Financial Statements

INDEPENDENT AUDITOR'S REPORT

To the Members of IIFL Home Finance Limited (Formerly Known As India Infoline Housing Finance Limited) on the Audit of the Standalone Financial Statements

Report on the audit of the Standalone Financial Statements

Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("the SAs") specified under sub-section (10) of section 143 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 ("the ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 7.1 to the standalone financial statements with respect to the management's evaluation of COVID-19 impact on the future performance of the Company. This assessment and the outcome of the pandemic are made by the management and is highly dependent on the circumstances as they evolve in the subsequent periods. 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 of the current period. 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How the matter was addressed in our audit
Expected Credit Loss – Impairment of carrying value of loans and advances Under Ind AS 109, Expected Credit Loss (ECL) is required to be determined for recognising impairment loss on financial assets which are stated at amortized cost or carried at fair value through other comprehensive income. The Company exercises significant judgement using assumptions over both when and how much to record as impairment for loans and advances and estimation of the amount of the impairment provision for loans and advances. The calculation of impairment loss or ECL is based on significant management estimates and judgements, which are as under:	We performed audit procedures set out below: • Read the Company's Board approved Ind-AS 109 based impairment provisioning policy • Understood and assessed the Company's process and controls on measurement and recognition of impairment in the loan portfolio • Test checked loans in stage 1, 2 and 3 to ascertain that they were allocated to the appropriate stage • Test checked PD and LGD calculation workings performed by management, including testing data used in assessment and evaluation of whether the results support appropriateness of the PDs at portfolio level

INDEPENDENT AUDITOR'S REPORT (CONTD.)

Key Audit Matter	How the matter was addressed in our audit
• Judgements about credit risk characteristics for collective evaluation of impairment under various stages of ECL • Loan staging criteria • Calculation of Probability of Default (PD) and Loss Given Default (LGD) • Consideration of probability scenarios and forward looking macro-economic factors • Inputs and Judgements used in determination of management overlay at various asset stages considering the current uncertain economic environment with the range of possible effects unknown to the country arising out of the COVID 19 pandemic ECL requires a large variety of data as an input to the model. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model. In view of the criticality of the item to the Standalone Financial Statements, complex nature of assumptions and judgements exercised by the management and loans forming a major portion of the Company's assets and impairment charge for the year being material to the net profit for the year, in our opinion this is considered as a Key Audit Matter.	• Test checked the calculations of determining Exposure at Default (EAD) • Test checked the manner of determining significant increase in credit risk and the resultant basis for classification of exposures into various stages • Performed an assessment of the ECL provision levels at each stage including management's assessment on COVID 19 impact to determine if they were reasonable considering the Company's portfolio, risk profile, credit risk management practices and the macroeconomic environment
IT Systems and controls The Company financial accounting and reporting systems are highly dependent on the effective working of the operating and accounting system. The Company has separate software applications for management of its loan portfolio from origination to servicing and closure and for the routine accounting. Transfer of data from/to this software are critical for accurate compilation of financial information. Due to extensive volumes, variety and complexity of transactions the operating system is functioning, consistently and accurately, specifically with respect to following: • Interest, Fee income and other charges collected on Loans • Bifurcation of the Loan Portfolio based on maturity pattern and Assets Classification based on ageing of default We have identified 'IT systems and controls' as key audit matter because of significant use of IT system and the scale and complexity of the IT architecture. Our audit outcome is dependent on the effective functioning of such operating and accounting system.	We performed audit procedures set out below: • We obtained an understanding of the Company's business IT environment and key changes, if any during the audit period that may be relevant to the audit. • Our audit procedures included verifying, testing and reviewing the design and operating effectiveness of the key automated and manual business cycle controls and logic for system generated reports relevant to the audit by verifying the reports/returns and other financial and non-financial information generated from the system on a test check basis • We have tested and reviewed the reconciliations between the loan origination/servicing application and the accounting software to mitigate the risk of incorrect data flow to/from separate application software. • We have also obtained management representations wherever considered necessary.

INDEPENDENT AUDITOR'S REPORT (CONTD.)

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Annual Report but does not include the Standalone Financial Statements, 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 auditor's 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 the 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 sub-section (5) of Section 134 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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with Companies (Indian Accounting Standard) 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 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 and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

i. 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.

ii. Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under the 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.

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

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iv. 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 ability of the Company 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.

v. 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 of 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 of the Company for the year ended March 31, 2021 was audited by M.P. Chitale & Co, one of the joint statutory auditors of the Company who expressed an unmodified opinion on those Standalone Financial Statements vide their report dated April 28, 2021.

Our opinion on the Standalone Financial Statements is not modified in respect of the above 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 "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 purposes of our audit;

    b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

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

    d. in our opinion, the aforesaid Standalone Financial Statements comply with the 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 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, from being appointed as a director in terms of Section 164(2) of the Act;

    f. with respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";

    g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors, including sitting fees paid to directors, during the year is in accordance with the provisions of Section 197 read with Schedule V of the Act;

INDEPENDENT AUDITOR'S REPORT (CONTD.)

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

   i. the Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 36(b) to the Standalone Financial Statements.

   ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts, including derivative contracts.

   iii. there has been no delay in transferring amounts, required to be transferred, to the Investor, Education and Protection Fund by the Company.

   iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 38B i.(i) to the standalone financial statements no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

   (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 38B i.(ii) to the standalone financial statements no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

   (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

   v. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Companies Act 2013.

For **Suresh Surana and Associates LLP**
Chartered Accountants
Firm Regn. No. 121750W/W-100010

Ramesh Gupta
Partner
Membership No.: 102306
UDIN: 22102306AHUECN4285

Place: Mumbai
Date: April 25, 2022

For M.P. Chitale & Co.
Chartered Accountants
Firm Regn. No.101851W

Harnish Shah
Partner
Membership No.: 145160
UDIN: 22145160AHUEIP7016

Place: Mumbai
Date: April 25, 2022

ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 1 Under 'Report On Other Legal And Regulatory Requirements' Section of our Report to the Members of IIFL Home Finance Limited (Formerly Known as India Infoline Housing Finance Limited) of even date)

(i) (a) In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(A) The Company has maintained proper records showing full particulars including quantitative details and situation of its Property, Plant and Equipment and relevant details of Right of Use Assets.

(B) The Company has maintained proper records showing full particulars of its Intangible assets.

(b) In our opinion, the Company's program of verifying Property, Plant and Equipment including Right of Use Assets once in three years, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to such program, the physical verification of Property, Plant and Equipment, including Right of Use Assets, were not due during the current year and accordingly, not verified by the management during the year.

(c) According to the information and explanations given to us and the records examined by us, we report that, the title deeds, comprising all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) classified as Property Plant and Equipment, are held in the name of the Company as at the balance sheet date.

(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) According to the information and explanations given to us and based on management representations, there are no proceedings initiated or are pending against the Company as at March 31, 2022 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company is in business of Housing Finance. Therefore, it does not hold any physical inventories. Accordingly, paragraph 3(ii) (a) of the Order is not applicable to the Company.

(b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. According to information and explanation given to us and the records examined by us, the revised quarterly returns or statements for the quarters ended June 2021, September 2021 and December 2021 filed by the Company during the year with such banks or financial institutions are in agreement with books of account. Further, in respect of quarter ended March 2022, the return has been filed based on the provisional financial statements and the revised return will be filled based on the audited financial statements.

(iii) (a) Since the Company is in business of Housing Finance, the reporting under clause 3(iii)(a) of the Order is not applicable to the Company

(b) The Company has made investments, provided security, and granted loans and advances in loans to companies, firms, Limited Liability Partnerships or any other parties. In our opinion, the investments made, security provided and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the interest of the Company.

(c) The Company is principally engaged in the business of providing loans.

In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been duly stipulated and the repayments of principal amounts and receipts of interest have generally been regular as per repayment schedules except for 14,371 cases having loan outstanding balance at year end aggregating to Rs. 20,784.57 million wherein the repayments of principal and interest are not regular. Having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide an itemised list of loan assets where repayment of principal and interest have not been regular.

(d) In respect of loans granted by the Company, the total amount overdue for more than 90 days as at the balance sheet date are as under;

No. of cases	Principal amount overdue (Rs. Million)	Interest overdue (Rs. Million)	Total overdue
2191	144.02	727.39	871.41

ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT (CONTD.)

According to information and explanation given to us and the records examined by us, the Company has taken reasonable steps to recover the principal and interest amount.

(e) Since the Company is in business of Housing Finance, the reporting under clause 3(iii)(e) of the Order is not applicable to the Company.

(f) The Company has not granted any loans or advances in the nature of loans that were either repayable on demand or without specifying any terms or period of repayment.

(iv) There are no loans, investments, guarantees and securities granted in respect of which provisions of section 185 and 186 of the Act are attracted. Accordingly, paragraph 3(iv) of the Order is not applicable to the Company.

(v) According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) According to the information and explanations given to us and to the best of our knowledge, the Central Government has not prescribed the maintenance of cost records under sub-section 1 of section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, as amended for the services of the Company, and, hence, reporting on clause 3 (vi) of the Order is not applicable to the Company.

(vii) (a) According to the information and explanations given to us, and on the basis of examination of the books of account of the Company examined by us, in our opinion, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and service tax, cess and other material statutory dues applicable to it. According to information and explanations given to us, no undisputed amount payable were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income tax and goods and service tax which have not been deposited with the appropriate authorities on account of any dispute.

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income in the tax assessments made during the year under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared as a wilful defaulter by any bank or financial institution or government or any government authority during the year.

(c) According to the information and explanations given to us, and on the basis of our examination of the books of account, the Company has utilized the money raised by way of term loans during the year for the purposes for which they were raised, other than temporary deployment of borrowings aggregating to ₹ 4,000 million in Bank accounts/Bank Fixed Deposit and Mutual Fund, pending utilization of funds as per respective sanction terms.

(d) On an overall examination of the Standalone Financial Statements of the Company, no funds raised on short-term basis have been prima facie used for long-term purposes during the year by the Company.

(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 subsidiary and Associate;

(f) According to the information and explanations given to us, and on the basis of our examination of the books of account, the Company has not raised loans during the year on the pledge of securities held in its subsidiary and associate and therefore, reporting under clause 3(ix)(f) of the Order is not applicable to the Company.

ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT (CONTD.)

(x) (a) According to the information and explanations given to us, and on the basis of our examination of the books of account, money raised by way of public offer through debt instruments during the year were applied for the purposes for which those are raised.

(b) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company

(xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, we have not come across any instance of material fraud by or on the Company, noticed or reported during the year, nor have we been informed of such case by management.

(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) According to the information and explanations given to us, we have not come across any instance of whistle blower complaints reported during the year, nor have we been informed of such case by management.

(xii) The Company is not a Nidhi Company and hence, reporting under clause 3 (xii) of the Order is not applicable to the Company.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in 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 to us and on the basis of our examination of the records, the Company has not entered into any non-cash transactions with directors or persons connected with directors. Accordingly, reporting under paragraph 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).

(b) The Company is a Housing Finance Company and it holds a valid Certificate of Registration (CoR) from the National Housing Bank issued under Section 29A(2) of the National Housing Bank Act 1987 for conducting housing finance business.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

(d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly, reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization 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.

ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT (CONTD.)

(xx) (a) In respect of other than ongoing projects, the Company does not have any amount unspent to be transferred to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year 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 to the Company for the year.

(b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount as at the end of the current financial year, to a Special account within a period of 30 days from the end of the current financial year in compliance with the provision of section 135(6) of the Act.

For **Suresh Surana and Associates LLP**
Chartered Accountants
Firm Regn. No. 121750W/W-100010

Ramesh Gupta
Partner
Membership No.: 102306
UDIN: 22102306AHUECN4285

Place: Mumbai
Date: April 25, 2022

For M.P. Chitale & Co.
Chartered Accountants
Firm Regn. No.101851W

Harnish Shah
Partner
Membership No.: 145160
UDIN: 22145160AHUEIP7016

ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 2(F) Under 'Report on other Legal and Regulatory Requirements' Section of our Report to the Members of IIFL Home Finance Limited (Formerly Known As India Infoline Housing Finance Limited) of even date)

Report on the Internal Financial Controls with reference to the aforesaid Standalone Financial Statements under Clause (I) of Sub-Section (3) of Section 143 of the Companies Act, 2013 (The 'Act')

We have audited the internal financial controls with reference to financial reporting of **IIFL Home Finance Limited** (hereinafter referred to as "the Company") as of March 31, 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to 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 (the "Guidance Note") 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, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the standards on Auditing prescribed under sub-section (10) of Section 143 of the Act, to the extent applicable to the audit of internal financial controls with reference to Standalone Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial reporting and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to 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 with reference to Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements.

