 2 months	Over 2 months upto 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 to 3 years	Over 3 to 5 years	Over 5 years	Total
Liabilities*											
Borrowings from banks	1,618.57	182.85	1,492.20	2,271.40	8,495.92	11,376.44	45,944.26	61,404.77	9,739.36	-	**1,42,525.78**
Other Borrowings	279.91	484.30	408.43	787.36	725.44	2,479.97	5,030.38	16,075.54	625.00	-	**26,896.33**
Market Borrowings	-	-	5,116.25	-	905.82	2,622.63	6,750.00	3,500.00	2,500.00	14,000.00	**35,394.70**
Assets											
Advances*	2,532.52	800.91	220.49	6,341.17	6,490.64	19,853.22	39,934.49	1,16,682.44	18,356.87	2,515.22	**2,13,727.95**
Investments	-	-	9,202.03	10,845.80	-	-	-	-	-	10,762.73	**30,810.55**

Maturity pattern of certain items of asset and liabilities - As at March 31, 2022

Pattern	1 day to 7 days	8 day to 14 days	15 day to 30-31 days	Over 1 month to 2 months	Over 2 months upto 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 to 3 years	Over 3 to 5 years	Over 5 years	Total
Liabilities*											
Borrowings from banks	322.18	1,356.58	915.01	2,307.85	7,038.92	9,396.89	39,773.42	34,389.76	3,984.25	-	**99,484.87**
Other Borrowings	166.67	73.68	278.31	617.54	554.06	1,592.67	2,938.52	5,693.37	-	-	**11,914.83**
Market Borrowings	22.05	-	108.91	134.36	1,429.90	125.00	1,911.87	11,500.00	4,500.00	-	**19,732.08**
Assets											
Advances*	6,671.61	2,335.89	8,536.77	4,687.83	4,694.78	13,957.78	24,471.36	79,657.94	12,877.30	1,293.70	**1,59,184.95**
Investments	-	-	-	-	-	-	-	-	-	6,252.92	**6,252.92**

*The amount appearing above for gross loans and borrowings excludes the impact of EIR.

44.35 Disclosure on liquidity risk under RBI circular no. RBI/2019-20/88 DOR.NBFC (PD) CC. No. 102/03.10.001/2019-20 dated November 04, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies as on March 31, 2023.

i) Funding Concentration based on significant counterparty (both deposits and borrowings)

Sr. No	No of Significant Counterparties	As at March 31, 2023			As at March 31, 2022		
		Amount #	% of total Deposits	% of Total Liabilities*	Amount #	% of total Deposits	% of Total Liabilities*
1	39	2,00,998.87	NA	97.02%	1,27,107.49	NA	95.51%

ii) Top 20 large deposits – Not Applicable

iii) Top 10 Borrowings

As at March 31, 2023		As at March 31, 2022	
Amount #	% of Total Liabilities*	Amount #	% of Total Liabilities*
88,858.07	42.89%	83,507.47	62.75%

iv) Funding Concentration based on significant instrument/product

Sr. No.	Name of the instrument	As at March 31, 2023		As at March 31, 2022	
		Amount #	% of Total Liabilities*	Amount #	% of Total Liabilities*
1	Term Loan	1,43,113.79	69.08%	76,193.48	57.25%
2	Non Convertible Debentures	35,000.00	16.89%	14,945.00	11.23%
3	Working capital / short term facilities	26,112.03	12.60%	32,691.04	24.56%
	Total	**2,04,225.82**	**98.57%**	**1,23,829.52**	**93.04%**

v) Stock Ratios

Sr. No.	Particulars	31 March, 2023	31 March, 2022
1	Commercial Papers to Total Liabilities	0.00%	0.00%
2	Commercial Papers to Total Assets	0.00%	0.00%
3	NCDs (Original Maturity < 1 year) to Total Liabilities	0.00%	0.00%
4	NCDs (original Maturity < 1 year) to Total Assets	0.00%	0.00%
5	Other Short Term Liabilities # to Total Liabilities*	1.47%	1.97%
6	Other Short Term Liabilities # to Total Assets	1.10%	1.55%

vi) Institutional set-up for liquidity risk management:

The Company has an Asset Liability Management Committee (ALCO), a management level committee to handle liquidity risk management. The ALCO meetings are held at periodic intervals. At the apex level, the Risk Management Committee (RMC), a sub-committee of the Board of Directors of the Company, oversees the liquidity risk management. The RMC subsequently updates the Board of Directors on the same.

Amount does not include accrued but not paid interest on borrowing and amortisation of processing fees.
* Total Liabilities does not include Net Worth.

44.36 Sectoral Exposure

Sr. No.	Sectors	Current Year			Previous Year		
		Total Exposure	GNPA(In Lacs)	GNPA(%)	Total Exposure	GNPA(In lacs)	GNPA(%)
1	**Agriculture & Allied Activities**	2923.98	62.56	2.14%	2603.41	32.18	1.24%
	Total	**2923.98**	**62.56**	**2.14%**	**2603.41**	**32.18**	**1.24%**
2	**Industry**						
	Others	548.42	0.00	0.00%	309.61	0.00	0.00%
	Total	**548.42**	**0.00**	**0.00%**	**309.61**	**0.00**	**0.00%**
3	**Services**						
	Transport Operators	81929.05	2640.49	3.22%	62767.87	2412.38	3.84%
	NBFC	27079.61	0.00	0.00%	16121.21	0.00	0.00%
	Service - Others	12650.17	699.56	5.53%	10699.74	304.47	2.85%
	Construction Equipment	44570.91	1045.57	2.35%	29957.01	671.30	2.24%
	Others	7603.59	221.54	2.91%	6216.83	176.65	2.84%
	Total	**173833.33**	**4607.16**	**2.65%**	**125762.66**	**3564.80**	**2.83%**
4	**Personal loans**						
	Vehicle/Auto Loans	34077.2	1298.1	3.81%	27728.92	646.02	2.33%
	Others	2345.0	90.5	3.86%	2939.22	95.15	3.24%
	Total	**36422.23**	**1388.59**	**3.81%**	**30668.14**	**741.17**	**2.42%**
	Grand Total	**213727.95**	**6058.32**	**2.83%**	**159343.81**	**4338.15**	**2.72%**

44.37 Intra Group Exposure

The Company has no exposure to the Intra Group Exposures for the financial years ended March 31,2023 and March 31,2022

44.38 Unhedged Foreign Currency Exposure

The Company does not have any unhedged foreign currency exposures for the financial years ended March 31, 2023 and March 31, 2022

44.39 Breach of Covenant

There were no instances of default or breaches of covenant in respect of loan availed or debt securities issued during the financial years ended March 31, 2023 and March 31, 2022.

44.40 Divergence in Asset Classification and Provisioning

The RBI has neither assessed any additional provisioning requirements in excess of 5 percent of the reported profits before tax and impairment loss on financial instruments for the financial year ended March 31, 2022, nor identified any additional Gross NPAs in excess of 5% of the reported Gross NPAs for the said period.

44.41 Corporate Governance

As per RBI Guidelines, Specific Disclosures relating to Corporate Governance should be disclosed under the Corporate Governance section of the Annual Report

Notes to financial statements for the year ended March 31, 2023

Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

44.42 Disclosure on related Party Transactions as per the RBI notification No.RBI/2022-23/26DOR.ACC.REC.No.20/21.04.018/2022-23 on Disclosure Requirements Under Scale Based Regulation for NBFCs dated April 19,2022

Related Party/Items	Parent(as per ownership/Control)		Subsidiaries		Associates/Joint venture		Key Management Personnel		Relatives of Key Management Personnel		Others		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Maximum Outstanding during the Year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	10,762.73	6,252.92	-	-	-	-	-	-	-	-	10,762.73	6,252.92
Share Capital	-	-	-	-	-	-	2,414.90	2,403.86	590.43	590.43	2,085.56	2,085.56	5,090.89	5,079.85
Balance Outstanding at the Year End	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	88.50	88.50	-	-	-	-	88.50	88.50
Placement of Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	10,762.73	6,252.92	-	-	-	-	-	-	-	-	10,762.73	6,252.92
Purchase of Fixed / Other Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Fixed / Other Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Paid	-	-	126.42	265.90	-	-	-	-	-	-	-	-	126.42	265.90
Interest Received	-	-	1.42	-	-	-	-	-	-	-	-	-	1.42	-
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent paid	-	-	-	-	-	-	69.60	69.60	-	-	-	-	69.60	69.60
Director's Remuneration	-	-	-	-	-	-	180.00	162.50	-	-	-	-	180.00	162.50
Director's Commission Payable	-	-	-	-	-	-	134.62	108.55	-	-	-	-	134.62	108.55
Share Capital	-	-	-	-	-	-	2,414.90	2,403.86	590.43	590.43	2,085.56	2,085.56	5,090.89	5,079.85
Salary Paid	-	-	-	-	-	-	80.81	74.15	-	-	-	-	80.81	74.15
Service Fee Collected	-	-	28.35	28.89	-	-	-	-	-	-	-	-	28.35	28.89
Direct Assignment	-	-	1,979.88	2,782.98	-	-	-	-	-	-	-	-	1,979.88	2,782.98
Interest Receivable on Direct Assignment	-	-	28.98	34.46	-	-	-	-	-	-	-	-	28.98	34.46

IKF Finance Limited

Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

45 Registration of charges or satisfaction with Registrar of Companies (ROC)

All charges or satisfaction are registered with ROC within the statutory period for the financial years ended March 31, 2023 . No charges or satisfactions are yet to be registered with ROC beyond the statutory period.