A Company's internal financial control with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to Standalone Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, 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 With reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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

ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT (CONTD.)

financial controls with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls were operating effectively as at March 31, 2022, based on the internal financial controls with reference to Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Suresh Surana and Associates LLP**
Chartered Accountants
Firm Regn. No. 121750W/W-100010

Ramesh Gupta
Partner
Membership No.: 102306
UDIN: 22102306AHUECN4285

Place: Mumbai
Date: April 25, 2022

For M.P. Chitale & Co.
Chartered Accountants
Firm Regn. No.101851W

Harnish Shah
Partner
Membership No.: 145160
UDIN: 22145160AHUEIP7016

IIFL HOME LOAN

STANDALONE BALANCE SHEET

AS AT MARCH 31, 2022

(₹ in million)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
(1) Financial Assets			
(a) Cash and cash equivalents	4A	13,987.31	4,123.27
(b) Bank balance other than (a) above	4B	4,332.94	4,437.40
(c) Receivables	6		
(I) Trade receivables		344.10	306.35
(d) Loans	7	152,902.21	145,649.23
(e) Investments	8	3,832.63	1,672.20
(f) Other financial assets	9	3,570.97	2,339.72
(2) Non-financial Assets			
(a) Current tax assets (net)		55.06	143.57
(b) Deferred tax assets (net)	10	640.91	701.71
(c) Investment Property	11A	66.30	70.05
(d) Property, plant and equipment	11B	65.51	24.84
(e) Right of use assets	12A	154.52	135.76
(f) Other intangible assets	12B	1.82	1.26
(g) Other non-financial assets	13	47.74	33.28
(h) Assets held for sale	14	96.99	139.46
Total Assets		**180,099.01**	**159,778.10**
LIABILITIES AND EQUITY			
(1) Financial Liabilities			
(a) Derivative financial instruments	5	50.58	292.08
(b) Payables	15		
(I) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		508.11	351.58
(c) Finance Lease Obligation	12A	173.82	149.03
(d) Debt securities	16	22,179.86	21,027.50
(e) Borrowings (other than debt securities)	17	109,449.34	104,708.22
(f) Subordinated liabilities	18	10,576.86	4,366.73
(g) Other financial liabilities	19	9,444.46	5,853.89
(2) Non-financial Liabilities			
(a) Current tax liabilities (net)		260.35	312.59
(b) Provisions	20	140.50	125.78
(c) Other non-financial liabilities	21	508.09	1,133.61
(3) EQUITY			
(a) Equity share capital	22	209.68	209.68
(b) Other equity	23	26,597.36	21,247.41
Total liabilities and equity		**180,099.01**	**159,778.10**
See accompanying notes forming part of the financial statements	1-46		

As per our reports attached of even date

For M. P. Chitale & Co.
Chartered Accountants

Harnish Shah
Partner
Place: Mumbai

Date: April 25, 2022

For Suresh Surana & Associates LLP
Chartered Accountants

Ramesh Gupta
Partner
Place: Mumbai

For and on behalf of the Board of Directors of IIFL Home Finance Limited

R. Venkataraman
Director
(DIN: 00011919)
Place: Mumbai

Monu Ratra
Executive Director & CEO
(DIN: 07406284)
Place: Gurugram

Ajay Jaiswal
Company Secretary
(F6327)
Place: Gurugram

Amit Gupta
Chief Financial Officer
Place: Gurugram

IIFL HOME LOAN

STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2022

(₹ in million)

	Particulars	Note No.	2021-22	2020-21
	REVENUE FROM OPERATIONS			
	(i) Interest income	24	18,757.45	17,786.63
	(ii) Dividend income	25	-	40.71
	(iii) Fees and commission income	26	769.56	647.38
	(iv) Net gain on fair value changes	27	63.16	185.01
	(v) Net gain on derecognition of financial instruments under amortized cost category	28.1	109.24	139.17
	(vi) Net gain on derecognition of financial instruments under under FVTOCI	28.2	1,158.76	770.76
	(vii) Net gain on modification of financial instruments under amortized cost category		2.59	-
(I)	**TOTAL REVENUE FROM OPERATIONS**		**20,860.76**	**19,569.66**
(II)	**OTHER INCOME**	29	1,353.65	1,107.84
(III)	**TOTAL INCOME (I+II)**		**22,214.41**	**20,677.50**
	EXPENSES			
	(i) Finance costs	30	10,624.80	10,532.73
	(ii) Net loss on modification of financial instruments under amortized cost category		-	73.27
	(iii) Impairment on financial instruments, including write-offs	31	1,599.99	2,716.87
	(iv) Employee benefits expenses	32	1,717.00	1,584.43
	(v) Depreciation, amortization and impairment	11A-12B	66.91	84.75
	(vi) Other expenses	33	746.08	585.61
(IV)	**TOTAL EXPENSES**		**14,754.78**	**15,577.66**
(V)	**PROFIT BEFORE TAX (III -IV)**		**7,459.63**	**5,099.84**
(VI)	**TAX EXPENSES:**			
	(i) Current tax	34	1,701.00	1,419.33
	(ii) Deferred tax	10	(34.62)	(331.41)
	(iii) Tax of earlier years	34	13.30	0.97
	Total Tax Expenses		**1,679.68**	**1,088.89**
(VII)	**PROFIT FOR THE YEAR (V-VI)**		**5,779.95**	**4,010.95**
(VIII)	**OTHER COMPREHENSIVE INCOME**			
	A (i) Items that will not be reclassified to profit or loss			
	(a) Remeasurement of defined benefit liabilities/(assets)		1.11	15.58
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.28)	(3.92)
	Subtotal (A)		**0.83**	**11.66**
	B (i) Items that will be reclassified to profit or loss			
	(a) Cash Flow Hedge (net)		128.35	(47.75)
	(b) Fair value of loans carried at FVTOCI		136.52	(7.64)
	(ii) Income tax relating to items that will be reclassified to profit or loss		(66.66)	13.94
	Subtotal (B)		**198.21**	**(41.45)**
	Other Comprehensive Income (A+B)		**199.04**	**(29.79)**
(IX)	**TOTAL COMPREHENSIVE INCOME FOR THE YEAR (VII+VIII)**		**5,978.99**	**3,981.16**
(X)	**EARNINGS PER EQUITY SHARE OF FACE VALUE OF ₹ 10 EACH**	35		
	Basic (₹)		275.65	191.29
	Diluted (₹)		275.65	191.29

See accompanying notes forming part of the financial statements 1-46

As per our reports attached of even date

For M. P. Chitale & Co.
Chartered Accountants

Harnish Shah
Partner
Place: Mumbai

For Suresh Surana & Associates LLP
Chartered Accountants

Ramesh Gupta
Partner
Place: Mumbai

Date: April 25, 2022

For and on behalf of the Board of Directors of IIFL Home Finance Limited

R. Venkataraman
Director
(DIN: 00011919)
Place: Mumbai

Monu Ratra
Executive Director & CEO
(DIN: 07406284)
Place: Gurugram

Ajay Jaiswal
Company Secretary
(F6327)
Place: Gurugram

Amit Gupta
Chief Financial Officer
Place: Gurugram

IIFL HOME LOAN

STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2022

A. EQUITY SHARE CAPITAL

1. As at March 31, 2022

(₹ in million)

Balance at the beginning of the current reporting year	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the current reporting year	Changes in equity share capital during the current year	Balance at the end of the current reporting year
209.68	-	-	-	209.68

2. As at March 31, 2021

(₹ in million)

Balance at the beginning of the previous reporting year	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the previous reporting year	Changes in equity share capital during the previous year	Balance at the end of the previous reporting year
209.68	-	-	-	209.68

B. OTHER EQUITY

1. As at March 31, 2022

(₹ in million)

Particulars	Reserves and Surplus				Other Comprehensive Income			Total
	Securities Premium	General Reserve	Special Reserve Pursuant to Section 29C of National Housing Bank Act, 1987	Retained Earnings	Re-measurement of Actuarial Gains and Losses	Effective portion of Cash Flow Hedges	Fair value of loans carried at FVTOCI	
Balance at the beginning of the current reporting year	**7,991.57**	**1,438.60**	**2,873.70**	**9,121.51**	**(5.89)**	**(166.36)**	**(5.72)**	**21,247.41**
Profit for the year	-	-	-	5,779.95	-	-	-	**5,779.95**
Fair Value change on derivatives designated as Cash Flow Hedge (Net of Tax) (Refer Note 1)	-	-	-		-	96.05	-	**96.05**
Remeasurement of defined benefit (Net of Tax) (Refer Note 2)	-	-	-		0.83	-	-	**0.83**
Equity Dividend (Refer Note 3)	-	-	-	(629.05)	-	-	-	**(629.05)**
Transfer to Special Reserve (Refer Note 4)	-	-	1,156.00	(1,156.00)	-	-	-	**-**
Fair value of loans carried at FVTOCI	-	-	-	-	-	-	102.17	**102.17**
Balance at the end of the Current reporting year	**7,991.57**	**1,438.60**	**4,029.70**	**13,116.41**	**(5.06)**	**(70.31)**	**96.45**	**26,597.36**

2. As at March 31, 2021

(₹ in million)

Particulars	Reserves and Surplus				Other Comprehensive Income			Total
	Securities Premium	General Reserve	Special Reserve Pursuant to Section 29C of National Housing Bank Act, 1987	Retained Earnings	Re-measurement of Actuarial Gains and Losses	Effective portion of Cash Flow Hedges	Fair value of loans carried at FVTOCI	
Balance at the beginning of the Previous reporting year	**7,991.57**	**1,438.60**	**2,068.70**	**6,439.76**	**(17.54)**	**(130.62)**	**-**	**17,790.46**
Profit for the year	-	-	-	4,010.95	-	-	-	**4,010.95**
Fair Value change on derivatives designated as Cash Flow Hedge (Net of Tax) (Refer Note 1)	-	-	-	-	-	(35.74)	-	**(35.74)**

IIFL HOME LOAN

STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2022

(₹ in million)

Particulars	Reserves and Surplus				Other Comprehensive Income			Total
	Securities Premium	General Reserve	Special Reserve Pursuant to Section 29C of National Housing Bank Act, 1987	Retained Earnings	Re-measurement of Actuarial Gains and Losses	Effective portion of Cash Flow Hedges	Fair value of loans carried at FVTOCI	
Remeasurement of defined benefit (Net of Tax) (Refer Note 2)	-	-	-	-	11.66	-	-	**11.66**
Equity Dividend (Refer Note 3)	-	-	-	(524.20)	-	-	-	**(524.20)**
Transfer to Special Reserve (Refer Note 4)	-	-	805.00	(805.00)	-	-	-	**-**
Fair value of loans carried at FVTOCI	-	-	-	-	-	-	(5.72)	**(5.72)**
Balance at the end of the Previous reporting year	**7,991.57**	**1,438.60**	**2,873.70**	**9,121.51**	**(5.89)**	**(166.36)**	**(5.72)**	**21,247.41**

1. The amount refers to changes in the fair value of Derivative Financial Contracts which are designated as effective Cash Flow Hedge.
2. The amount refers to remeasurement of gains and losses arising from experience adjustments, changes in actuarial assumptions and return on plan assets of the defined benefit plan.
3. During the year, the Board of Directors of the Company has declared and paid interim dividend of ₹ 30 per equity share (P.Y. ₹ 25).
4. As per Section 29C(1) of National Housing Bank Act 1987, the Company is required to transfer at least 20% of its Net profit every year to a reserve before any dividend is declared. For this purpose any Special Reserve created by the Company under Section 36(1)(viii) of the Income Tax Act,1961 is considered to be an eligible transfer.

See accompanying notes forming part of the financial statements

As per our reports attached of even date

For M. P. Chitale & Co.
Chartered Accountants

Harnish Shah
Partner
Place: Mumbai

Date: April 25, 2022

For Suresh Surana & Associates LLP
Chartered Accountants

Ramesh Gupta
Partner
Place: Mumbai

For and on behalf of the Board of Directors of IIFL Home Finance Limited

R. Venkataraman
Director
(DIN: 00011919)
Place: Mumbai

Monu Ratra
Executive Director & CEO
(DIN: 07406284)
Place: Gurugram

Ajay Jaiswal
Company Secretary
(F6327)
Place: Gurugram

Amit Gupta
Chief Financial Officer
Place: Gurugram

STANDALONE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2022

(₹ in million)

Particulars	Note No.	2021-22	2020-21
CASH FLOWS FROM OPERATING ACTIVITIES			
PROFIT BEFORE TAX		**7,459.63**	**5,099.84**
ADJUSTMENTS FOR:			
Depreciation, amortization and impairment		66.91	84.75
Impairment on financial instruments - loans		1,051.60	2,214.18
Interest expense		10,624.80	10,532.73
Interest on Loans		(18,757.45)	(17,786.63)
Net gain on derecognition of financial instruments		(1,229.72)	(866.01)
Net (gain)/loss on fair value changes		(63.16)	(183.56)
Net (gain)/loss on Sale of assets		0.31	14.29
Interest paid		(12,187.71)	(11,067.45)
(Gain)/Loss on termination		-	(6.20)
(Gain)/Loss on Modification		(2.59)	73.27
Interest received		18,984.65	17,954.16
(Gain)/Loss on buy back of Debt Securities		-	(1.45)
Operating Profit before Working Capital changes		**5,947.27**	**6,061.92**
CHANGES IN WORKING CAPITAL:			
Adjustments for (increase)/decrease in Other Financial assets		(185.66)	(197.74)
Adjustments for (increase)/decrease in Trade Receivables		(38.52)	(124.72)
Adjustments for (increase)/decrease in Other Non Financial assets		(15.84)	2.81
Adjustments for (increase)/decrease in Assets held for sale		42.47	(139.46)
Adjustments for (increase)/decrease in Balances with banks - Lien marked		(37.20)	1,058.78
Adjustments for increase/(decrease) in Trade Payables		156.52	60.84
Adjustments for increase/(decrease) in Other financial liabilities		3,590.57	3,271.12
Adjustments for increase/(decrease) in Other non-financial liabilities		(625.52)	922.86
Adjustments for increase/(decrease) in Provisions		20.72	(24.65)
Operating Profit after Working Capital changes		**8,854.81**	**10,891.76**
Direct Taxes Paid (Refer Note Below)		(1,649.56)	(1,223.05)

IIFL HOME LOAN

STANDALONE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2022

(₹ in million)

Particulars	Note No.	2021-22	2020-21
Cash generated from/(used in) Operations		**7,205.25**	**9,668.71**
Loans (disbursed)/repaid (net)		(8,208.23)	(18,645.17)
Net cash generated from/(used in) Operating Activities (A)		**(1,002.98)**	**(8,976.46)**
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of fixed assets		(71.35)	(9.39)
Sale of fixed assets		4.64	3.98
Fixed deposits placed		(17,844.97)	(82,622.53)
Fixed deposits matured		17,986.20	80,681.91
Purchase of investments		(241,493.50)	(165,446.23)
Proceeds from sale of investments		239,396.23	164,491.68
Proceeds from sale of investment property		-	24.10
Net Cash used in Investing Activities (B)		**(2,022.75)**	**(2,876.48)**
CASH FLOW FROM FINANCING ACTIVITIES			
Dividend paid		(629.05)	(524.20)
Proceeds from Borrowings		43,418.40	32,980.00
Repayment of Borrowings		(38,517.96)	(23,157.85)
Proceeds from issue of Debt and Sub-Ordinated Debt Securities		19,004.53	14,620.00
Repayment of Debt and Sub-Ordinated Debt Securities		(10,342.48)	(17,136.06)
Payment of interest on lease liabilities		(13.78)	(17.42)
Payment of lease liabilities		(29.89)	(39.93)
Net Cash from/(used in) Financing Activities (C)		**12,889.77**	**6,724.54**
Net increase in cash and cash equivalents (A+B+C)		**9,864.04**	**(5,128.40)**
Cash and cash equivalents as at the beginning of the year		4,123.27	9,251.67
Cash and cash equivalents as at the end of the year		**13,987.31**	**4,123.27**
See accompanying notes forming part of the financial statements	1-46		

Note: As direct tax paid above is not specifically identifiable into financing and investing activities, they have been shown under operating activities.

As per our reports attached of even date

For M. P. Chitale & Co.
Chartered Accountants

Harnish Shah
Partner
Place: Mumbai

Date: April 25, 2022

For Suresh Surana & Associates LLP
Chartered Accountants

Ramesh Gupta
Partner
Place: Mumbai

For and on behalf of the Board of Directors of IIFL Home Finance Limited

R. Venkataraman
Director
(DIN: 00011919)
Place: Mumbai

Monu Ratra
Executive Director & CEO
(DIN: 07406284)
Place: Gurugram

Ajay Jaiswal
Company Secretary
(F6327)
Place: Gurugram

Amit Gupta
Chief Financial Officer
Place: Gurugram

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

NOTE 1. CORPORATE INFORMATION

(a) Company overview

IIFL Home Finance Limited (formerly known as India Infoline Housing Finance Limited) ("IIFL HFL"/"the Company") (CIN No. U65993MH2006PLC166475), is a wholly owned subsidiary of IIFL Finance Limited (formerly known as IIFL Holdings Limited). IIFL HFL received a Certificate of Registration from the National Housing Bank ("NHB") in February 2009 to carry on the business of a housing finance institution. IIFL HFL offers housing finance in line with 'The Housing Finance Companies (NHB) Directions, 2010' ("NHB Directions") and RBI Master Direction - Non Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, as amended from time to time. The redeemable and Non-Convertible debentures of the Company are listed on National Stock Exchange (NSE).

NOTE 2. BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

(a) Statement of compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of Companies Act, 2013 ("the Act") and the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and the guidelines issued by the National Housing Bank ("NHB") and Reserve Bank of India (RBI) to the extent applicable and the relevant provisions of the Act.

(b) Basis of Preparation

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period as explained in the accounting policies below and the relevant provisions of The Companies Act, 2013 ("Act").

Accounting policies have been consistently applied except where a newly issued Accounting Standards is initially adopted or a revision to an existing Accounting Standards requires a change in the accounting policy hitherto in use.

(c) Presentation of financial statements

The Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the Financial Statements along with the other notes required to be disclosed under the notified Accounting Standards and regulations issued by the NHB and RBI. The Company presents its Balance Sheet in the order of liquidity.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to million except when otherwise stated.

(d) Basis of measurements

The financial statements have been prepared on historical cost basis except for certain financial instruments that are measured at fair value.

A historical cost is a measure of value used in accounting in which the price of an asset on the balance sheet is based on its nominal or original cost when acquired by the Company.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value measurements under Ind AS are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the valuation of assets or liabilities.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

(e) Use of estimates and judgments

The preparation of the financial statements in conformity with Indian Accounting Standards (Ind AS) requires the management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

i. Evaluation of Business Model

Classification and measurement of financial instruments depends on the results of the solely payments of principal and interest on the principal amount outstanding ("SPPI") and the business model test. The Company determines the business model at a level that reflects how the Company's financial instruments are managed together to achieve a particular business objective.

The Company monitors financial assets measured at amortized cost or fair value through other comprehensive income that are derecognized prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. 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 instruments.

ii. Determination of Expected Credit Loss ("ECL")

The measurement of impairment losses (ECL) across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows based on Company's historical experience and collateral values when determining impairment losses along with the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

Elements of the ECL models that are considered accounting judgements and estimates include:

- Bifurcation of the financial assets into different portfolios when ECL is assessed on collective basis.
- Company's criteria for assessing if there has been a significant increase in credit risk.
- Development of ECL models, including choice of inputs/assumptions used.

iii. Effective interest rate computation

Computation of effective interest rate involves significant estimates and judgements with respect to expected loan tenure (period within which all cash flows pertaining to such financial instruments are expected to be received), nature and timings of such estimated cashflows considering the contractual terms of the financial instrument. These estimations are done considering various factors such as historical behavior patterns of the instrument with respect to average repayment period and cash flows behaviors. Such estimates and assumptions are reviewed by the Company at each reporting date and changes, if any are given effect to.

iv. Fair Value Measurements

In case of financial assets and financial liabilities recorded or disclosed in financial statements the Company uses the quoted prices in active markets for identical assets or based on inputs which are observable either directly or indirectly for determining the fair value. However in certain cases, the Company adopts valuation techniques and inputs which are not based on market data. When Market observable information is not available, the Company has applied appropriate valuation techniques and inputs to the valuation model.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

v. Taxes

The Company's tax jurisdiction is in India.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

Significant judgements are involved in determining the provision for direct and indirect taxes, including amount expected to be paid/ recovered for certain tax positions.

vi. Provisions and Liabilities

Provisions and liabilities are recognized in the period when they become probable that there will be an outflow of funds resulting from past operations or events that can be reasonably estimated. The timing of recognition requires judgment to existing facts and circumstances which may be subject to change.

vii. Defined Benefit Plans

The cost of the defined benefit plan and the present value of the 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.

NOTE 3. SIGNIFICANT ACCOUNTING POLICIES

(a) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery.

i. Interest income and dividend income

Interest income on financial instruments at amortized cost is recognized on a time proportion basis taking into account the amount outstanding and the effective interest rate ("EIR") applicable.

The EIR is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount of the financial instrument. The future cash flows are estimated considering all the contractual terms of the instrument.

Interest income/expenses is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets/liabilities (i.e. at the amortized cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets, interest income is calculated by applying the EIR to the amortized cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses).

Penal Interest are recognized as income only when revenue is virtually certain which generally coincides with receipts.

The calculation of the EIR includes all fees paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets at fair value through profit and loss ("FVTPL"), transaction costs are recognized in the Statement of Profit and Loss at initial recognition.

Dividend on equity shares, preference shares and on mutual fund units is recognized as income when the right to receive the dividend is established.

ii. Fees and charges

Fees and charges include fees other than those that are an integral part of EIR. The fees included in this part of the Company's Statement of Profit and Loss include, among other things, fees charged for servicing a loan. Fees and charges are recognized as income only when revenue is virtually certain which generally coincides with receipts.

iii. Income from financial instruments at FVTPL

Income from financial instruments at FVTPL includes all gains and losses from changes in the fair value of financial assets and financial liabilities at FVTPL.

iv. Other Income

Other income represents income earned from the activities incidental to the business and is recognized when the right to receive the income is established as per the terms of the contract.

(b) Property, plant and equipment ("PPE")

PPE is recognized when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. PPE is stated at cost of acquisition (net of tax), if any, less accumulated depreciation and cumulative impairment losses (if any). Cost includes freight, duties, taxes and expenses incidental to acquisition and installation.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

Subsequent expenditure related to an item of PPE is added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

For transition to Ind AS, the Company has elected to adopt as deemed cost, the opening written down value as per Previous GAAP on the transition date of April 1, 2017.

An item of property, plant and equipment is derecognized 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 recognized in the Statement of Profit and Loss.

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest and are disclosed as "capital work-in-progress".

(c) Intangible assets

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax, less accumulated amortization and cumulative impairment.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognized in the Statement of Profit and Loss when the asset is derecognized.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Intangible assets under development".

(d) Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost, net of accumulated depreciation and accumulated impairment loss, if any.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in Statement of Profit or Loss in the period in which the Investment property is derecognized.

(e) Depreciation and Amortization

Depreciation is charged using the straight-line method, based on the useful life of fixed assets as estimated by the Management, as specified below. Depreciation is charged from the month in which new assets are put to use. No depreciation is charged from the month in which assets are sold. In case of transfer of used fixed assets from group companies, depreciation is charged over the remaining useful life of the asset. Individual assets costing up to 5,000 have been depreciated in full in the year of purchase. Leasehold land is depreciated on a straight line basis over the leasehold period.

The estimated useful life of assets is as under:

Class of assets	Useful Life as per Schedule II Companies Act	Useful life as per Company
Investment property Real Estate*	60 years/30 years	20 years
Computers	3 years	3 years
Office equipment	5 years	5 years
Electrical Equipment*	10 years	5 years
Furniture and fixtures*	10 years	5 years
Vehicles*	8 years	5 years

* For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuers, the Management believes that the useful lives as given above best represent the period over which Management expects to use these assets. Hence, the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Intangible assets i.e. Software are amortized on straight-line basis over the estimated useful life of 3 years.

Depreciation and amortization on impaired asset is provided on the revised carrying amount of the asset over its remaining useful life.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

(f) Non-current Assets held for Sale

Non-current assets are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

The Company repossess properties or other assets to settle outstanding recoverable and the surplus (if any) post auction is refunded to the obligors. These assets physically acquired by the Company under SARFASI Act, 2002 and sale is highly probable has been classified as assets held for sale, as their carrying amounts will be recovered principally through a sale of asset. In accordance with Ind AS 105, the Company is committed to sell these assets. Non-current assets classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

(g) Impairment of Assets other than financials assets

As at the end of each accounting year, the Company reviews the carrying amounts of its PPE, intangible assets and investment property assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the PPE, intangible assets and investment property are tested for impairment so as to determine the impairment loss, if any.

Impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is the higher of fair value less costs of disposal and value in use.

If recoverable amount of an asset is estimated to be less than its carrying amount, such deficit is recognized immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized immediately in the Statement of Profit and Loss.

(h) Employee benefits

i. Defined contribution plans

The Company's contribution towards Provident Fund, Family Pension Fund and ESIC are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees and are accounted for on an accrual basis and recognized in the Statement of Profit and loss.

ii. Defined benefit plans

Short term employee benefits: Employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits and are expensed in the period in which the employee renders the related service. Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service. These benefits include performance incentive and compensated absences.

Postemployment benefits: The employees' gratuity fund scheme represents defined benefit plan. The present value of the obligation under defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method.

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

Re-measurement, comprising actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of asset ceiling (if applicable) is recognized in other comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to the Statement of Profit and Loss.

Defined benefit costs comprising current service cost, past service cost and gains or losses on settlements are recognized in the Statement of Profit and Loss as employee benefit expenses. Gains or losses on settlement of any defined benefit plan are recognized when the settlement occurs. Past service cost is recognized as

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

expense at the earlier of the plan amendment or curtailment and when the Company recognizes related restructuring costs or termination benefits.

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognize the obligation on a net basis.

Long term employee benefits: The obligation recognized in respect of long term benefits such as long term compensated absences, is measured at present value of estimated future cash flows expected to be made by the Company and is recognized in a similar manner as in the case of defined benefit plan above.

(i) Leases

The Company assesses whether a contract contains a lease, at the inception of the 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 considers whether (i) the contract involves the use of identified asset; (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of lease and (iii) the Company has right to direct the use of the asset.

As a lessee

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprizes the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located, less any lease incentives received.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprises of fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option.

The lease liability is subsequently measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease liability and the right of use asset have been separately presented in the balance sheet and lease payments have been classified as financing activities.

The Company has elected not to recognize right-of-use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases. The Company recognizes the lease payments associated with these leases as an expense in statement of profit and loss over the lease term. The related cash flows are classified as operating activities.

(j) Taxes on income

Current tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates and laws enacted or substantively enacted as on the balance sheet date.

Deferred tax assets are generally recognized for all taxable temporary differences to the extent that is probable that taxable profit will be available against which those deductible temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets relating to unabsorbed depreciation/business losses/losses under the head "capital gains" are recognized and carried forward to the extent of available taxable temporary differences or where there is convincing other evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of reporting period, to recover or settle the carrying amount of its assets and liabilities.

Transaction or event which is recognized outside profit or loss, either in other comprehensive income or in equity, is recorded along with the tax as applicable.