46 Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended March 31, 2023 and March 31, 2022.

47 Compliance with approved Scheme(s) of Arrangements

The Board of Directors of the Company did not approve any scheme of Arrangements during the financial year ended March 31, 2023 and March 31, 2022.

48 Utilisation of Borrowed funds and share premium

The Company, as part of its normal business, grants loans and advances, makes investment. These transactions are part of Company's normal non-banking finance business, which is conducted ensuring adherence to all regulatory requirements.

Other than the transactions described above, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has also not received any fund from any parties (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

49 Undisclosed income

There are no transactions not recorded in the books of accounts.

50 Title deeds of Immovable Properties not held in name of the Company

The Company does not possess any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the Company during the financial year ended March 31, 2023 and March 31, 2022.

51 Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual currency during the financial years ended March 31, 2023 and March 31, 2022.

52 Details of Benami Property Held

No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder in the financial years ended March 31, 2023 and March 31, 2022.

53 Wilful Defaulter

The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender in the financial years ended March 31, 2023 and March 31, 2022.

54 Relationship with Struck off Companies

The company does not have any transactions with companies whose names have been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 in the financial years ended March 31, 2023 and March 31, 2022.

55 Investment in Associates and Structured Entities

The Company does not have any Associates and Structured Entities

IKF FINANCE LIMITED VADODARA

S C O & CO LLP FRN-112890W/W100001 MUMBAI Chartered Accountants

56 Note on Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which subsumes the Provident Fund and the Gratuity Act and rules thereunder. The Ministry of Labour and Employment has also released draft rules thereunder on November 13, 2020 and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will evaluate the rules, assess the impact, if any and account for the same once the rules are notified and become effective

57 Previous year's information have been regrouped/reclassified wherever necessary to correspond with current year's classification/disclosure.

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

per Suresh Murarka
Partner
Membership No.044739
Place: Mumbai
Date: 30 May 2023

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65922AP1991PLC012736

V.G.K Prasad
Chairman
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Ch. Sreenivasa Rao
Company Secretary & Chief Financial Officer
M.No. ACS14723
Place: Vijayawada
Date: 30 May 2023

IKF Finance Limited

Notes to financial statements for the year ended March 31, 2023

(Currency : INR in lakhs)

Schedule to Balance Sheet

Particulars		As at March 31, 2023	
Liabilities side		**Amount outstanding**	**Amount overdue**
(1)	**Loans and advances availed by the non- banking financial company inclusive of interest accrued thereon but not paid :**		
	(a) Debentures : Secured	10,125.66	-
	: Unsecured	8,712.88	-
	(other than falling within the meaning of public deposits*)		
	(b) Deferred Credits	-	-
	(c) Term Loans	1,42,384.29	-
	(d) Inter-corporate loans and borrowing	-	-
	(e) Commercial Paper	-	-
	(f) Public Deposits*	-	-
	(g) Other Loans - Subordinate Debts	16,345.06	-
	- Cash Credit	26,112.03	-
	- Securitization Transaction	-	-
	* Please see Note 1 below		
(2)	**Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :**		
	(a) In the form of Unsecured debentures	-	-
	(b) In the form of partly secured debentures i.e. debentures where there is a	-	-
	(c) Other public deposits	-	-
	* Please see Note 1 below		
Assets side		**Amount outstanding**	
(3)	**Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :**		
	(a) Secured	2,13,727.95	
	(b) Unsecured	-	
(4)	**Break up of Leased Assets and stock on hire and other assets counting towards**		
	(i) Lease assets including lease rentals		
	(a) Financial lease	-	
	(b) Operating lease	-	
	(ii) Stock on hire including hire charges		
	(a) Assets on hire	-	
	(b) Repossessed Assets	-	
	(iii) Other loans counting towards asset financing activities		
	(a) Loans where assets have been repossessed	-	
	(b) Loans other than (a) above	-	

S G S & CO LLP FRN-112081W MUMBAI Chartered Accountants
IKF FINANCE LIMITED VIJAYAWADA

(5)	**Break-up of Investments**	
	Current Investments	
	1. Quoted	
	(i) Shares	
	(a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	20,047.82
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others (please specify)	-
	2. Unquoted	
	(i) Shares	
	(a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others (please specify)	-
	Long Term investments	
	1. Quoted	
	(i) Share	
	(a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others (please specify)	-
	2. Unquoted	
	(i) Shares	
	(a) Equity	10,762.73
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others (please specify)	-

(6) **Borrower group-wise classification of assets financed as in (3) and (4) above :**
Please see Note 2 below

Category	Amount net of provisions	
	Secured	Unsecured
1. **Related Parties ****		
(a) Subsidiaries	-	-
(b) Companies in the same group	-	-
(c) Other related parties	-	-
2. Other than related parties	2,13,727.95	-
Total	2,13,727.95	-

(7)	**Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :** Please see note 3 below	
	Category	**Market Value / Break up or fair value or NAV**
	1. Related Parties **	
	(a) Subsidiaries	10,762.73
	(b) Companies in the same group	-
	(c) Other related parties	-
	2. Other than related parties	-
	Total	10,762.73
	** As per Accounting Standard of ICAI (Please see Note 3)	
(8)	**Other information**	
	Particulars	**Amount**
	(i) Gross Non-Performing Assets	
	(a) Related parties	-
	(b) Other than related parties	6,058.32
	(ii) Net Non-Performing Assets	
	(a) Related parties	-
	(b) Other than related parties	4,770.11
	(iii) Assets acquired in satisfaction of debt	66.01

Notes :

1. As defined in point xxvii of paragraph 3 of Chapter II of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank)Directions, 2016.

2. Provisioning norms shall be applicable as prescribed in Indian Accounting Standards by MCA.
3. All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above.

S G C O & CO LLP Chartered Accountants FRN-112081W/W100149 MUMBAI

IKF FINANCE LIMITED VADODARA

IKF Finance Limited

Consolidated Balance Sheet as at March 31, 2021

(Currency : INR in lakhs)

Particulars	Note No	As at March 31, 2021	As at March 31, 2020
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	3	14,474.42	3,229.63
(b) Bank Balance other than included in (a) above	4	4,164.82	3,774.93
(c) Receivables			
(I) Trade receivables	5	65.27	23.96
(d) Loans	6	1,58,784.68	1,38,041.67
(e) Investments	8	-	-
(f) Other financial assets	7	1,968.14	1,241.78
		1,79,457.33	**1,46,311.97**
(2) Non-financial assets			
(a) Current Tax Assets (Net)		217.94	156.56
(b) Deferred Tax Assets (Net)	29	-	298.70
(c) Investment Property	11	6.47	6.64
(d) Property, Plant and Equipment	10	319.40	358.43
(e) Right of use asset	10	45.71	79.73
(f) Intangible assets	12	207.32	218.68
(g) Goodwill		774.47	774.47
(h) Other non-financial assets	9	401.70	373.52
		1,973.01	**2,266.73**
Total assets		**1,81,430.34**	**1,48,578.70**
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial liabilities			
(a) Payables			
(i)Trade payables and other payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(II) total outstanding dues of creditors other than micro enterprises and small enterprises		23.52	17.85
(b) Debt securities	13	43,210.76	6,109.76
(c) Borrowings (other than debt securities)	14	92,148.69	1,00,834.33
(d) Subordinated Liabilities	15	5,986.79	6,450.76
(e) Other financial liabilities	16	3,583.67	3,742.07
		1,44,953.43	**1,17,154.77**
(2) Non-financial liabilities			
(a) Current tax liabilities (Net)		71.90	38.68
(b) Provisions	17	303.22	230.93
(c) Deferred tax liabilities (Net)	29	116.67	-
(d) Other non-financial liabilities	18	148.76	149.37
		640.55	**418.98**
EQUITY			
(a) Equity share capital	19	5,167.49	5,027.64
(b) Other equity	20	30,169.33	25,555.01
(c) Non- Controlling Interest		499.54	422.30
		35,836.36	**31,004.95**
Total liabilities and equity		**1,81,430.34**	**1,48,578.70**