Current and deferred tax for the year

Current and deferred tax are recognized in the Statement of profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

(k) Financial instruments

Recognition and Initial Measurement

Financial assets and financial liabilities are recognized in the Company's Balance Sheet when the Company becomes a party to the contractual provisions of the instrument. Purchase and sale of financial assets are recognized on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument.

Recognized financial assets and financial liabilities are initially measured at fair value. Transaction costs and revenues 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 and revenues directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in Statement of Profit and Loss.

Financial assets

Classification and Subsequent measurement

The Company classifies its financial assets into the following measurement categories: amortized cost; fair value through other comprehensive income; and fair value through profit or loss.

All recognized financial assets that are within the scope of Ind AS 109 are required to be subsequently measured at amortized cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets, specifically, debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI), are subsequently measured at amortized cost.

Financial Assets measured at amortized cost

Debt instruments that meet the following criteria are measured at amortized cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. The principal amount may change over the life of the financial asset (e.g. if there are repayments of principal). Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

other basic lending risks and costs, as well as a profit margin. The SPPI assessment is made in the currency in which the financial asset is denominated.

Contractual cash flows that are SPPI are consistent with a basic lending arrangement. Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI. An originated or an acquired financial asset can be a basic lending arrangement irrespective of whether it is a loan in its legal form.

An assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The Company determines the business models at a level that reflects how financial assets are managed together to achieve a particular business objective. The Company's business model does not depend on management's intentions for an individual instrument, therefore the business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis.

Debt instruments that are subsequently measured at amortized cost are subject to impairment.

Financial instruments measured at fair value through other comprehensive income ("FVTOCI")

Debt instruments that meet the following criteria are measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognized in Statement of profit or loss for FVTOCI debt instruments. Other changes in fair value of FVTOCI financial assets are recognized in other comprehensive income. When the asset is disposed of, the cumulative gain or loss previously accumulated in reserve is transferred to Statement of Profit or Loss.

Financial instruments measured at fair value through Profit and Loss ("FVTPL")

Instruments that do not meet the amortized cost or FVTOCI criteria are measured at FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognized in the Statement of Profit and Loss. The gain or loss on disposal is recognized in the Statement of Profit and Loss.

Interest income is recognized in the Statement of Profit and Loss for FVTPL debt instruments.

All equity investments in scope of Ind AS 109 are measured at fair value are classified as at FVTPL. The Company may make an irrevocable election to present certain equity investments measured at fair value through other comprehensive income. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, on sale/disposal the Company may transfer the cumulative gain or loss within equity.

Reclassifications

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

Original classification	Revised classification	Accounting treatment
Amortized cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognized in Statement of Profit and Loss.
FVTPL	Amortized Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortized cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognized in OCI. No change in EIR due to reclassification.
FVTOCI	Amortized cost	Fair value at reclassification date becomes its new amortized cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortized cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to Statement of Profit and Loss at the reclassification date.

Impairment of financial assets

Company recognizes loss allowances using the Expected Credit Loss ("ECL") model for the financial assets which are not fair valued through profit and loss. ECL is calculated using a model which captures portfolio performance over a period of time. ECL is a probability-weighted estimate of credit losses. A credit loss is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive discounted at the original EIR.

ECL is required to be measured through a loss allowance at an amount equal to:

- 12-month ECL, i.e. ECL that result from those default events on the financial instrument that are possible within 12 months after the reporting date (referred to as Stage 1); or
- full lifetime ECL, i.e. lifetime ECL that result from all possible default events over the life of the financial instrument (referred to as Stage 2 and Stage 3).

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL.

The Company has established a policy to perform an assessment at the end of each reporting period 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 instruments.

Based on the above process, the Company categorizes its loans into Stage 1, Stage 2 and Stage 3 as described below:

Stage 1: When loans are first recognized, the Company recognizes an allowance based on 12 month ECL. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 to Stage 1.

Stage 2: When a loan has shown an increase in credit risk since origination, the Company records an allowance for the life time expected credit losses. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3 to Stage 2.

Stage 3: When loans shows significant increase in credit risk and/or are considered credit-impaired, the Company records an allowance for the life time expected credit losses.

The Company measures ECL on an individual basis, or on a collective basis for portfolios of loans that share similar economic risk characteristics. This expected credit loss is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

Key elements of ECL computation are outlined below:

- Exposure at Default (EAD) is an estimate of the exposure at a future default date, taking into account 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.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

- Probability of default ("PD") is an estimate of the likelihood that customer will default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously de-recognized and is still in the portfolio. PD is calculated based on historical default rate summary of past years using historical analysis.
- Loss given default ("LGD") estimates the normalized loss which Company incurs post customer default. It is computed using historical loss and recovery experience. It is usually expressed as a percentage of the Exposure at default ("EAD").

Significant increase in credit risk

The Company monitors all financial assets, issued loan commitments and financial guarantee contracts that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Company measures the loss allowance based on lifetime rather than 12-month ECL. The Company's accounting policy is not to use the practical expedient that financial assets with 'low' credit risk at the reporting date are deemed not to have had a significant increase in credit risk.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognized. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the Company's expert credit assessment.

Credit impaired financial assets

A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about the following events:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- the disappearance of an active market for a security because of financial difficulties; or
- the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

A loan is considered credit-impaired when a concession is granted to the borrower due to a deterioration in the borrower's financial condition, unless there is evidence that as a result of granting the concession the risk of not receiving the contractual cash flows has reduced significantly and there are no other indicators of impairment.

Definition of default

Critical to the determination of ECL is the definition of default. The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL, as default is a component of the probability of default ("PD") which affects both the measurement of ECLs and the identification of a significant increase in credit risk.

Default considered for computation of ECL is based on both qualitative and quantitative indicators such as overdue status and non-payment on another obligation of the same counterparty are key inputs in this analysis.

Modification and de-recognition of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. In addition, the introduction or adjustment of existing covenants of an existing loan would constitute a modification even if these new or adjusted covenants do not yet affect the cash flows immediately but may affect the cash flows depending on whether the covenant is or is not met (e.g. a change to the increase in the interest rate that arises when covenants are breached).

The Company renegotiates loans to customers in financial difficulty to maximize collection and minimize the risk of default. Loan forbearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness) and amendments to covenants.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

When a financial asset is modified, the Company assesses whether this modification results in derecognition. In accordance with the Company's policy, a modification results in derecognition when it gives rise to substantially different terms. To determine if the modified terms are substantially different from the original contractual terms the Company considers the following:

Qualitative factors, such as contractual cash flows after modification are no longer SPPI, change in currency or change of counterparty, the extent of change in interest rates, maturity, covenants. If these do not clearly indicate a substantial modification, then a quantitative assessment is performed to compare the present value of the remaining contractual cash flows under the original terms with the contractual cash flows under the revised terms, both amounts discounted at the original effective interest.

In the case where the financial asset is derecognized, the loss allowance for ECL is remeasured at the date of derecognition to determine the net carrying amount of the asset at that date. The difference between this revised carrying amount and the fair value of the new financial asset with the new terms will lead to a gain or loss on derecognition. The new financial asset will have a loss allowance measured based on 12-month ECL except in the rare occasions where the new loan is considered to be originated-credit impaired. This applies only in the case where the fair value of the new loan is recognized at a significant discount to its revised par amount because there remains a high risk of default which has not been reduced by the modification. The Company monitors credit risk of modified financial assets by evaluating qualitative and quantitative information, such as if the borrower is in past due status under the new terms.

When the contractual terms of a financial asset are modified and the modification does not result in derecognition, the Company determines if the financial asset's credit risk has increased significantly since initial recognition.

For financial assets modified, where modification did not result in derecognition, the estimate of PD reflects the Company's ability to collect the modified cash flows taking into account the Company's previous experience of similar forbearance action, as well as various behavioural indicators, including the borrower's payment performance against the modified contractual terms. If the credit risk remains significantly higher than what was expected at initial recognition the loss allowance will continue to be measured at an amount equal to lifetime ECL. The loss allowance on forborne loans will generally only be measured based on 12-month ECL when there is evidence of the borrower's improved repayment behaviour following modification leading to a reversal of the previous significant increase in credit risk.

Where a modification does not lead to derecognition the Company calculates the modification gain/loss comparing the gross carrying amount before and after the modification (excluding the ECL allowance). Then the Company measures ECL for the modified asset, where the expected cash flows arising from the modified financial asset are included in calculating the expected cash shortfalls from the original asset.

Derecognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the asset's cash flows expire (including expiry arising from a modification with substantially different terms), or when the financial asset and substantially all the risks and rewards of ownership of the asset are transferred to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain/loss that had been recognized in OCI and accumulated in equity is recognized in the Statement of Profit and Loss, with the exception of equity investment designated as measured at FVTOCI, where the cumulative gain/loss previously recognized in OCI is not subsequently reclassified to the Statement of Profit and Loss.

Assignment transactions

Transfer of loans through assignment transaction can be made only after continuing involvement in loans i.e retaining a minimum specific percentage of loan but without retaining any substantial risk and reward in the loan assigned. The assigned portion of loans is derecognized and gains/losses are accounted for, only if the Company transfers substantially all risks and rewards specified in the underlying assigned loan contracts. Gain/loss arising on such assignment transactions is recorded upfront in the Statement of Profit and Loss and the corresponding loan is derecognized from the Balance Sheet immediately. Further, if the transfer of loan qualifies for derecognition, entire interest spread at its present value (discounted over the life of the asset) is recognized on the date of derecognition itself as interest strip receivable (interest strip on assignment) and correspondingly presented as gain/loss on derecognition of financial asset.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

Securitization transactions

In case of securitization transactions, the Company retains substantially all the risks and rewards of ownership of a portion of the transferred loan assets. The Company continues to recognize the entire loan and also recognizes a collateralized borrowing for the proceeds received.

Write-off

Loans and debt securities are written off when the Company has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. The Company may apply enforcement activities to financial assets written off. Recoveries resulting from the Company's enforcement activities will result in impairment gains.

Financial liabilities and equity Instruments

Debt and equity instruments that are issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

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 are recognized at the proceeds received, net of direct issue costs.

Financial liabilities

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest rate method.

The effective interest rate method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortized cost of a financial liability.

Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in the Statement of Profit and Loss.

(I) Derivative financial instrument

Derivative financial instruments

The Company enters into derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

Hedge accounting

The Company designates certain hedging instruments, which include derivatives in respect of foreign currency risk, as cash flow hedge.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income and accumulated under the heading of cash flow hedge reserve. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss, and is included in the 'Other income' line item.

Amounts previously recognized in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognized hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognized in other comprehensive income and accumulated in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognized in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognized immediately in profit or loss.

(m) Investments in Subsidiaries and Associates

Investments in Subsidiaries and Associates are measured at cost as per Ind AS 27 – Separate Financial Statements.

(n) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

(o) Goods and service tax input credit

Goods and service tax input credit is accounted for in the books in the period in which the supply of goods or service received is accounted and when there is no uncertainty in availing/utilizing the credits.

(p) Borrowing costs

Borrowing costs include interest expense calculated using the EIR on respective financial instruments measured at amortized cost.

(q) Foreign currencies

In preparing the financial statements of, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in the Statement of Profit and Loss.

Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

Exchange differences on monetary items are recognized in the Statement of Profit and Loss in the period in which they arise.

(r) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). CODM is responsible for allocating the resources, assess the financial performance and position of the Company and makes strategic decision.

(s) Provisions, contingent liabilities and contingent assets

Provisions are recognized only when:

- an entity has a present obligation (legal or constructive) as a result of a past event; and
- 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

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

Contingent liability is disclosed in case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and
- a present obligation arising from past events, when no reliable estimate is possible.

Contingent liabilities are disclosed in the Notes. Contingent assets are not recognized in the financial statements. Contingent assets are disclosed where an inflow of economic benefits is probable. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

(t) Commitments

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

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

a) Estimated amount of contracts remaining to be executed on capital account and not provided for;

b) Funding related commitment to associate and joint venture companies; and

c) Other non-cancellable commitments, if any.

(u) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.

(v) Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

- changes during the period in operating receivables and payables transactions of a non-cash nature;
- non-cash items such as depreciation, provisions, deferred taxes and unrealized foreign currency gains and losses.
- all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of balance sheet.

(w) Dividend

Final dividend on equity shares are recorded as a liability on the date of the approval by the shareholders and interim dividend are recorded as liability on the date of declaration by the Company's Board of Directors.

(x) Exceptional Items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such items is disclosed separately as Exceptional items.

NOTE 3A. RECENT PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, as below:

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognize a financial liability. The Company does not expect the amendment to have any significant impact in its standalone financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labor, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its standalone financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the entity is preparing the asset for its intended use. Instead, an entity will recognize such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its standalone financial statements.

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its standalone financial statements.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

NOTE 4A. CASH AND CASH EQUIVALENTS

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash and cash equivalents		
Cash on hand	9.26	5.54
Balance with banks		
-In current accounts	1,646.36	3,117.66
Fixed deposits (original maturity less than or equal to three months)	12,331.69	1,000.07
Cash and cash equivalents	**13,987.31**	**4,123.27**

NOTE 4B. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Other bank balances		
In earmarked accounts		
- Unclaimed interest and redemption proceeds of NCDs and other earmarked balances	51.78	14.58
Fixed deposits (original maturity less than or equal to three months) - lien marked	1,500.73	2,276.88
Fixed deposits (original maturity more than three months)	2,780.43	2,145.94
Total	**4,332.94**	**4,437.40**

Out of the fixed deposits shown above:

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Lien marked	2,312.60	2,476.34
Margin for credit enhancement	1,968.56	1,909.03
Total	**4,281.16**	**4,385.37**

NOTE 5. DERIVATIVES FINANCIAL INSTRUMENTS

(₹ in million)

Part I	As at March 31, 2022			As at March 31, 2021		
	Notional amounts	Fair value - assets	Fair value - liabilities	Notional amounts	Fair value - assets	Fair value - liabilities
(i) Currency derivatives:						
- Cross currency interest rate swaps	3,630.75	-	50.58	3,630.75	-	292.08
Subtotal (i)	**3,630.75**	**-**	**50.58**	**3,630.75**	**-**	**292.08**
(ii) Other derivatives						
- Forward exchange contract	-	-	-	-	-	-
Subtotal (ii)	**-**	**-**	**-**	**-**	**-**	**-**
Total derivative (i+ii)	**3,630.75**	**-**	**50.58**	**3,630.75**	**-**	**292.08**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

(₹ in million)

Part II	As at March 31, 2022			As at March 31, 2021		
	Notional amounts	Fair value - assets	Fair value - liabilities	Notional amounts	Fair value - assets	Fair value - liabilities
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:						
(i) Cash flow hedging:						
- Currency derivatives	3,630.75	-	50.58	3,630.75	-	292.08
(ii) Undesignated derivatives	-	-	-	-	-	-
Total derivative financial instruments (i+ii)	**3,630.75**	**-**	**50.58**	**3,630.75**	**-**	**292.08**

Credit risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are interest rate and currency risk. Refer Note 5.1.

(₹ in million)

Particulars	Total		Exchange traded		Over the counter	
	Notional	Fair value	Notional	Fair value	Notional	Fair value
As at March 31, 2022						
Derivative asset	-	-	-	-	-	-
Derivative liabilities	**3,630.75**	**50.58**	-	-	3,630.75	50.58
As at March 31, 2021						
Derivative asset	-	-	-	-	-	-
Derivative liabilities	**3,630.75**	**292.08**	-	-	3,630.75	292.08

5.1 Hedging activities and derivatives

The Company is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are interest rate and currency risk.

5.1.1 Derivatives designated as hedging instruments

The foreign currency and interest rate risk on borrowings have been actively hedged through a combination of forward contracts and cross currency interest rate swaps.

The Company is exposed to interest rate risk arising from its foreign currency borrowings amounting to USD 50 million (March 31, 2021 USD 50 million). Interest on the borrowing is payable at a floating rate linked to USD LIBOR. The Company hedged the interest rate risk arising from the debt with a 'receive floating pay fixed' cross currency interest rate swap.

The Company uses Cross Currency Interest Rate Swaps (IRS) Contracts (Floating to Fixed) and Forward Exchange Contracts to hedge its risks associated with interest rate and currency fluctuations arising from foreign currency loans/external commercial borrowings. The Company designates such contracts in a cash flow hedging relationship by applying the hedge accounting principles as per IND AS. These contracts are stated at fair value at each reporting date.

The Company uses Critical Terms Matching to determine Hedge effectiveness. If the hedge is ineffective, then the movement in the Fair Value is charged to the Statement of Profit and Loss. If the hedge is effective, the movement in the Fair Value of the underlying and the derivative instrument is transferred to "Other Comprehensive Income"" in Statement Of Changes In Equity.

There is an economic relationship between the hedged item and the hedging instrument as the critical terms of the Forward contracts/Cross Currency Interest Rate Swaps match that of the foreign currency borrowings (notional amount, interest payment dates, principal repayment date etc.). The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the Forward contracts/Cross currency interest rate swaps are identical to the hedged risk components.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Notional amount	3,630.75	3,630.75
Carrying amount	50.58	292.08
Line item in the statement of financial position	Derivative financial instrument	Derivative financial instrument
Change in fair value used for measuring ineffectiveness for the year	96.04	(35.73)

(₹ in million)

Impact of hedging item	2021-22	2020-21
Change in fair value	96.04	(35.73)
Cash flow hedge reserve	96.04	(35.73)
Cost of hedging	-	-

(₹ in million)

Effect of Cash flow hedge	2021-22	2020-21
Total hedging gain/(loss) recognized in OCI	96.04	(35.73)
Line item in the statement of profit or loss	-	-

(₹ in million)

Particulars	2021-22	2020-21
(Gain)/Loss On Swap Transaction	241.50	(141.81)
(Gain)/Loss On Mark To Market On Fluctuation Of Foreign Exchange	(113.16)	94.06
Tax implication on above	(32.30)	12.02
Total	**96.04**	**(35.73)**

NOTE 6. RECEIVABLES

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Trade receivables		
Receivables considered good - unsecured	341.02	306.35
Receivables considered good - significant increase in credit risk	3.85	-
Total - gross	**344.87**	**306.35**
Less: Impairment loss allowance	(0.77)	-
Total	**344.10**	**306.35**

No trade receivables are due from Directors or any other officers of the Company either severally or jointly with any other person nor any trade receivables are due from firms or private companies respectively in which any Director is a Partner, Director or a Member.

Trade Receivables are not interest bearing.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

Trade Receivables aging schedule

(₹ in million)

Particulars	Outstanding for following period from the date of transaction		Total
	Unbilled	Less than 6 Months	
As at March 31, 2022			
Undisputed Trade receivables – considered good.	25.80	315.22	**341.02**
Undisputed Trade receivables – significant increase in credit risk	-	3.85	**3.85**
As at March 31, 2021			
Undisputed Trade receivables – considered good.	19.91	286.44	**306.35**
Undisputed Trade receivables – significant increase in credit risk	-	-	**-**

NOTE 7. LOANS

(₹ in million)

Particulars	As at March 31, 2022		
	Amortized cost	FVTOCI	Total
	1	2	(3=1+2)
Loans			
(A)			
(i) Term loans	129,502.40	29,127.20	158,629.60
Total (A) - Gross	**129,502.40**	**29,127.20**	**158,629.60**
Less: Impairment loss allowance	(5,454.19)	(273.20)	(5,727.39)
Total (A) - Net	**124,048.21**	**28,854.00**	**152,902.21**
(B)			
(i) Secured by tangible assets	127,017.53	29,127.20	156,144.73
(ii) Secured by Government Guarantee	2,424.04	-	2,424.04
(iii) Unsecured	60.83	-	60.83
Total (B) - Gross	**129,502.40**	**29,127.20**	**158,629.60**
Less: Impairment loss allowance	(5,454.19)	(273.20)	(5,727.39)
Total (B) - Net	**124,048.21**	**28,854.00**	**152,902.21**
(C)			
Loans in India	**129,502.40**	**29,127.20**	**158,629.60**
(i) Public sector	-	-	-
(ii) Others	129,502.40	29,127.20	158,629.60
Less: Impairment loss allowance	(5,454.19)	(273.20)	(5,727.39)
Total (C) - Net	**124,048.21**	**28,854.00**	**152,902.21**

(₹ in million)

Particulars	As at March 31, 2021		
	Amortized cost	FVTOCI	Total
	1	2	(3=1+2)
Loans			
(A)			
(i) Term loans	126,720.45	23,523.44	150,243.89
Total (A) - Gross	**126,720.45**	**23,523.44**	**150,243.89**
Less: Impairment loss allowance	(4,338.14)	(256.52)	(4,594.66)
Total (A) - Net	**122,382.31**	**23,266.92**	**145,649.23**
(B)			
(i) Secured by tangible assets	124,813.75	23,488.53	148,302.28
(ii) Secured by Government Guarantee	1,881.62	34.91	1,916.53
(iii) Unsecured	25.08	-	25.08

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

(₹ in million)

Particulars	As at March 31, 2021		
	Amortized cost	FVTOCI	Total
	1	2	(3=1+2)
Total (B) - Gross	**126,720.45**	**23,523.44**	**150,243.89**
Less: Impairment loss allowance	(4,338.14)	(256.52)	(4,594.66)
Total (B) - Net	**122,382.31**	**23,266.92**	**145,649.23**
(C)			
(I) Loans in India	**126,720.45**	**23,523.44**	**150,243.89**
(i) Public sector	-	-	-
(ii) Others	126,720.45	23,523.44	150,243.89
Less: Impairment loss allowance	(4,338.14)	(256.52)	(4,594.66)
Total (C) - Net	**122,382.31**	**23,266.92**	**145,649.23**

The above Term Loans includes ₹ 2,101.53 million (as at March 31, 2021, ₹ 1,924.04 million) towards interest accrued, unamortized processing fee, gain/loss on modification of financial assets and gain/loss on FVTOCI.

a. Secured loans given to customers are secured by equitable mortgage of property. Loans secured by Government Guarantee are credit facilities provided under the Emergency Credit Line Guarantee Scheme backed by an unconditional and irrevocable guarantee provided by Government of India.

b. Secured loans include loans aggregating in ₹ 6.28 million (as at March 31, 2021, ₹ 13.22 million) in respect of which the creation of security is under process.

Note 7.1:

The outbreak of the COVID-19 pandemic had led to a nation-wide lockdown in April-May 2020. This was followed by localized lockdowns in areas with a significant number of COVID-19 cases. Following the easing of lockdown measures, there was an improvement in economic activity in the second half of fiscal 2021. India experienced a "second wave" of the COVID-19 pandemic in April-May 2021 following the discovery of mutant coronavirus variants, leading to the re-imposition of regional lockdowns. These were gradually lifted as the second wave subsided.

The impact of COVID-19, including changes in customer behavior and pandemic fears, as well as restrictions on business and individual activities, has led to significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. The extent to which the COVID-19 pandemic will continue to impact the Company's results will depend on ongoing as well as future developments, which are uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic, and any action to contain its spread or mitigate its impact whether government-mandated or elected by us.

Note 7.2:

On November 12, 2021, the Reserve Bank of India (RBI) had issued circular no. RBI/2021-2022/125 DOR.STR. REC.68/21.04.048/2021-22, requiring changes to and clarifying certain aspects of Income Recognition, Asset Classification and Provisioning norms (IRACP norms) pertaining to Advances. On February 15, 2022, RBI had issued another circular no. RBI/2021-2022/158 DOR.STR.REC.85/21.04.048/2021-22, allowing the Company to put in place the necessary system to implement the provisions till September 30, 2022. The Company has continued to classify accounts as NPA as per RBI circular dated November 12, 2021 and aligned its definition of default from month end process to Days Past Due on day end process basis . However, the aforesaid classification/alignment does not have any significant impact on the Expected Credit Loss model and consequently on the financial statements for the year ended March 31, 2022.

Note 7.3:

The Company has not granted any loans or advances in the nature of loans, to promoters, Directors, KMPs and related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, that are either repayable on demand or without specifying any terms or period of repayment during the year.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

NOTE 8. INVESTMENTS

(₹ in million)

Particulars	As at March 31, 2022			
	FVTPL	At Amortized Cost	At Cost	Total
(A)				
Alternate Investment Funds	1,440.00	-	-	1,440.00
Debt securities	-	95.91	-	95.91
Equity instruments	-	-	2,296.72	2,296.72
Total – Gross (A)	**1,440.00**	**95.91**	**2,296.72**	**3,832.63**
(B)				
(i) Investments in India	1,440.00	95.91	2,296.72	3,832.63
Total (B)	**1,440.00**	**95.91**	**2,296.72**	**3,832.63**
(C)				
Less: Impairment loss allowance	-	-	-	-
Total- Net (A-C)	**1,440.00**	**95.91**	**2,296.72**	**3,832.63**

(₹ in million)

Particulars	As at March 31, 2021			
	FVTPL	At Amortized Cost	At Cost	Total
(A)				
Alternate Investment Funds	-	-	-	-
Debt securities	-	125.97	-	125.97
Equity instruments	-	-	1,546.23	1,546.23
Total – Gross (A)	**-**	**125.97**	**1,546.23**	**1,672.20**
(B)				
(i) Investments in India	-	125.97	1,546.23	1,672.20
Total (B)	**-**	**125.97**	**1,546.23**	**1,672.20**
(C)				
Less: Impairment loss allowance	-	-	-	-
Total- Net (A-C)	**-**	**125.97**	**1,546.23**	**1,672.20**

Note 8.1 Investment Details Script Wise

Particulars	As at March 31, 2022	
	Quantity (in actuals)	Carrying Value (₹ in million)
Alternate Investment Funds		
IIFL One Value Fund Series B	134,313,931	1,440.00
Debt instruments		
Elite Mortgage HL Trust June 2019 Series A PTC	5	95.91
Equity instruments in Subsidiary		
IIHFL Sales Limited	50,000	0.50
Equity instruments in Associate		
IIFL Samasta Finance Limited (Formerly Samasta Microfinance Limited)	124,555,797	2,296.22

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

Particulars	As at March 31, 2021	
	Quantity (in actuals)	Carrying Value (₹ in million)
Debt instruments		
Elite Mortgage HL Trust June 2019 Series A PTC	5	125.97
Equity instruments in Associate		
IIFL Samasta Limited (Formerly known as Samasta Microfinance Limited)	80,203,334	1,546.23

NOTE 9. OTHER FINANCIAL ASSETS

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Security deposits		
- Unsecured, considered good	19.77	15.45
- Unsecured, considered doubtful	8.04	8.46
Less: Provisions (Refer Note 9.1 below)	(8.04)	(8.46)
Interest strip asset on assignment	3,030.48	1,984.91
Other receivables	520.72	339.36
Total	**3,570.97**	**2,339.72**