Significant accounting policies and key accounting estimates and judgments **2**

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date

For S. R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm registration number : 301003E/E300005

JITENDRA HIRACHAND RANAWAT

Digitally signed by JITENDRA HIRACHAND RANAWAT
DN: cn=JITENDRA HIRACHAND RANAWAT, c=IN, o=Personal, email=jitendra.ranawat@srb.in
Date: 2021.07.21 16:35:27 +05'30'

per Jitendra H. Ranawat
Partner
Membership No.103380
Place: Mumbai
Date: July 21, 2021

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

VUPPUTURI GOPALA KISHAN PRASAD

V.G.K Prasad
Director
DIN: 01817992

VUPPUTURI INDIRA DEVI

Digitally signed by VUPPUTURI INDIRA DEVI
DN: cn=VUPPUTURI INDIRA DEVI, o, ou, email=vupputuriindiradevi@gmail.com, c=IN
Date: 2021.07.21 15:22:30 +05'30'

V.Indira Devi
Whole Time Director
DIN: 03161174

SREEPAL GULABCHAND JAIN

Digitally signed by SREEPAL GULABCHAND JAIN
Date: 2021.07.21 15:40:55 +05'30'

Sreepal Jain
Chief Financial Officer

CHAPALAMADUGU SREENIVASA RAO

Digitally signed by CHAPALAMADUGU SREENIVASA RAO
DN: cn=CHAPALAMADUGU SREENIVASA RAO, o, ou, email=sreenivas@kiffinance.com, c=US
Date: 2021.07.21 15:15:30 +05'30'

Ch.Sreenivasa Rao
Company Secretary
M.No. ACS14723

Place: Vijayawada
Date: July 21, 2021

IKF Finance Limited

Consolidated Statement of Profit and Loss for the year ended March 31, 2021

(Currency : INR in lakhs)

Particulars	Note No	As at March 31, 2021	Year ended March 31, 2020
Revenue From operations			
(i) Interest income	21	23,422.50	23,579.61
(ii) Fees and commission income	22	329.07	296.94
(I) Total revenue from operations		**23,751.57**	**23,876.55**
(II) Other income	23	57.33	73.67
(III) Total income (I + II)		**23,808.90**	**23,950.22**
Expenses			
(i) Finance costs	24	12,865.82	12,534.48
(ii) Impairment on financial instruments	25	781.57	2,040.22
(iii) Employee benefits expenses	26	3,438.10	3,190.88
(iv) Depreciation, amortization and impairment	27	193.18	194.80
(v) Others expenses	28	1,219.14	1,175.54
(IV) Total expenses		**18,497.81**	**19,135.92**
(V) Profit before tax (III - IV)		**5,311.09**	**4,814.30**
(VI) Tax Expense:			
(1) Current Tax	29	1,044.15	1,356.89
(2) Deferred Tax	29	411.32	(128.95)
(3) Adjustment of tax relating to earlier periods	29	65.46	2.13
		1,520.93	**1,230.07**
(VII) Profit for the period (V-VI)		**3,790.16**	**3,584.23**
(VIII) Other comprehensive income			
(A) Items that will not be reclassified to profit or loss (specify items and amounts)			
(a) Remeasurements of the defined benefit plans	30	16.20	(3.89)
Income tax relating to items that will not be reclassified to profit or loss		(4.08)	0.98
Other comprehensive income / (loss)		**12.12**	**(2.91)**
(IX) Total comprehensive income for the period (VII + VIII)		**3,802.28**	**3,581.32**
Attributable to:			
Owners of the Company		3,725.04	3,513.68
Non-controlling interest		77.24	67.64
(X) Earnings per equity share	31		
Basic (Rs.)		7.54	7.13
Diluted (Rs.)		7.53	7.12

Significant accounting policies and key accounting estimates and judgments **2**

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date

For S. R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm registration number : 301003E/E300005

JITENDRA HIRACHAND RANAWAT

Digitally signed by JITENDRA HIRACHAND RANAWAT
DN: cn=JITENDRA HIRACHAND RANAWAT, c=IN, o=Personal, email=jitendra.ranawat@srb.in
Date: 2021.07.21 16:36:11 +05'30'

per Jitendra H. Ranawat

Partner

Membership No.103380

Date: July 21, 2021

Place: Mumbai

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

VUPPUTURI GOPALA KISHAN PRASAD

V.G.K Prasad

Director

DIN: 01817992

VUPPUTURI INDIRA DEVI

V.Indira Devi

Whole Time Director

DIN: 03161174

SREEPAL GULABCHAND JAIN

Digitally signed by SREEPAL GULABCHAND JAIN
Date: 2021.07.21 15:41:42 +05'30'

Sreepal Jain

Chief Financial Officer

CHAPALAMADUGU SREENIVASA RAO

Digitally signed by CHAPALAMADUGU SREENIVASA RAO
DN: cn=CHAPALAMADUGU SREENIVASA RAO, o, ou, email=jr@reinvaspgl@ikffinance.com, c=US
Date: 2021.07.21 15:16:04 +05'30'

Ch.Sreenivasa Rao

Company Secretary

M.No. ACS14723

Place: Vijayawada

Date: July 21, 2021

IKF Finance Limited

Consolidated Cash Flow statement for the year ended March 31, 2021

(Currency : INR in lakhs)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	**5,311.09**	**4,814.30**
Adjustments for:		
Depreciation, amortisation and impairment	193.18	194.80
Interest Income	(23,422.49)	(23,579.61)
Interest expenses	12,865.83	12,518.30
Impairment on financial instrument	781.57	2,040.22
Lease equalisation	-	(6.85)
Share based payment expense	13.09	17.56
Provision for expenses	4.83	31.69
Employee benefit expenses	106.26	94.71
Rental income on Investment property	(6.36)	(7.63)
(Profit)/ Loss on sale of property, plant and equipment	(0.14)	3.03
Cash generated from / (used in) operations before working capital changes and adjustments for interest received and interest paid	**(4,153.14)**	**(3,879.48)**
Adjustments for changes in Working Capital :		
Decrease / (Increase) in trade receivable	(44.40)	85.76
Decrease / (Increase) in loans	(28,317.25)	(14,652.82)
Decrease / (Increase) in bank balances other than cash and cash equivalents	(389.89)	(142.92)
Decrease / (Increase) in other financial assets	(292.59)	128.18
Decrease / (Increase) in other non-financial assets	(28.18)	41.18
(Decrease) / Increase in trade payables	5.67	(8.20)
(Decrease) / Increase in other financial liabilities	(125.82)	(833.71)
(Decrease) / Increase in provisions	(17.77)	(17.83)
(Decrease) / Increase in other non-financial liabilities	(0.60)	(42.71)
Interest received	20,192.84	21,853.54
Interest paid	(10,940.08)	(11,104.85)
	(24,111.21)	**(8,573.86)**
Income tax paid (net of refunds)	(1,137.77)	(1,201.19)
NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES	**(25,248.98)**	**(9,775.05)**
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(45.96)	(98.20)
Rental income on Investment property	6.36	7.63
Proceeds from sale of property, plant and equipment	0.54	0.19
Purchase of intangible assets	(47.95)	(89.93)
NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES	**(87.01)**	**(180.31)**
CASH FROM FINANCING ACTIVITIES		
Proceeds from issue of equity shares (including securities premium)	1,015.18	175.00
Amount received from debt securities	39,500.00	5,000.00
Repayment of debt securities	(3,300.00)	(11,611.11)
Amount received from borrowings other than debt securities	38,025.08	41,007.06
Repayment of borrowings other than debt securities	(38,101.19)	(25,079.99)
Amount received from subordinated Liabilities	2,500.00	2,000.00
Repayment of subordinated debt	(3,000.00)	-
Payment of principal portion of lease liabilities	(51.94)	(54.40)
Payment of interest on lease liabilities	(6.35)	(11.80)
NET CASH GENERATED FROM / (USED IN) FROM FINANCING ACTIVITIES	**36,580.78**	**11,424.76**
Net Increase / (Decrease) in Cash and Cash Equivalents	**11,244.79**	**1,469.40**
Cash and Cash Equivalents at the beginning of Year	3,229.63	1,760.23
Cash and Cash Equivalents at the end of the Year	14,474.42	3,229.63

The above Cash Flow Statement has been prepared under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows'.