Note 9.1. Provision on Security Deposits

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening provision	8.46	8.09
Additions	-	0.37
Reductions	(0.42)	-
Closing provision	**8.04**	**8.46**

NOTE 10. DEFERRED TAX ASSETS (NET)

Significant components of deferred tax assets and liabilities as at March 31, 2022 are as follows:

(₹ in million)

Particulars	Opening balance	Recognized in Statement of Profit and Loss	Recognized in/ reclassified from OCI	Closing balance
Deferred tax assets:				
Property, Plant and Equipment	6.84	(0.48)	-	6.36
Provisions for expected credit losses	1,016.64	264.67	-	1,281.31
Provision for employee benefits	12.55	3.95	(0.28)	16.22
Fair value of derivative financial instruments	73.50	-	(60.78)	12.72
Right of use of Assets and lease liabilities	4.49	1.52	-	6.01
Adjustment pertaining to income and expenses recognition based on effective interest rate	161.94	39.77	-	201.71
Total deferred tax assets (A)	**1,275.96**	**309.43**	**(61.06)**	**1,524.33**
Deferred tax liabilities:				
Provision for Bad and Doubtful debts under section 36(1)(viia)	(76.60)	(11.66)	-	(88.26)
Interest spread on assigned loans	(499.57)	(263.15)	-	(762.72)
Fair value of financial instruments	1.92	-	(34.36)	(32.44)
Total deferred tax liabilities (B)	**(574.25)**	**(274.81)**	**(34.36)**	**(883.42)**
Deferred tax assets (A+B)	**701.71**	**34.62**	**(95.42)**	**640.91**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

Significant components of deferred tax assets and liabilities as at March 31, 2021 are as follows:

(₹ in million)

Particulars	Opening balance	Recognized in Statement of Profit and Loss	Recognized in/ reclassified from OCI	Closing balance
Deferred tax assets:				
Property, Plant and Equipment	3.85	2.99	-	6.84
Provisions for expected credit losses	436.66	579.98	-	1,016.64
Provision for employee benefits	23.42	(6.95)	(3.92)	12.55
Fair value of derivative financial instruments	37.81	-	35.69	73.50
Right of use of Assets and lease liabilities	3.81	0.68	-	4.49
Fair value of financial instruments	21.00	(21.00)	1.92	1.92
Adjustment pertaining to income and expenses recognition based on effective interest rate	115.63	46.31	-	161.94
Total deferred tax assets (A)	**642.18**	**602.01**	**33.69**	**1,277.88**
Deferred tax liabilities:				
Provision for Bad and Doubtful debts under section 36(1)(viia)	-	(76.60)	-	(76.60)
Interest spread on assigned loans	(305.58)	(193.99)	-	(499.57)
Total deferred tax liabilities (B)	**(305.58)**	**(270.59)**	**-**	**(576.17)**
Deferred tax assets (A+B)	**336.60**	**331.42**	**33.69**	**701.71**

NOTE 11A. INVESTMENT PROPERTY

(₹ in million)

Particulars	Buildings
As at March 31, 2020	**111.83**
Additions	-
Deductions/Adjustments	(36.99)
As at March 31, 2021	**74.84**
Additions	-
Deductions/Adjustments	-
As at March 31, 2022	**74.84**
Accumulated Depreciation	
As at March 31, 2020	**-**
Depreciation for the year	4.79
Deductions/Adjustments	-
As at March 31, 2021	**4.79**
Depreciation for the year	3.75
Deductions/Adjustments	-
As at March 31, 2022	**8.54**
Net Block as at March 31, 2021	**70.05**
Net Block as at March 31, 2022	**66.30**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

Note 11A.1. Reconciliation of changes in the fair value of the Investment Property

(₹ in million)

Particulars	Buildings
As at March 31, 2020	**133.30**
Additions to fair value	-
Changes in the fair value (including sale)	(46.47)
As at March 31, 2021	**86.83**
Additions to fair value	-
Changes in the fair value (including sale)	0.97
As at March 31, 2022	**87.80**

The Fair Value of the Investment Property has been arrived on the basis of valuation carried out by an Independent Un-registered Valuer. The fair value measurement for investment property has been categorized as Level 2 fair value based on the inputs to the valuation technique used.

Note 11A.2. Title deeds of Immovable Property not held in name of the Company

(₹ in million)

Particulars	Description of item of property	Gross Carrying Value	Title Deeds held in the name of	Whether title deed holder is promoter, director or relative of promoter. director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
Investment Property	Building	27.50	Borrower to whom loan has been given	No	January 10, 2020	Acquired in the SARFAESI Proceedings
	Building	47.34	Borrower to whom loan has been given	No	December 31, 2019	Acquired in the SARFAESI Proceedings
Non-current Assets Held for Sale (Refer note 14)	Building (19 Properties)	96.99	Borrowers to whom loans were given	No	Repossessed between August 2017 to December 2020	Properties repossessed under SARFAESI Act.

Note: Due to the voluminous nature of transactions and sensitivity of the information, individual borrower wise details, in whose name the title deeds are held are not disclosed.

NOTE 11B. PROPERTY, PLANT AND EQUIPMENT

(₹ in million)

Particulars	Freehold Land*	Furniture and Fixture	Office Equipment	Electrical Equipment	Computers	Total
As at March 31, 2020	**0.86**	**17.00**	**8.10**	**8.48**	**54.72**	**89.16**
Additions	-	2.39	0.51	0.53	10.68	**14.11**
Deductions/Adjustments	-	7.08	0.56	2.62	13.21	**23.47**
As at March 31, 2021	**0.86**	**12.31**	**8.05**	**6.39**	**52.19**	**79.80**
Additions	-	4.15	1.84	2.55	61.97	**70.51**
Deductions/Adjustments	-	1.20	0.37	1.23	11.37	**14.17**
As at March 31, 2022	**0.86**	**15.26**	**9.52**	**7.71**	**102.78**	**136.14**
Accumulated Depreciation						
As at March 31, 2020	**-**	**7.72**	**3.86**	**4.39**	**24.47**	**40.44**
Depreciation for the year	-	2.50	1.44	1.40	21.10	**26.44**
Deductions/Adjustments	-	2.68	0.30	1.82	7.12	**11.92**
As at March 31, 2021	**-**	**7.54**	**5.00**	**3.97**	**38.45**	**54.96**

IIFL HOME LOAN

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

(₹ in million)

Particulars	Freehold Land*	Furniture and Fixture	Office Equipment	Electrical Equipment	Computers	Total
Depreciation for the year	-	3.00	1.46	2.18	18.08	**24.72**
Deductions/Adjustments	-	0.96	0.21	1.05	6.83	**9.05**
As at March 31, 2022	**-**	**9.58**	**6.24**	**5.10**	**49.70**	**70.63**
Net Block as at March 31, 2021	**0.86**	**4.77**	**3.05**	**2.42**	**13.74**	**24.84**
Net Block as at March 31, 2022	**0.86**	**5.68**	**3.28**	**2.61**	**53.08**	**65.51**

* The above Freehold Land is hypothecated with Debenture Trustee(s) for issue of secured non-convertible debentures.

NOTE 12A. LEASES

Statement showing movement in lease liabilities

(₹ in million)

Particulars	Premises	Vehicle	Total
As at March 31, 2020	**239.39**	**14.10**	**253.49**
Additions	4.81	0.99	**5.80**
Deductions/Adjustments	67.62	2.70	**70.32**
Finance cost accrued during the year	16.60	0.81	**17.41**
Payment of lease liabilities	48.64	8.71	**57.35**
As at March 31, 2021	**144.54**	**4.49**	**149.03**
Additions	43.49	11.19	**54.68**
Deductions/Adjustments	-	-	**-**
Finance cost accrued during the year	12.95	0.83	**13.78**
Payment of lease liabilities	37.20	6.47	**43.67**
As at March 31, 2022	**163.78**	**10.04**	**173.82**

Statement showing carrying value of right of use assets

(₹ in million)

Particulars	Premises	Vehicle	Total
As at March 31, 2020	**225.11**	**13.24**	**238.35**
Additions	8.89	0.98	**9.87**
Deductions/Adjustments	61.61	2.51	**64.12**
Depreciation	40.60	7.74	**48.34**
As at March 31, 2021	**131.79**	**3.97**	**135.76**
Additions	44.51	11.20	**55.71**
Deductions/Adjustments	0.12	-	**0.12**
Depreciation	31.21	5.62	**36.83**
As at March 31, 2022	**144.97**	**9.55**	**154.52**

Statement showing break up value of the Current and Non - Current Lease Liabilities

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Current lease liabilities	30.46	25.40
Non- Current lease liabilities	143.36	123.63

Statement showing contractual maturities of lease liabilities on an undiscounted basis

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Due for		
Up to One year	43.33	36.76
One year to Two years	41.08	33.01
Two to Five years	96.50	76.86
More than Five years	60.42	44.94
Total	**241.33**	**191.57**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

Statement showing amount recognized in Statement of Profit and Loss

(₹ in million)

Particulars	2021-22	2020-21
Interest on lease liabilities	13.78	17.42
Expenses relating to leases of low-value assets, excluding short-term leases of low value assets	1.65	1.82
Total	**15.43**	**19.24**

Statement showing amount recognized in Statement of Cash Flows:

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Payment of interest on lease liabilities	13.78	17.42
Payment of lease liabilities	29.89	39.93
Total cash outflows for leases	**43.67**	**57.35**

NOTE 12B. OTHER INTANGIBLE ASSETS

(₹ in million)

Particulars	Computer Software
As at March 31, 2020	**9.83**
Additions	0.16
Deductions/Adjustments	-
As at March 31, 2021	**9.99**
Additions	2.18
Deductions/Adjustments	-
As at March 31, 2022	**12.17**
Accumulated Depreciation	
As at March 31, 2020	**6.89**
Depreciation For the year	1.84
Deductions/Adjustments	-
As at March 31, 2021	**8.73**
Depreciation For the year	1.62
Deductions/Adjustments	
As at March 31, 2022	**10.35**
Net Block as at March 31, 2021	**1.26**
Net Block as at March 31, 2022	**1.82**

The Company has not revalued its Property, Plant and Equipment (including Right of Use Assets) and Intangible Assets.

NOTE 13. OTHER NON FINANCIAL ASSETS

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Capital Advances	0.65	1.82
Prepaid Expenses	40.50	23.11
Others	5.56	2.44
Retirement benefit assets (Refer note 32.2)	1.03	5.91
Total	**47.74**	**33.28**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

NOTE 14. ASSETS HELD FOR SALE

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Assets held for sale	96.99	139.46

The Company follows various collection mechanisms for recovery of dues from the borrowers, which involves initiating SARFAESI, actual/physical repossession of assets after eviction in lieu of the loan outstanding and subsequent sale of repossessed assets via auction process in case of default by the borrowers. The Company's endeavor is to sell the re-possessed assets, in a public auction and realize the sale proceeds to recover the Loan amount outstanding at the earliest. The Customer has all opportunity to repay the Loan amount before finalization of sale of the property and take back the possession. Since borrowers may settle the loans and in such cases, the property is handed back to them(in case the property is not yet sold in auction), the Company's management is of the view that acquiring such properties does not change the nature of the assets and that such re-possessed assets continue to be classified as financial assets. Therefore, such re-possessed properties are not classified as Assets Held for Sale as per IND AS 105. Expert Advisory Committee of the Institute of Chartered Accountants of India has been approached by the Company for an opinion in the classification of such repossessed assets as "Non- Current Assets Held For Sale", which is awaited.

NOTE 15. TRADE PAYABLES

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of micro enterprises and small enterprises (Refer note 15A)	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	508.11	351.58
Total	**508.11**	**351.58**

NOTE 15A. DISCLOSURES UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

The Company had requested its suppliers to confirm the status as to whether they are covered under the Micro, Small and Medium Enterprises Development Act, 2006 and is in the continuous process of obtaining such confirmation from its suppliers. The disclosure relating to unpaid amount as at the year-end together with interest paid/payable as required under the said Act have been given to the extent such parties could be identified on the basis of the information available with the Company regarding the status of suppliers under MSMED Act, 2006.

(₹ in million)

Particulars	2021-2022	2020-2021
(a) Principal amount remaining unpaid to any supplier at the year end	-	-
(b) Interest due thereon remaining unpaid to any supplier at the year end	-	-
(c) Amount of interest paid and payments made to the supplier beyond the appointed day during the year	-	-
(d) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-
(e) Amount of interest accrued and remaining unpaid at the year end	-	-
(f) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Act	-	-

No interest has been paid/is payable by the Company during the year to the Suppliers registered under this Act.

The aforementioned is based on the responses received by the Company to its inquiries with suppliers with regard to applicability under the said Act. This has been relied upon by the auditors.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

Trade Payables aging schedule

(₹ in million)

Particulars	Outstanding for following period from the date of transaction		Total
	Unbilled	Less than 1 Year	
As at March 31, 2022			
(i) MSME	-	-	**-**
(ii) Others	477.37	30.74	**508.11**
As at March 31, 2021			
(i) MSME	-	-	**-**
(ii) Others	335.48	16.10	**351.58**

Note: The Company does not have any disputed Trade Payables.