As per our report of even date

For S. R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm registration number : 301003E/E300005

JITENDRA HIRACHAND RANAWAT
Digitally signed by JITENDRA HIRACHAND RANAWAT
DN: c=IN, o=Personal, email=jitendra.ranawat@srb.in, cn=JITENDRA HIRACHAND RANAWAT
Date: 2021.07.21 16:36:47 +05'30'

per Jitendra H. Ranawat
Partner
Membership No.103380

Date: July 21, 2021
Place: Mumbai

For and on behalf of the Board of Directors of
IKF Finance Limited

VUPPUTURI GOPALA KISHAN PRASAD
Digitally signed by VUPPUTURI GOPALA KISHAN PRASAD
DN: c=IN, st=TELANGANA, l=HYDERABAD, o=IKF FINANCE LIMITED, ou=Director, cn=VUPPUTURI GOPALA KISHAN PRASAD, e=vgkprasad@ikffinance.com, 2.5.4.20=a7a0a0a0

S.R. BATLIBOI & CO. LLP
Chartered Accountants

12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai - 400 028, India
Tel: +91 22 6819 8000

INDEPENDENT AUDITOR'S REPORT

To the Members of IKF Finance Limited

Report on the standalone financial statements

We have audited the accompanying standalone financial statements of IKF Finance Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SA), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the standalone financial statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of matter

We draw attention to Note 45 to the standalone financial statements, which describes the uncertainties relating to the impact of COVID-19 pandemic on the Company's operations and financial metrics. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended March 31, 2021. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Impairment of financial instruments (expected credit losses) (as described in Note 2.4.c, 2.6.f & 6 of the standalone financial statements)	
IND AS 109 requires the company to provide for impairment of its financial assets as at reporting date using the expected credit loss (ECL) model. ECL involves an estimation of probability-weighted loss on financial instruments over their life, considering	Our audit procedures included but were not limited to: • Read and assessed the Company's accounting policy for impairment of financial assets and its

reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions which could impact the credit quality of Company's financial assets (loan portfolio). In the process, a significant degree of judgement has been applied by management including but not limited to the following matters; • Staging of financial assets (i.e. classification of loan book in 'significant increase in credit risk ("SICR")' and 'default categories'); • Applying assumptions regarding the probability of various scenarios and discounting rates for different loan products; • Grouping of loan portfolio under homogeneous pools in order to determine probability of default on collective basis; • Estimation of losses for loan products with no/ minimal historical defaults; and • Estimation of management overlay for macro-economic factors which could impact credit quality of the loans. **Additional considerations on account of COVID-19** Pursuant to the Reserve Bank of India circular dated August 6, 2020 for "Resolution Framework for COVID-19-related Stress" ("RBI circulars") allowing lending institutions to implement a resolution plan in respect of its eligible exposures, subject to specified conditions and pursuant to RBI circular dated March 27, 2020 and May 23, 2020 ("RBI Circulars") allowing lending institutions to offer moratorium to borrowers on payment of instalments falling due between March 1, 2020 and August 31, 2020, the Company has extended moratorium to its borrowers in accordance with its Board approved policy. In management's view and considering the guidance provided by the Institute of Chartered Accountants of India ('ICAI'), providing moratorium to borrowers at a mass scale, based on RBI directives, by itself is not considered to result in a SICR for such borrowers. The Company has recorded a management overlay as part of its ECL, to reflect among other things an increased risk of deterioration in macro-economic factors caused by COVID-19 pandemic. Given the unique nature and scale of the economic impact of this pandemic and the extent of its economic impact which depends on future developments including governmental and regulatory measures and the Company's responses thereto, the actual credit loss can be different than that being estimated. In view of such high degree of management's judgement involved in estimation of ECL, accentuated by the COVID-19 pandemic and related events, it is a key audit matter.	compliance with IND AS 109 and the governance framework approved by the Board of Directors pursuant to the Reserve Bank of India guidelines issued on March 13, 2020. • Tested the design and operating effectiveness of the controls for staging of loans based on their past-due status. Tested samples of performing (stage 1) loans to assess whether any loss indicators were present, requiring them to be classified under stage 2 or 3. • Performed inquiries with the Company's management and its risk management function to assess the impact of Covid-19 including second wave on the business activities of the Company. • Assessed the Company's policy with respect to moratorium pursuant to the RBI circular and tested the implementation of such policy on sample basis. • Assessed the additional considerations applied by the management for staging of loans as SICR/ default in view of Company's policy on moratorium and reschedulement/ restructuring of loans in accordance with the regulations issued in this respect. • We performed procedures to test the inputs used in the ECL computation, on a sample basis. • Tested assumptions used by the management in determining the overlay of macro-economic factors, including COVID-19 pandemic. • Tested the arithmetical accuracy of computation of ECL provision, performed by the Company in spreadsheets. • Assessed adequacy of the disclosures included in the standalone financial statements in respect of expected credit losses, including the specific disclosures made with regards to the management's evaluation of uncertainties arising from COVID-19 and its impact on ECL estimation.

S.R. BATLIBOI & CO. LLP MUMBAI Chartered Accountants

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board report, but does not include the standalone financial statements and our auditor's report thereon, which we obtained prior to the date of this auditors report, and the Annual report, which is expected to be made available to us after that date.
Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the standalone financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the standalone financial statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

S.R. BATLIBOI & CO. LLP MUMBAI Chartered Accountants

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of written representations received from the directors as on March 31, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of section 164 (2) of the Act;

S.R. BATLIBOI & CO. LLP MUMBAI Chartered Accountants

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S.R. Batliboi & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

S.R. BATLIBOI & CO. LLP MUMBAI Chartered Accountants

per Jitendra H. Ranawat
Partner
Membership Number: 103380
UDIN: 21103380AAAACB5574
Place of Signature: Mumbai
Date: June 26, 2021

ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

Re: IKF Finance Limited ("the Company")

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in investment property are held in the name of the Company.

(ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.

(iii) (a) The Company has granted loan to one party covered in the register maintained under section 189 of the Act. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loan is not prejudicial to the Company's interest.

(b) The Company has granted loan to one party covered in the register maintained under section 189 of the Act. The schedule of repayment of principal and payment of interest has been stipulated for the loan granted and the repayments/receipts are regular.

(c) There is no amount of loan granted to companies, firms or other parties listed in the register maintained under section 189 of the Act which is overdue for more than ninety days.

(iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investment made and guarantees, and securities given have been complied with by the Company.

(v) The Company has not accepted any deposits from the public.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the services of the Company.

(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there have been slight delays in payment of tax deducted at source in few cases. As informed, the provisions relating to service tax, wealth tax, sales tax, value added tax, excise duty and customs duty are currently not applicable to the Company.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. As informed, the provisions relating to service tax, wealth tax, sales tax, value added tax, excise duty and customs duty are currently not applicable to the Company.

(c) According to the information and explanation given to us there are no dues of income tax, goods and service tax and cess which have not been deposited on account of any dispute. As informed, the provisions of service tax, wealth tax, sales tax, value added tax, excise duty and customs duty are not applicable to the Company.

S.R. BATLIBOI & CO. LLP MUMBAI Chartered Accountants

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.

(ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer or further public offer, hence not commented upon.

Further, monies raised by the Company by way of debt instruments and term loans were applied for the purpose for which those were raised, though idle/surplus funds which were not required for immediate utilisation were gainfully invested in liquid assets payable on demand.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, paragraph 3(xiv) of the Order is not applicable to the Company, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, we report that the Company has registered as required, under section 45-IA of the Reserve Bank of India Act, 1934.

For S.R. Batliboi & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

S.R. BATLIBOI & CO. LLP MUMBAI Chartered Accountants

per Jitendra H. Ranawat
Partner
Membership Number: 103380
UDIN: 21103380AAAACB5574
Place of Signature: Mumbai
Date: June 26, 2021

IKF Finance Limited

Balance Sheet as at March 31, 2021

(Currency : INR in lakhs)

Particulars	Note No	As at March 31, 2021	As at March 31, 2020
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	3	11,793.28	2,485.62
(b) Bank Balance other than included in (a) above	4	3,964.82	3,774.93
(c) Receivables			
(I) Trade receivables	5	49.39	23.96
(d) Loans	6	1,40,161.15	1,26,037.44
(e) Investments	8	4,525.10	4,525.10
(f) Other financial assets	7	969.15	340.92
		1,61,462.89	1,37,187.97
(2) Non-financial assets			
(a) Current Tax Assets (Net)		217.94	156.56
(b) Deferred Tax Assets (Net)	29	-	344.61
(c) Investment Property	11	6.47	6.64
(d) Property, Plant and Equipment	10	240.52	272.40
(e) Right of use asset	10	24.77	63.55
(f) Intangible assets	12	170.57	178.39
(g) Other non-financial assets	9	382.01	328.18
		1,042.28	1,350.33
Total assets		1,62,505.17	1,38,538.30
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial liabilities			
(a) Payables			
(I)Trade payables and other payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(II) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(b) Debt securities	13	33,687.94	6,109.76
(c) Borrowings (other than debt securities)	14	85,755.89	93,150.90
(d) Subordinated Liabilities	15	5,986.79	6,450.76
(e) Other financial liabilities	16	2,670.12	2,738.86
		1,28,100.74	1,08,450.28
(2) Non-financial liabilities			
(a) Provisions	17	275.54	208.48
(b) Deferred tax liabilities (Net)	29	27.12	-
(c) Other non-financial liabilities	18	112.08	118.69
		414.74	327.17
EQUITY			
(a) Equity share capital	19	5,167.49	5,027.64
(b) Other equity	20	28,822.20	24,733.21
		33,989.69	29,760.85
Total liabilities and equity		1,62,505.17	1,38,538.30

2

Significant accounting policies and key accounting estimates and judgments

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

For S. R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm registration number : 301003E/E300005

per Jitendra H. Ranawat
Partner
Membership No.103380
Place: Mumbai
Date: June 26, 2021

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

V.G.K Prasad
Director
DIN: 01817992

V.Indira Devi
Whole Time Director
DIN: 03161174

Sreepal Jain
Chief Financial Officer

Ch.Srinivasa Rao
Company Secretary
M.No. ACS14723

Place: Vijayawada
Date: June 26, 2021

IKF Finance Limited

Statement of Profit and Loss for the year ended March 31, 2021

(Currency : INR in lakhs)

Particulars	Note No	Year ended March 31, 2021	Year ended March 31, 2020
Revenue From operations			
(i) Interest income	21	20,295.71	20,440.51
(ii) Fees and commission income	22	110.92	128.56
(I) Total revenue from operations		**20,406.63**	**20,569.07**
(II) Other income	23	16.29	19.22
(III) Total income (I + II)		**20,422.92**	**20,588.29**
Expenses			
(i) Finance costs	24	11,609.00	11,551.63
(ii) Impairment on financial instruments	25	647.15	1,634.74
(iii) Employee benefits expenses	26	2,621.34	2,505.30
(iv) Depreciation, amortization and impairment	27	144.14	149.12
(v) Others expenses	28	981.02	953.75
(IV) Total expenses		**16,002.65**	**16,794.54**
(V) Profit before tax (III - IV)		**4,420.27**	**3,793.75**
(VI) Tax Expense:			
(1) Current Tax	29	795.96	1,229.39
(2) Deferred Tax	29	368.34	(211.14)
(3) Adjustment of tax relating to earlier periods	29	65.46	2.13
		1,229.76	**1,020.38**
(VII) Profit for the period (V-VI)		**3,190.51**	**2,773.37**
(VIII) Other comprehensive income			
(A) Items that will not be reclassified to profit or loss (specify items and amounts)			
(a) Remeasurements of the defined benefit plans	30	13.44	(4.76)
Income tax relating to items that will not be reclassified to profit or loss		(3.38)	1.20
Other comprehensive income / (loss)		**10.06**	**(3.56)**
(IX) Total comprehensive income for the period (VII + VIII)		**3,200.57**	**2,769.81**
(X) Earnings per share (equity share, par value of Rs.10 each)			
Basic	31	6.35	5.52
Diluted	31	6.34	5.51

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Significant accounting policies and key accounting estimates and judgments

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

For S. R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm registration number : 301003E/E300005

per Jitendra H. Ranawat
Partner
Membership No.103380

Date: June 26, 2021
Place: Mumbai

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1992PLC012736

V.G.K Prasad
Director
DIN: 01817992

V.Indira Devi
Whole Time Director
DIN: 03161174

Sreepal Jain
Chief Financial Officer

Ch.Sreenivasa Rao
Company Secretary
M.No. ACS14723

Place: Vijayawada
Date: June 26, 2021

IKF Finance Limited

Cash Flow statement for the year ended March 31, 2021

(Currency : INR in lakhs)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	4,420.27	3,793.75
Adjustments for:		
Depreciation, amortisation and impairment	144.14	149.12
Interest income	(20,295.71)	(20,440.51)
Interest expenses	11,609.00	11,551.63
Impairment on financial instrument	647.15	1,634.74
Share based payment expense	13.09	17.56
Provision for expenses	4.83	5.03
Employee benefit expenses	98.26	86.54
Rental income on investment property	(6.36)	(7.63)
(Profit)/ Loss on sale of property, plant and equipment	(0.14)	3.03
Cash generated from / (used in) operations before working capital changes and adjustments for interest received and interest paid	(3,365.47)	(3,206.74)
Adjustments for changes in Working Capital :		
Decrease / (Increase) in trade receivable	(28.52)	85.76
Decrease / (Increase) in loans	(21,661.13)	(14,176.32)
Decrease / (Increase) in bank balances other than cash and cash equivalents	(189.89)	(142.92)
Decrease / (Increase) in other financial assets	(281.13)	9.27
Decrease / (Increase) in other non-financial assets	(53.83)	89.82
(Decrease) / Increase in other financial liabilities	(32.01)	(1,747.78)
(Decrease) / Increase in provisions	(17.76)	(21.96)
(Decrease) / Increase in other non-financial liabilities	(6.61)	(28.44)
Interest received	17,250.35	19,594.99
Interest paid	(10,176.00)	(10,130.21)
	(18,562.00)	(9,674.53)
Income tax paid (net of refunds)	(922.80)	(1,130.62)
NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES	(19,484.80)	(10,805.15)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(33.46)	(56.00)
Rental income on investment property	6.36	7.63
Proceeds from sale of property, plant and equipment	0.54	0.19
Purchase of intangible assets	(31.99)	(72.63)
NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES	(58.53)	(120.81)
CASH FROM FINANCING ACTIVITIES		
Proceeds from issue of equity shares (including securities premium)	1,015.18	-
Amount received from debt securities	30,500.00	5,000.00
Repayment of debt securities	(3,300.00)	(11,611.11)
Amount received from borrowings other than debt securities	33,730.08	39,307.06
Repayment of borrowings other than debt securities	(32,548.05)	(22,606.71)
Amount received from subordinated Liabilities	2,500.00	2,000.00
Repayment of subordinated debt	(3,000.00)	-
Payment of principal portion of lease liabilities	(41.45)	(41.37)
Payment of interest on lease liabilities	(4.77)	(8.95)
NET CASH GENERATED FROM / (USED IN) FROM FINANCING ACTIVITIES	28,850.99	12,038.92
Net Increase / (Decrease) in Cash and Cash Equivalents	9,307.66	1,112.96
Cash and Cash Equivalents at the beginning of Year	2,485.62	1,372.66
Cash and Cash Equivalents at the end of the Year	11,793.28	2,485.62

The above Cash Flow Statement has been prepared under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows'.

As per our report of even date

For S. R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm Registration number : 301003E/E300005

Jitendra H. Ranawat
Partner
Membership No.103380

Date: June 26, 2021
Place: Mumbai

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65999AP1991PLC012736

V. Indira Devi

V. G. K Prasad
Director
DIN: 01817992

V.Indira Devi
Whole Time Director
DIN: 03161174

Sreepal Jain
Chief Financial Officer

Ch.Sreenivasa Rao
Company Secretary
M.No. ACS14723

Place: Vijayawada
Date: June 26, 2021

S.R. BATLIBOI & CO. LLP MUMBAI Chartered Accountants

IKF FINANCE LTD VIJAYAWADA

INDEPENDENT AUDITOR'S REPORT

To the Members of IKF Finance Limited

Report on the audit of Consolidated financial statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of IKF Finance Limited (hereinafter referred to as " the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as " the Group"), which comprise the consolidated Balance Sheet as at March 31, 2022, the consolidated Statement of Profit and Loss, including other comprehensive Income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as " the consolidated financial statements")

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of other auditor on separate financial statements of such subsidiary, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended (" the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, its consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SA), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the consolidated financial statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained along with consideration of audit report of other auditor referred to in the "other matters" paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of matter

We draw attention to Note 62 to the consolidated financial statement in which the Group describes the continuing uncertainties arising from the COVID 19 pandemic. Our report is not modified in respect of this matter.

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Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the year ended March 31, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description how our audit addressed the matter is provided in that context.

Key audit Matters	How our audit addressed the key audit matter
Impairment of Financial Instruments (expected credit Losses) has been described in Note 2.4.c, 2.6.f and 6 of the financial statements.	
Management estimates impairment provision using Expected Credit loss model for the loan exposure as per the Board approved policy which is in line with Ind AS and the Regulations. Measurement of loan impairment involves application of significant judgement by the management. The most significant judgements are: • Timely identification and classification of the impaired loans, including classification of assets to stage 1, 2, or 3 using criteria in accordance with Ind AS 109 which also include considering the impact of RBI's regulatory circulars, • The segmentation of financial assets when their ECL is assessed on a collective basis, • Determination of probability of defaults (PD) and loss given defaults (LGD) based on the default history of loans, subsequent recoveries made and other relevant factors and • Assessment of qualitative factors having an impact on the credit risk.	• We evaluated the design and operating effectiveness of controls across the processes relevant to ECL, including the judgements and estimates. • We tested the completeness of loans and advances included in the Expected Credit Loss calculations as of March 31, 2022 by reconciling it with the balances as per loan balance register and loan commitment report as on that date. • We tested assets in stage 1, 2 and 3 on sample basis to verify that they were allocated to the appropriate stage. • Tested samples to ascertain the completeness and accuracy of the input data used for determining the PD and LGD rates and agreed the data with underlying books of accounts and records. • For samples of exposure, we tested the appropriateness of determining EAD, PD and LGD. • For exposure determined to be individually impaired, we tested samples of loans and advances and examined management's estimate of future cash flows, assessed their reasonableness and checked the resultant provision calculations. • We performed an overall assessment of the ECL provision levels at each stage including management's assessment and provision on account of Company's portfolio, risk profile, credit risk management practices.