NOTE 16. DEBT SECURITIES

(₹ in million)

Particulars	At Amortized Cost	
	As at March 31, 2022	As at March 31, 2021
Secured:		
Non-convertible debentures - (Refer Note (a), (b) and 16.1)	21,440.44	21,027.50
Total (A)	**21,440.44**	**21,027.50**
Unsecured:		
Commercial Paper - (Refer Note 16.1)	739.42	-
Total (B)	**739.42**	**-**
Total (A+B)	**22,179.86**	**21,027.50**
Debt securities in India	22,179.86	21,027.50
Debt securities outside India	-	-

a The above Non Convertible Debentures are secured by way of charge on current assets, book debts, receivables (both present and future), identified immovable property and other assets of the Company.

b. Non Convertible Debentures – Secured includes redeemable non convertible debenture which carries call option and contain a repayment clause by way of reduction in face value ₹ 281.25 million (May 15, 2022), ₹ 150.00 million (from December 20, 2023) and ₹ 150.00 million (from March 20, 2024) {as at March 31, 2021 ₹ 843.75 million (May 15, 2021 and every six months thereafter), ₹ 150.00 million (from December 20, 2023) and ₹ 150.00 million (from March 20, 2024)}.

Note 16.1 - Terms of repayment

(₹ in million)

Residual Maturity	As at March 31, 2022		As at March 31, 2021	
	Amount	Rate of Interest/ Yield	Amount	Rate of Interest/ Yield
Secured NCD (A)				
(a) Fixed:				
More than 5 years	13,605.15	5.00 % - 9.18%	5,985.99	8.69% - 9.18%
3- 5 Years	2,082.50	8.20 % - 10.33%	300.00	10.03% - 10.33%
1-3 Years	2,257.16	8.25%	-	-
Less than 1 year	373.15	5.00% - 9.87%	2,067.06	8.00% - 9.38%
Sub-Total (a)	**18,317.96**		**8,353.05**	

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

(₹ in million)

Residual Maturity	As at March 31, 2022		As at March 31, 2021	
	Amount	Rate of Interest/ Yield	Amount	Rate of Interest/ Yield
(b) Floating:				
More than 5 years	-	-	-	-
3- 5 Years	-	-	-	-
1-3 Years	-	-	281.25	8.56%
Less than 1 year	290.73	7.51%	2,731.56	8.56% - 9.40%
Sub-Total (b)	**290.73**		**3,012.81**	
Total Secured NCD A=(a+b)	**18,608.69**		**11,365.86**	
Secured Zero Coupon (B)				
More than 5 years	37.13	8.75%	370.00	8.60% - 8.62%
3- 5 Years	42.48	8.50%	856.60	9.12% - 10.30%
1-3 Years	1,208.49	8.25% - 10.30%	1,367.56	9.35% - 9.55%
Less than 1 year	1,543.63	9.35% - 9.55 %	7,067.48	8.20% - 10.20%
Total Secured Zero Coupon (B)	**2,831.73**		**9,661.64**	
Unsecured (C)				
Commercial Paper				
Less than 1 year	739.42	6.30% - 6.35%	-	-
Total (A+B+C)	**22,179.85**		**21,027.50**	

Note 16.2 - Security wise details

(₹ in million)

Particulars	Coupon/ Yield	As at March 31, 2022	As at March 31, 2021
Zero Coupon Secured Listed Redeemable Non Convertible Debentures. Series B8 Option B. Date Of Maturity April 06, 2021	8.20%	-	270.60
Zero Coupon Secured Rated Listed Redeemable Non-Convertible Debentures. Series B9 Option B. Date Of Maturity April 30, 2021	8.70%	-	532.56
Zero Coupon Secured Rated Listed Redeemable Non Convertible Debentures. Series B12 Option 1. Date Of Maturity May 19, 2021	9.25%	-	500.00
Zero Coupon Secured Rated Listed Redeemable Non Convertible Debentures. Series B10 Option B. Date Of Maturity May 25, 2021	8.80%	-	260.00
IDFC MCLR Linked Secured Rated Listed Redeemable Non Convertible Debentures. Series B11. Date Of Maturity June 28, 2021	9.85%	-	2,000.00
Zero Coupon Secured Rated Listed Redeemable Non Convertible Debentures. Series C3 Option 2. Date Of Maturity July 15, 2021	9.35%	-	240.00
Zero Coupon Secured Rated Listed Redeemable Non Convertible Debentures. Series C3 Option 1. Date Of Maturity July 26, 2021	9.35%	-	2,350.59
Zero Coupon Secured Rated Listed Redeemable Non Convertible Debentures. Series B12 Option 2. Date Of Maturity August 05, 2021	9.25%	-	250.00
Zero Coupon Secured Rated Listed Redeemable Non Convertible Debentures. Series C4. Date Of Maturity August 11, 2021	9.35%	-	967.80
Zero Coupon Secured Rated Listed Redeemable Non Convertible Debentures. Series C9. Date Of Maturity October 26, 2021	10.20%	-	100.00

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

(₹ in million)

Particulars	Coupon/ Yield	As at March 31, 2022	As at March 31, 2021
8.90% Secured Redeemable Non-Convertible Debentures. Series B2 Option I. Date Of Maturity November 03, 2021	8.90%	-	50.00
9.38% Secured Rated Listed Redeemable Non Convertible Debentures. Series C3 Option 3. Date Of Maturity January 24, 2022	9.38%	-	500.00
8% Secured Redeemable Non Convertible Debentures. Series series D1. Maturity Date: February 18, 2022	8.00%	-	1,250.00
Zero Coupon Secured Rated Listed Redeemable Non Convertible Debentures. Series C7. Date Of Maturity April 04, 2022	9.45%	240.00	240.00
G-Sec Linked Secured Rated Listed Redeemable Non Convertible Debentures. Series C6. Date Of Maturity April 21, 2022	9.35%	298.00	334.00
Secured Rated Listed Redeemable Non Convertible Debentures. Series B10 Option A. Date Of Maturity May 13, 2022	8.56%	281.25	843.75
Zero Coupon Secured Rated Listed Redeemable Non Convertible Debentures. Series C8. Date Of Maturity September 29, 2022	9.55%	580.00	580.00
G- Sec Linked Secured Rated Listed Principal Protected Redeemable Non Convertible Debentures. Series C 12. Date Of Maturity April 25, 2024	9.12%	501.89	501.89
G- Sec Linked Secured Rated Unlisted Principal Protected Redeemable Non Convertible Debentures. Series C 14. Date Of Maturity June 27, 2024	10.30%	200.00	200.00
10.33% Secured Rated Listed Redeemable Non Convertible Debenture. Series C11. Maturity Date - December 19, 2025	10.33%	150.00	150.00
10.05% Secured Rated Listed Redeemable Non Convertible Debenture. Series C13. Maturity Date : March 20, 2026	10.05%	150.00	150.00
8.60% Secured Redeemable Non Convertible Debentures. Series. D3. Maturity Date: February 11, 2028	8.60%	180.00	180.00
8.62% Secured Redeemable Non Convertible Debentures. Series. D4. Maturity Date: March 12, 2028	8.62%	190.00	190.00
9.18% Secured Redeemable Non Convertible Debentures. Series C15. Maturity Date - October 03, 2029	9.18%	3,000.00	3,000.00
8.69% Secured Redeemable Non Convertible Debentures. Series. D2. Maturity Date: November 12, 2030	8.69%	3,000.00	3,000.00
8.70% Secured Rated Listed Redeemable Non Convertible Debentures.Series D5.Date Of Maturity April 16, 2029	8.70%	360.00	-
8.70% Secured Rated Listed Redeemable Non Convertible Debentures.Series D6.Date Of Maturity May 14, 2030	8.70%	1,090.00	-
8.20% Secured Rated Listed Redeemable Non Convertible Debentures.Series D7.Date Of Maturity September 28, 2026	8.20%	1,120.00	-
8.25% Secured Rated Listed Redeemable Non Convertible Debenture. Series I Tranche II. Date Of Maturity January 03, 2025	8.25%	2,257.16	-
Secured Rated Listed Redeemable Non Convertible Debenture. Series II Tranche II. Date Of Maturity January 03, 2025	8.25%	267.33	-
8.20% Secured Rated Listed Redeemable Non Convertible Debenture. Series III Tranche II. Date Of Maturity May 03, 2027	8.20%	526.52	-
8.50% Secured Rated Listed Redeemable Non Convertible Debenture. Series IV Tranche II. Date Of Maturity January 03, 2027	8.50%	135.98	-
Secured Rated Listed Redeemable Non Convertible Debenture. Series V Tranche II. Date Of Maturity January 03, 2027	8.50%	42.49	-

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

(₹ in million)

Particulars	Coupon/ Yield	As at March 31, 2022	As at March 31, 2021
8.43% Secured Rated Listed Redeemable Non Convertible Debenture. Series VI Tranche II. Date Of Maturity January 03, 2029	8.43%	537.36	-
8.75% Secured Rated Listed Redeemable Non Convertible Debenture. Series VII Tranche II. Date Of Maturity January 03, 2029	8.75%	221.77	-
Secured Rated Listed Redeemable Non Convertible Debenture. Series VIII Tranche II. Date Of Maturity January 03, 2029	8.75%	55.27	-
8.585% Secured Rated Unlisted Redeemable Non Convertible Debenture. Series Ad I.Date Of Maturity February 25, 2030	8.59%	4,333.00	-
5% Secured Rated Unlisted Redeemable Non Convertible Debenture. Series Ad II. Date Of Maturity February 28, 2031	5.00%	747.00	-
Total		**20,465.02**	**18,641.19**

Note: Statement showing contractual principal outstanding of Secured Non Convertible Debentures.

NOTE 17. BORROWINGS (OTHER THAN DEBT SECURITIES)

(₹ in million)

Particulars	At Amortized Cost	
	As at March 31, 2022	As at March 31, 2021
Secured:		
(a) Term loans		
(i) from Banks (Refer Note (a), (b) and 17.1)	69,249.42	61,986.61
(ii) from NHB (Refer Note (a), (b) and 17.2)	27,637.08	27,455.97
(iii) from Financial Institution (Refer Note (b) and 17.3)	8,269.92	8,872.60
(b) Securitization Liability (Refer Note 17.4)	4,172.92	5,453.04
(c) Cash credit/Overdraft from Banks (Refer Note (a), (b) and 17.4)	120.00	940.00
Total	**109,449.34**	**104,708.22**
Borrowings in India	105,558.27	101,032.99
Borrowings outside India	3,891.07	3,675.23
Total	**109,449.34**	**104,708.22**

a. Out of the total borrowing from Banks, borrowings amounting to ₹ 533.33 million (March 31, 2021 ₹ 1,937.91 million) and Refinance Facility from NHB amounting to ₹ 7,921.63 million (March 31, 2021 ₹ 10,317.52 million) are also guaranteed by Holding Company i.e. IIFL Finance Limited

b. The term loans from banks, Financial Institution and NHB and cash credits from banks are secured by way of first pari-passu charge over the current assets in the form of receivables, book debts, bills, outstanding monies receivables including future movable assets, other than those specifically charged.

Note 17.1 - Terms of repayment of Term Loans from Banks

(₹ in million)

Residual Maturity	As at March 31, 2022		As at March 31, 2021	
	Amount	Rate of Interest/ Yield	Amount	Rate of Interest/ Yield
Floating:				
More than 5 years	9,579.81	7.70 % - 9.50 %	5,702.69	7.80% - 9.50%
3- 5 Years	12,805.74	7.70 % - 9.50 %	7,116.04	7.60% - 10.00%
1-3 Years	26,972.42	7.40 % - 10.00%	29,645.77	7.50% - 10.00%
Less than 1 year	19,891.44	7.35% - 10.00%	19,522.11	7.20% - 10.00%
Total	**69,249.42**		**61,986.61**	

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

Note 17.2 - Terms of repayment of term loans from NHB

(₹ in million)

Residual Maturity	As at March 31, 2022		As at March 31, 2021	
	Amount	Rate of Interest/ Yield	Amount	Rate of Interest/ Yield
Fixed:				
More than 5 years	6,526.38	2.94 % - 6.85 %	6,550.83	3.00% - 8.95%
3- 5 Years	5,941.46	2.94 % - 8.18 %	6,149.08	3.00% - 8.95%
1-3 Years	10,399.38	2.94 % - 8.18 %	7,366.22	3.00% - 8.95%
Less than 1 year	4,769.86	2.94 % - 8.80 %	7,389.84	3.00% - 8.95%
Total	**27,637.08**		**27,455.97**	

Note 17.3 - Terms of repayment of term loans from Financial Institution

(₹ in million)

Residual Maturity	As at March 31, 2022		As at March 31, 2021	
	Amount	Rate of Interest/ Yield	Amount	Rate of Interest/ Yield
Floating:				
More than 5 years	4,385.20	8.50 % - 9.00 %	4,798.08	8.50% - 9.25%
3- 5 Years	1,782.70	8.50 % - 9.00 %	1,727.40	8.50% - 9.25%
1-3 Years	1,496.53	8.50 % - 9.00 %	1,604.98	8.50% - 9.25%
Less than 1 year	605.49	8.50 % - 9.00 %	742.14	8.50% - 9.25%
Total	**8,269.92**		**8,872.60**	

Note 17. 4 - Terms of repayment of other loans

(₹ in million)

Residual Maturity	As at March 31, 2022		As at March 31, 2021	
	Amount	Rate of Interest/ Yield	Amount	Rate of Interest/ Yield
Floating:				
Cash credit/Overdraft from Banks (A)				
Less than 1 year	120.00	7.20%	940.00	8.50% -10.00%
Securitization Liability (B)				
More than 5 years	3,189.45	6.35% - 7.80%	3,852.22	6.45% - 8.20%
3- 5 Years	391.62	6.35% - 7.80%	641.88	6.45% - 8.20%
1-3 Years	442.64	6.35% - 7.80%	605.81	6.45% - 8.20%
Less than 1 year	149.21	6.35% - 7.80%	353.13	6.45% - 8.20%
Sub-Total - Securitization Liability	**4,172.92**		**5,453.04**	
Total (A+B)	**4,292.92**		**6,393.04**	

NOTE 18. SUBORDINATED LIABILITIES

(₹ in million)

Particulars	At Amortized Cost	
	As at March 31, 2022	As at March 31, 2021
Non-convertible debentures - Unsecured	10,576.86	4,366.73
Total	**10,576.86**	**4,366.73**
Subordinated Liabilities in India	10,576.86	4,366.73
Subordinated Liabilities outside India	-	-
Total	**10,576.86**	**4,366.73**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

Non Convertible Debentures – Unsecured includes redeemable non convertible debenture which carries call option ₹ 100.00 million (from February 28, 2024), ₹ 1,265.16 million (from May 14, 2024), ₹ 400.00 million (from June 18, 2025) and ₹ 300.00 million (from July 14, 2025) {as at March 31, 2021 Non Convertible Debentures – Unsecured includes redeemable non convertible debenture which carries call option ₹ 100.00 million (from February 28, 2024), ₹ 1,265.16 million (from May 14, 2024), ₹ 400.00 million (from June 18, 2025) and ₹ 300.00 million (from July 14, 2025)}..