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	• We assessed the adequacy and appropriateness of disclosures in compliance with the Ind AS 107 in relation to ECL especially in relation to judgements used in estimation of ECL provision.

Other Information

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

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the consolidated financial statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements, that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act. The respective management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Group or to cease operations or has no realistic alternative but to do so.

The respective management and Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the consolidated financial statements

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Our objectives are to obtain reasonable assurance about whether the consolidated financial statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statement.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated financial statement made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statement ,including the disclosures, and whether the consolidated financial statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statement of the entities within the Group to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial statement of such entity included in the consolidated financial statement of which we are the independent auditor. For the other entities included in the consolidated financial statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced.

We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in

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internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The consolidated financial statement of the Group for the year ended March 31, 2021 were audited by the predecessor auditor. The predecessor auditor had expressed an unmodified opinion vide their report dated July 21, 2021.

The consolidated financial statement include the audited financial statement of one subsidiary, whose financial statement reflect Group's share of total assets (before consolidation adjustments) of Rs. 41,257.43 lakhs as at 31 March 2022, Group's share of total revenue (before consolidation adjustments) of Rs. 5,114.89 lakhs, Group's share of total net profit after tax (before consolidation adjustments) of Rs. 1,000.43 lakhs and Group's share of net cash inflows (before consolidation adjustments) of Rs 3,605.96 lakhs for the year ended on that date, as considered in the consolidated financial statement, which have been audited by their other independent auditor. The independent auditor's reports on financial statement of the subsidiary have been furnished to us by the management. Our opinion on the consolidated financial statement, in so far as it relates to the amounts and disclosures included in respect of this entity, is based solely on the reports of such auditor and the procedures performed by us as stated in paragraph above.

Our opinion on the consolidated financial statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements and the other financial information of the subsidiary as noted in the 'other matter ' paragraph we report , to the extent applicable, that :

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

(b} In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of financial statements have been kept so far as it appears from our examination of those books and reports of the other auditor;

(c) The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

(d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

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(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor who is appointed under Section 139 of the Act, of its subsidiary company, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A";

(g) In our opinion and according to the information and explanation given to us and based on reports of the statutory auditor of such subsidiary company incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary incorporated in India to its directors in accordance with the provisions of and the limits laid down under section 197 read with Schedule V of the Act;

(h) With respect to the other matters to be included in the Auditor 's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements as also the other financial information of the subsidiary as noted in the 'Other matter ' paragraph:

i. The Group does not have any pending litigations which would impact its consolidated financial position;

ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2022;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary, incorporated in India during the year ended March 31, 2022.

iv. (a) The respective Managements of the Company and its subsidiary which are companies incorporated in India, have represented to us that to the best of their knowledge and belief, as disclosed in Note no. 54, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any such subsidiary company, to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise , that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any such subsidiary company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Company and its subsidiary which are companies incorporated in India, have represented to us to the best of their knowledge and belief, as disclosed in Note no. 54, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any such subsidiary company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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W100184
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(c) Based on reasonable audit procedures adopted by us and those performed by the auditors of the subsidiaries, incorporated in India, nothing has come to our notice or other auditors notice that has caused us to believe that the representation under sub clause (i) and (ii) of the Rule 11(e), as provided under (a) and (b) above, contains any material misstatement.

v. The Holding Company and the subsidiary has not declared or paid any dividend during the year and has not proposed final dividend for the year.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and based on our consideration of CARO reports issued by the respective auditors of the company's such subsidiary as referred to in Other Matter paragraph above, we report that there are no qualifications or adverse remarks in these CARO reports.

For SGCO & CO. LLP
Chartered Accountants
Firm Reg. No.:- 112081W/W100184

Suresh Murarka
Partner
Membership No. :- 044739
UDIN :- 22044739AJYAXW7961
Place :- Mumbai
Date :- 30-05-2022

IKF Finance Limited
Consolidated Balance Sheet as at March 31, 2022
(Currency : INR in lakhs)

Particulars	Note No	As at March 31, 2022	As at March 31, 2021
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	3	9,664.31	14,474.42
(b) Bank Balance other than included in (a) above	4	2,533.65	4,164.82
(c) Receivables		-	
(I) Trade receivables	5	28.35	15.88
(d) Loans	6	1,89,210.12	1,58,784.68
(e) Investments	8	-	-
(f) Other financial assets	7	3,193.40	2,017.53
		2,04,629.83	1,79,457.33
(2) Non-financial assets			
(a) Current Tax Assets (Net)		200.95	217.94
(b) Deferred Tax Assets (Net)	29	70.34	-
(c) Investment Property	11	114.31	6.47
(d) Property, Plant and Equipment	10	343.00	319.40
(e) Right of use asset	10	19.67	45.71
(f) Intangible assets	12	175.97	207.32
(g) Goodwill		774.47	774.47
(h) Other non-financial assets	9	1,080.22	401.70
		2,778.93	1,973.01
Total assets		2,07,408.76	1,81,430.34
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial liabilities			
(a) Derivative financial instruments		58.68	-
(b) Payables			
(i)Trade payables and other payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(II) total outstanding dues of creditors other than micro enterprises and small enterprises		7.09	23.52
(c) Debt securities	13	23,807.91	43,210.76
(d) Borrowings (other than debt securities)	14	1,32,139.07	92,148.69
(e) Subordinated Liabilities	15	6,003.45	5,986.79
(f) Other financial liabilities	16	3,103.00	3,583.67
		1,65,119.20	1,44,953.43
(2) Non-financial liabilities			
(a) Current tax liabilities (Net)			71.90
(b) Provisions	17	345.34	303.22
(c) Deferred tax liabilities (Net)	29	165.35	116.67
(d) Other non-financial liabilities	18	157.27	148.76
		667.96	640.55
EQUITY			
(a) Equity share capital	19	5,265.91	5,167.49
(b) Other equity	20	35,780.90	30,169.33
(c) Non- Controlling Interest		574.79	499.54
		41,621.60	35,836.36
Total liabilities and equity		2,07,408.76	1,81,430.34

Significant accounting policies and key accounting estimates and judgments 2
The accompanying notes form an integral part of the standalone financial statements
As per our report of even date

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

per Suresh Murarka
Partner
Membership No.044739
Place: Mumbai
Date: 30-May-22

S G C O & CO LLP FRN - 112081W/ W-100184 MUMBAI Chartered Accountants

IKF FINANCE LTD. VIJAYAWADA

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

V.G.K Prasad
Chairman
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Sreepal Jain
Chief Financial Officer

Ch.Sreenivasa Rao
Company Secretary
M.No. ACS14723

Place: Vijayawada
Date: 30-May-22

IKF Finance Limited

Consolidated Statement of Profit and Loss for the year ended March 31, 2022

(Currency : INR in lakhs)

Particulars	Note No	Year ended March 31, 2022	Year ended March 31, 2021
Revenue From operations			
(i) Interest income	21	26,301.60	23,422.50
(ii) Fees and commission income	22	660.15	329.07
(I) Total revenue from operations		26,961.75	23,751.57
(II) Other income	23	207.95	57.33
(III) Total income (I + II)		27,169.70	23,808.90
Expenses			
(i) Finance costs	24.1	13,617.93	12,865.82
(ii) Net loss on fair value changes	24.2	3.35	-
(iii) Impairment on financial instruments	25	513.01	781.57
(iv) Employee benefits expenses	26	4,650.46	3,438.10
(v) Depreciation, amortization and impairment	27	190.23	193.18
(vi) Others expenses	28	1,356.29	1,219.14
(IV) Total expenses		20,331.27	18,497.81
(V) Profit before tax (III - IV)		6,838.43	5,311.09
(VI) Tax Expense:			
(1) Current Tax	29	1,740.28	1,044.15
'(2) Deferred Tax	29	(24.92)	411.32
'(3) Adjustment of tax relating to earlier periods	29	10.06	65.46
		1,725.42	1,520.93
(VII) Profit for the period (V-VI)		5,113.01	3,790.16
(VIII) Other comprehensive income			
(A) Items that will not be reclassified to profit or loss (specify items and amounts)			
(a) Remeasurements of the defined benefit plans	30	12.80	16.20
Income tax relating to items that will not be reclassified to profit or loss		(3.22)	(4.08)
Other comprehensive income / (loss)		9.58	12.12
(IX) Total comprehensive income for the period (VII + VIII)		5,122.59	3,802.28
Attributable to:			
Owners of the Company		5,047.32	3,725.04
Non-controlling interest		75.24	77.24
(X) Earnings per share (equity share, par value of Rs.10 each)			
Basic	31	9.89	7.54
Diluted	31	9.89	7.53

Significant accounting policies and key accounting estimates and judgments 2

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

per Suresh Murarka
Partner
Membership No.044739

Date: 30-May-22
Place: Mumbai

S G C O & CO LLP FRN - 112081W/ W100184 MUMBAI Chartered Accountants

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

V.G.K Prasad
Chairman
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Sreepal Jain
Chief Financial Officer

Ch.Sreenivasa Rao
Company Secretary
M.No. ACS14723

Place: Vijayawada
Date: 30-May-22

IKF FINANCE LTD., VIJAYAWADA

IKF Finance Limited

Consolidated Cash Flow statement for the year ended March 31, 2022

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Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	6,838.43	5,311.09
Adjustments for:		
Depreciation, amortisation and impairment	190.23	193.18
Interest Income	(26,301.60)	(23,422.49)
Interest expenses	13,617.93	12,865.83
Impairment on financial instrument	513.01	781.57
Net loss on fair value changes	3.35	
Lease equalisation		-
Share based payment expense	(6.03)	13.09
Net gain/(loss) on financial instrument at fair value through profit and loss (FVTPL)		
Net gain/(loss) on financial instrument at amortised categiry		
Provision for expenses	6.60	4.83
Employee benefit expenses	94.59	106.26
Rental income on Investment property	(7.63)	(6.36)
(Profit)/ Loss on sale of property, plant and equipment	(0.07)	(0.14)
(Profit)/ Loss on sale of immovable Property	6.10	
Cash generated from / (used in) operations before working capital changes and adjustments for interest received and interest paid	(5,045.09)	(4,153.14)
Adjustments for changes in Working Capital :		
Decrease / (Increase) in trade receivable	(12.47)	4.99
Decrease / (Increase) in loans	(38,117.26)	(28,317.25)
Decrease / (Increase) in bank balances other than cash and cash equivalents	1,631.18	(389.89)
Decrease / (Increase) in other financial assets	(5,403.68)	(292.59)
Decrease / (Increase) in other non-financial assets	(678.52)	(77.57)
(Decrease) / Increase in trade payables	(16.43)	5.67
(Decrease) / Increase in other financial liabilities	(458.46)	(125.82)
(Decrease) / Increase in provisions	(30.08)	(17.77)
(Decrease) / Increase in other non-financial liabilities	8.51	(0.60)
Interest received	31,293.07	20,192.84
Interest paid	(13,450.44)	(10,940.08)
	(30,279.68)	(24,111.21)
Income tax paid (net of refunds)	(1,805.25)	(1,137.77)
Derivative financial instruments	-	
NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES	(32,084.93)	(25,248.98)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(114.86)	(45.96)
Purchase of Investment property	(224.11)	-
Rental income on Investment property	7.63	6.36
Proceeds from sale of property, plant and equipment	0.08	0.54
Proceeds from sale of Investment property	110.00	
Purchase of intangible assets	(37.27)	(47.95)
ROU Adj	-	-
Purchase of investments measured at cost		
NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES	(258.54)	(87.01)
CASH FROM FINANCING ACTIVITIES		
Proceeds from issue of equity shares (including securities premium)	714.39	1,015.18
Amount received from debt securities	8,000.00	39,500.00
Repayment of debt securities	(26,783.33)	(3,300.00)
Amount received from borrowings other than debt securities	77,180.00	38,025.08
Repayment of borrowings other than debt securities	(31,541.19)	(38,101.19)
Amount received from subordinated Liabilities	-	2,500.00
Repayment of subordinated debt	-	(3,000.00)
Payment of principal portion of lease liabilities	(31.05)	(51.94)
Payment of interest on lease liabilities	(3.79)	(6.35)
NET CASH GENERATED FROM / (USED IN) FROM FINANCING ACTIVITIES	27,535.03	36,580.78
Net Increase / (Decrease) in Cash and Cash Equivalents	(4,808.44)	11,244.79
Cash and Cash Equivalents at the beginning of Year	14,474.42	3,229.63
Cash and Cash Equivalents at the end of the Year	9,664.31	14,474.42

The above Cash Flow Statement has been prepared under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows'.

As per our report of even date

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

per Suresh Murarka
Partner
Membership No.044739

Date: 30-May-22
Place: Mumbai

For and on behalf of the Board of Directors of
IKF Finance Limited

V.G.K Prasad
Chairman
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Sreepal Jain
Chief Financial Officer

Ch.Sreenivasa Rao
Company Secretary
M.No. ACS14723

INDEPENDENT AUDITOR'S REPORT

To the Members of IKF Finance Limited

Report on the audit of standalone financial statements

We have audited the accompanying standalone financial statements of IKF Finance Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SA), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the standalone financial statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of matter

We draw attention to note no. 57 of standalone financial statement, which describes the uncertainty caused by the continuing COVID-19 pandemic and the related probable events which could impact the Group's estimates of impairment of loans to customers. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements for the year ended March 31, 2022. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit Matters	How our audit addressed the key audit matter
Impairment of Financial Instruments (expected credit Losses) has been described in Note 2.4.c, 2.6.f and 6 of the financial statements.	
Management estimates impairment provision using Expected Credit loss model for the loan exposure as per the Board approved policy which is in line with Ind AS and the Regulations. Measurement of loan impairment involves application of significant judgement by the management. The most significant judgements are: • Timely identification and classification of the impaired loans, including classification of assets to stage 1, 2, or 3 using criteria in accordance with Ind AS 109 which also include considering the impact of RBI's regulatory circulars, • The segmentation of financial assets when their ECL is assessed on a collective basis, • Determination of probability of defaults (PD) and loss given defaults (LGD) based on the default history of loans, subsequent recoveries made and other relevant factors and • Assessment of qualitative factors having an impact on the credit risk.	• We evaluated the design and operating effectiveness of controls across the processes relevant to ECL, including the judgements and estimates. • We tested the completeness of loans and advances included in the Expected Credit Loss calculations as of March 31, 2022 by reconciling it with the balances as per loan balance register and loan commitment report as on that date. • We tested assets in stage 1, 2 and 3 on sample basis to verify that they were allocated to the appropriate stage. • Tested samples to ascertain the completeness and accuracy of the input data used for determining the PD and LGD rates and agreed the data with underlying books of accounts and records. • For samples of exposure, we tested the appropriateness of determining EAD, PD and LGD. • For exposure determined to be individually impaired, we tested samples of loans and advances and examined management's estimate of future cash flows, assessed their reasonableness and checked the resultant provision calculations.

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	• We performed an overall assessment of the ECL provision levels at each stage including management's assessment and provision on account of Company's portfolio, risk profile, credit risk management practices. • We assessed the adequacy and appropriateness of disclosures in compliance with the Ind AS 107 in relation to ECL especially in relation to judgements used in estimation of ECL provision.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board report, but does not include the standalone financial statements and our auditors' report thereon, which we obtained prior to the date of this auditors report, and the Annual report which is expected to be made available to us after that date.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 (Revised) 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Those Charged with Governance for the standalone financial statements

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these standalone financial statement that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to

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the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statement, the Management and the Board of Directorsare responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so, the Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the standalone financial statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statement.

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

- Identify and assess the risks of material misstatement of the standalone financial statement,whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial statement made by the Management and Board of Directors

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or

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conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statement, including the disclosures, and whether the standalone financial statement represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The standalone financial statements as at and for the year ended March 31, 2021, have been audited by the predecessor auditor. The report of the predecessor auditor on the comparative standalone financial statements dated June 26, 2021 expressed an unmodified opinion.

Our opinion on the financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2020 ("the Order"} issued by the Central Government of India in terms of sub-section (11} of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

(b} In our opinion, proper books of account as required by law have been Kept by the Company so far as it appears from our examination of those books;

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(c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of written representations received from the directors as on March 31, 2022, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, from being appointed as a director in terms of section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;

(g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that to the best of it's knowledge and belief, as disclosed in note no. 49, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or other wise , that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in note no. 49, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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Chartered Accountants

(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

For SGCO & CO. LLP
Chartered Accountants
Firm Reg. No.:- 112081W/W100184

Suresh Murarka
Partner
Membership No. :- 044739
UDIN :- 22044739AJYANJ4717
Place :- Mumbai
Date :- 30th May, 2022

IKF Finance Limited
Balance Sheet as at March 31, 2022
(Currency : INR in lakhs)

Particulars	Note No	As at March 31, 2022	As at March 31, 2021
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	3	3,377.21	11,793.28
(b) Bank Balance other than included in (a) above	4	2,208.65	3,964.82
(c) Receivables			
(I) Trade receivables	5	-	-
(d) Loans	6	1,56,325.40	1,40,161.15
(e) Investments	8	6,252.92	4,525.10
(f) Other financial assets	7	1,800.96	1,018.54
		1,69,965.14	1,61,462.89
(2) Non-financial assets			
(a) Current Tax Assets (Net)		183.04	217.94
(b) Deferred Tax Assets (Net)	29	70.34	-
(c) Investment Property	11	114.31	6.47
(d) Property, Plant and Equipment	10	260.11	240.52
(e) Right of use asset	10	10.75	24.77
(f) Intangible assets	12	154.42	170.57
(g) Other non-financial assets	9	1,067.42	382.01
		1,860.39	1,042.28
Total assets		1,71,825.53	1,62,505.17
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial liabilities			
(a) Payables			
(i)Trade payables and other payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(II) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(b) Debt securities	13	15,186.47	33,687.94
(c) Borrowings (other than debt securities)	14	1,09,462.84	85,755.89
(d) Subordinated Liabilities	15	6,003.45	5,986.79
(e) Other financial liabilities	16	2,030.13	2,670.12
		1,32,682.89	1,28,100.74
(2) Non-financial liabilities			
(a) Provisions	17	306.37	275.54
(b) Deferred tax liabilities (Net)	29	-	27.12
(c) Other non-financial liabilities	18	99.50	112.08
		405.87	414.74
EQUITY			
(a) Equity share capital	19	5,265.91	5,167.49
(b) Other equity	20	33,470.86	28,822.20
		38,736.77	33,989.69
Total liabilities and equity		1,71,825.53	1,62,505.17
Significant accounting policies and key accounting estimates and judgments	2	0.00	0.00

The accompanying notes form an integral part of the standalone financial statements
As per our report of even date

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

per Suresh Murarka
Partner
Membership No.044739
Place: Mumbai
Date: 30 May 2022

S G C O & CO LLP FRN - 112081W/ W100184 MUMBAI Chartered Accountants

IKF FINANCE LTD VIJAYAWADA

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

V.G.K Prasad
Chairman
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Sreepal Jain
Chief Financial Officer

Ch.Sreenivasa Rao
Company Secretary
M.No. ACS14723

Place: Vijayawada
Date: 30 May 2022

IKF Finance Limited

Statement of Profit and Loss for the year ended March 31, 2022

(Currency : INR in lakhs)

Particulars	Note No	Year ended March 31, 2022	Year ended March 31, 2021
Revenue From operations			
(i) Interest income	21	21,899.30	20,295.71
(ii) Fees and commission income	22	160.21	110.92
(I) Total revenue from operations		**22,059.51**	**20,406.63**
(II) Other income	23	63.31	16.29
(III) Total income (I + II)		**22,122.82**	**20,422.92**
Expenses			
(i) Finance costs	24	11,787.65	11,609.00
(ii) Impairment on financial instruments	25	511.78	647.15
(iii) Employee benefits expenses	26	3,248.03	2,621.34
(iv) Depreciation, amortization and impairment	27	128.96	144.14
(v) Others expenses	28	1,019.11	981.02
(IV) Total expenses		**16,695.53**	**16,002.65**
(V) Profit before tax (III - IV)		**5,427.29**	**4,420.27**
(VI) Tax Expense:			
(1) Current Tax	29	1,487.04	795.96
'(2) Deferred Tax	29	(100.25)	368.34
'(3) Adjustment of tax relating to earlier periods	29	10.06	65.46
		1,396.85	**1,229.76**
(VII) Profit for the period (V-VI)		**4,030.44**	**3,190.51**
(VIII) Other comprehensive income			
(A) Items that will not be reclassified to profit or loss (specify items and amounts)			
(a) Remeasurements of the defined benefit plans	30	11.07	13.44
Income tax relating to items that will not be reclassified to profit or loss		(2.79)	(3.38)
Other comprehensive income / (loss)		**8.28**	**10.06**
(IX) Total comprehensive income for the period (VII + VIII)		**4,038.72**	**3,200.57**
(X) Earnings per share (equity share, par value of Rs.10 each)			
Basic	31	7.80	6.35
Diluted	31	7.80	6.34

Significant accounting policies and key accounting estimates and judgments 2

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

per Suresh Murarka
Partner
Membership No.044739

Date: 30 May 2022
Place: Mumbai

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

V.G.K Prasad
Chairman
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
DIN: 03161150

Sreepal Jain
Chief Financial Officer

Ch. Srinivasa Rao
Company Secretary
M.No. ACS14723

Place: Vijayawada
Date: 30 May 2022

IKF Finance Limited

Cash Flow statement for the year ended March 31, 2022

(Currency : INR in lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	**5,427.28**	**4,420.27**
Adjustments for:		
Depreciation, amortisation and impairment	128.96	144.14
Interest income	(21,899.30)	(20,295.71)
Interest expenses	11,787.65	11,609.00
Impairment on financial instrument	511.78	647.15
Share based payment expense	(6.03)	13.09
Provision for expenses	6.60	4.83
Employee benefit expenses	81.57	98.26
Rental income on investment property	(7.63)	(6.36)
(Profit)/ Loss on sale of property, plant and equipment	(0.07)	(0.14)
(Profit)/ Loss on sale of immovable Property	6.10	
Cash generated from / (used in) operations before working capital changes and adjustments for interest received and interest paid	**(3,963.08)**	**(3,365.47)**
Adjustments for changes in Working Capital :		
Decrease / (Increase) in trade receivable	26.21	20.87
Decrease / (Increase) in loans	(24,454.76)	(21,661.13)
Decrease / (Increase) in bank balances other than cash and cash equivalents	1,756.18	(189.89)
Decrease / (Increase) in other financial assets	126.85	(330.53)
Decrease / (Increase) in other non-financial assets	(685.42)	(53.83)
(Decrease) / Increase in other financial liabilities	(631.52)	(32.01)
(Decrease) / Increase in provisions	(39.67)	(17.76)
(Decrease) / Increase in other non-financial liabilities	(12.59)	(6.61)
Interest received	22,327.41	17,250.35
Interest paid	(11,836.88)	(10,176.00)
	(17,387.28)	**(18,562.00)**
Income tax paid (net of refunds)	(1,462.20)	(922.80)
Deferred tax adjustment	0.00	0.00
NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES	**(18,849.48)**	**(19,484.80)**
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(86.52)	(33.46)
Purchase of investment property	(224.11)	-
Rental income on investment property	7.63	6.36
Proceeds from sale of property, plant and equipment	0.08	0.54
Proceeds from sale of investment property	110.00	-
Purchase of intangible assets	(27.55)	(31.99)
Purchase of investments measured at cost	(1,727.82)	-
NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES	**(1,948.29)**	**(58.53)**
CASH FROM FINANCING ACTIVITIES		
Proceeds from issue of equity shares (including securities premium)	714.39	1,015.18
Amount received from debt securities	8,000.00	30,500.00
Repayment of debt securities	(25,950.00)	(3,300.00)
Amount received from borrowings other than debt securities	56,500.00	33,730.08
Repayment of borrowings other than debt securities	(26,861.44)	(32,548.05)
Amount received from subordinated Liabilities	-	2,500.00
Repayment of subordinated debt	-	(3,000.00)
Payment of principal portion of lease liabilities	(19.13)	(41.45)
Payment of interest on lease liabilities	(2.12)	(4.77)
NET CASH GENERATED FROM / (USED IN) FROM FINANCING ACTIVITIES	**12,381.70**	**28,850.99**
Net Increase / (Decrease) in Cash and Cash Equivalents	**(8,416.07)**	**9,307.66**
Cash and Cash Equivalents at the beginning of Year	11,793.28	2,485.62
Cash and Cash Equivalents at the end of the Year	3,377.21	11,793.28

The above Cash Flow Statement has been prepared under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows'.

As per our report of even date

For S G C O & Co. LLP
Chartered Accountants
ICAI Firm registration number : 112081W/W100184

per Suresh Murarka
Partner
Membership No.044739

Date: 30 May 2022
Place: Mumbai

For and on behalf of the Board of Directors of
IKF Finance Limited
CIN: U65992AP1991PLC012736

U.G.K Prasad
Chairman
DIN: 01817992

Vasumathi Devi Koganti
Managing Director
DIN: 02161150

Sreepal Jain
Chief Financial Officer

Ch.Sreenivasa Rao
Company Secretary
M.No. ACS14723

Place: Vijayawada
Date: 30 May 2022