Note 18.1 - Terms of repayment of Subordinated Debt

(₹ in million)

Residual Maturity	As at March 31, 2022		As at March 31, 2021	
	Amount	Rate of Interest/ Yield	Amount	Rate of Interest/ Yield
(a) Fixed:				
More than 5 years	8,067.49	8.85% - 10.02%	1,515.46	8.85% - 9.85%
3- 5 Years	-	-	-	-
1-3 Years	650.00	8.93% - 9.30%	650.00	8.93% - 9.30%
Less than 1 year	129.06	8.51% - 9.60%	598.89	8.85% - 10.50%
Total Fixed	**8,846.55**		**2,764.35**	
(b) Zero Coupon:				
More than 5 years	1,730.31	9.40%	1,602.38	9.40%
Total (a+b)	**10,576.86**		**4,366.73**	

These debentures are subordinated to present and future senior indebtedness of the Company and qualify as Tier II capital under RBI Directions for Housing Finance Companies for assessing capital adequacy. Based on the balance term to maturity as at March 31, 2022, 95% (P.Y. 78%) of the book value of the subordinated debt is considered as Tier II capital for the purpose of capital adequacy computation.

Note 18.2 - Security wise details

(₹ in million)

Particulars	Coupon/ Yield	As at March 31, 2022	As at March 31, 2021
10.50% Unsecured Redeemable Non Convertible Subordinated Debentures. Series U01. Date Of Maturity July 26, 2021	10.50%	-	170.00
10.50% Unsecured Redeemable Non Convertible Subordinated Debentures. Series U02. Date Of Maturity August 10, 2021	10.50%	-	100.00
9.30% Unsecured Subordinate Non Convertible Debentures. Series U03. Date Of Maturity January 25, 2022	9.30%	-	100.00
9.30% Unsecured Subordinate Non Convertible Debentures. Series U04. Date Of Maturity February 11, 2022	9.30%	-	100.00
8.93% Unsecured Subordinated Listed Redeemable Non-Convertible Debentures. Series U07. Date Of Maturity April 14, 2023	8.93%	500.00	500.00
9.30% Unsecured Redeemable Non Convertible Subordinated Debentures. Series U05. Date Of Maturity May 29, 2023	9.30%	150.00	150.00
8.85% Unsecured Subordinated Listed Redeemable Non-Convertible Debentures. Series U06. Date Of Maturity July 27, 2027	8.85%	750.00	750.00
9.05% Unsecured Subordinated Rated Listed Redeemable Non-Convertible Debentures. Series U08. Date Of Maturity February 28, 2028	9.05%	100.00	100.00
9.85% Unsecured Subordinated Rated Listed Redeemable Non-Convertible Debentures. Series U09. Date Of Maturity June 16, 2028	9.85%	400.00	400.00
9.85% Unsecured Subordinated Rated Listed Redeemable Non-Convertible Debentures. Series U010. Date Of Maturity July 13, 2028	9.85%	300.00	300.00
Zero Coupon G-Sec Linked Unsecured Rated Listed Redeemable Non-Convertible Debentures. Series UA3. Date Of Maturity August 11, 2028	9.40%	1,265.16	1,265.16

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

(₹ in million)

Particulars	Coupon/ Yield	As at March 31, 2022	As at March 31, 2021
10% Unsecured Rated Listed Redeemable Non Convertible Debentures.Series I.Date Of Maturity : November 03, 2028	10.00%	2,327.22	-
9.6% Unsecured Rated Listed Redeemable Non Convertible Debentures.Series II.Date Of Maturity : November 03, 2028	9.60%	3,828.24	-
Unsecured Rated Listed Redeemable Non Convertible Debentures. Series III.Date Of Maturity : November 03, 2028	10.02%	402.78	-
Total		**10,023.40**	**3,935.16**

Note: Statement showing contractual principal outstanding of Subordinated Non Convertible Debentures.

NOTE 19. OTHER FINANCIAL LIABILITIES

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Book overdraft*	7,468.06	4,505.77
Unclaimed interest and redemption proceeds of NCDs**	12.40	14.27
Other Payables#	1,964.00	1,333.85
Total	**9,444.46**	**5,853.89**

* Book overdraft represents cheque issued towards disbursement to borrowers but not presented to banks as on March 31, 2022.

** As required under Section 125 of the Companies Act, 2013, the Company, during the year, has transferred ₹ 1.83 million (P.Y. ₹ 0.25 million) to the Investor Education and Protection Fund (IEPF). As of March 31, 2022, ₹ 0.12 million (P.Y. ₹ 0.05 million) was due for transfer to the IEPF.

1. Includes liability towards Credit Link Subsidy Scheme received from NHB of ₹ 0.37 million (P.Y. ₹ 0.16 million).

2. In accordance with RBI notification dated April 7, 2021, the Company is required to refund/adjust 'interest on interest' to eligible borrowers. As required by the RBI notification, the methodology for calculation of such interest on interest has recently been circulated by the Indian Banks' Association. The Company is in the process of suitably implementing this methodology. As at March 31, 2022 the Company has created a liability towards estimated interest relief and reduced the same from the interest income.

NOTE 20. PROVISIONS

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Provisions for Employee Benefits		
- Provision for Leave Encashment	54.70	47.76
- Provision for Bonus	85.80	78.02
Total	**140.50**	**125.78**

Note 20.1. Provision for Leave Encashment

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening provision	47.76	36.80
Additions	17.79	28.18
Reductions	(10.85)	(17.22)
Closing provision	**54.70**	**47.76**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

Note 20.2. Provision for Bonus

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening provision	78.02	111.70
Additions	85.80	78.02
Reductions	(78.02)	(111.70)
Closing provision	**85.80**	**78.02**

NOTE 21. OTHER NON FINANCIAL LIABILITIES

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory remittances	106.86	85.71
Unspent CSR (Refer note no 38A)	30.30	-
Advances from borrowers	370.88	1,044.49
Income received in advance	0.05	3.41
Total	**508.09**	**1,133.61**

NOTE 22. EQUITY

(a) The Authorized, Issued, Subscribed and fully paid up share capital

Share Capital:

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Authorized Share Capital		
152,000,000 Equity Shares of ₹ 10 each with voting rights (as at March 31, 2021 - 152,000,000)	1,520.00	1,520.00
20,000,000 Preference Shares of ₹ 10 each (as at March 31, 2021 20,000,000)	200.00	200.00
Total	**1,720.00**	**1,720.00**
Issued, Subscribed and Paid Up		
Equity Share Capital		
20,968,181 Equity Shares of ₹ 10 each fully paid-up (as at March 31, 2021 20,968,181)	209.68	209.68
Total	**209.68**	**209.68**

(b) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

(₹ in million)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	20,968,181	209.68	20,968,181	209.68
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	**20,968,181**	**209.68**	**20,968,181**	**209.68**

(c) Terms/rights attached to equity shares:

The Company has only one class of Equity Shares having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian rupees.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. However no such preferential amounts exist currently. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

(d) Details of shareholders holding more than 5% shares in the Company:

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	% holding	No. of shares	% holding
Equity shares of 10 each fully paid				
IIFL Finance Limited and its nominees	20,968,181	100%	20,968,181	100%

(e) During the period of five years immediately preceding the Balance Sheet date, the Company has not issued any equity shares without payment being received in cash or by way of bonus shares or shares bought back.

(f) Details of shares held by Promoters

Particulars	Promoter Name	No of Shares*	% of Total Shares	% Change during the year
As at March 31, 2022	IIFL Finance Limited	20,968,181	100.00%	-
As at March 31, 2021	IIFL Finance Limited	20,968,181	100.00%	-

* Shares held by IIFL Finance Limited and its nominees. The shareholding of Nominee is 600 shares.

23. OTHER EQUITY

1. As at March 31, 2022

(₹ in million)

Particulars	Reserves and Surplus				Other Comprehensive Income			Total
	Securities Premium	General Reserve	Special Reserve Pursuant to Section 29C of National Housing Bank Act, 1987	Retained Earnings	Re-measurement of Actuarial Gains and Losses	Effective portion of Cash Flow Hedges	Fair value of loans carried at FVTOCI	
Balance at the beginning of the current reporting year	**7,991.57**	**1,438.60**	**2,873.70**	**9,121.51**	**(5.89)**	**(166.36)**	**(5.72)**	**21,247.41**
Profit for the year	-	-	-	5,779.95	-	-	-	**5,779.95**
Fair Value change on derivatives designated as Cash Flow Hedge (Net of Tax) (Refer Note 1)	-	-	-	-	-	96.05	-	**96.05**
Remeasurement of defined benefit (Net of Tax) (Refer Note 2)	-	-	-	-	0.83	-	-	**0.83**
Equity Dividend (Refer Note 3)	-	-	-	(629.05)	-	-	-	**(629.05)**
Transfer to Special Reserve (Refer Note 4)	-	-	1,156.00	(1,156.00)	-	-	-	**-**
Fair value of loans carried at FVTOCI	-	-	-	-	-	-	102.17	**102.17**
Balance at the end of the Current reporting year	**7,991.57**	**1,438.60**	**4,029.70**	**13,116.41**	**(5.06)**	**(70.31)**	**96.45**	**26,597.36**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

2. As at March 31, 2021

(₹ in million)

Particulars	Reserves and Surplus				Other Comprehensive Income			Total
	Securities Premium	General Reserve	Special Reserve Pursuant to Section 29C of National Housing Bank Act, 1987	Retained Earnings	Re-measurement of Actuarial Gains and Losses	Effective portion of Cash Flow Hedges	Fair value of loans carried at FVTOCI	
Balance at the beginning of the Previous reporting year	**7,991.57**	**1,438.60**	**2,068.70**	**6,439.76**	**(17.54)**	**(130.62)**	**-**	**17,790.46**
Profit for the year	-	-	-	4,010.95	-	-	-	**4,010.95**
Fair Value change on derivatives designated as Cash Flow Hedge (Net of Tax) (Refer Note 1)	-	-	-	-	-	(35.74)	-	**(35.74)**
Remeasurement of defined benefit (Net of Tax) (Refer Note 2)	-	-	-	-	11.66	-	-	**11.66**
Equity Dividend (Refer Note 3)	-	-	-	(524.20)	-	-	-	**(524.20)**
Transfer to Special Reserve (Refer Note 4)	-	-	805.00	(805.00)	-	-	-	**-**
Fair value of loans carried at FVTOCI	-	-	-	-	-	-	(5.72)	**(5.72)**
Balance at the end of the Previous reporting year	**7,991.57**	**1,438.60**	**2,873.70**	**9,121.51**	**(5.89)**	**(166.36)**	**(5.72)**	**21,247.41**

1. The amount refers to changes in the fair value of Derivative Financial Contracts which are designated as effective Cash Flow Hedge.
2. The amount refers to remeasurement of gains and losses arising from experience adjustments, changes in actuarial assumptions and return on plan assets of the defined benefit plan.
3. During the year, the Board of Directors of the Company has declared and paid interim dividend of ₹ 30 per equity share (P.Y. ₹ 25).
4. As per Section 29C(1) of National Housing Bank Act 1987, the Company is required to transfer at least 20% of its Net profit every year to a reserve before any dividend is declared. For this purpose any Special Reserve created by the Company under Section 36(1)(viii) of the Income Tax Act,1961 is considered to be an eligible transfer.

NOTE 24. INTEREST INCOME

(₹ in million)

Particulars	2021-22		
	On Financial Assets measured at		
	FVTOCI	Amortized Cost	Total
Interest on Loans	2,098.64	16,457.83	18,556.47
Interest income from investments	-	9.01	9.01
Interest on inter corporate deposits	-	0.13	0.13
Interest on deposits with Banks	-	191.84	191.84
Total	**2,098.64**	**16,658.81**	**18,757.45**

(₹ in million)

Particulars	2020-21		
	On Financial Assets measured at		
	FVTOCI	Amortized Cost	Total
Interest on Loans	1,972.81	15,159.48	17,132.29
Interest income from investments	-	12.34	12.34
Interest on inter corporate deposits	-	427.93	427.93
Interest on deposits with Banks	-	214.07	214.07
Total	**1,972.81**	**15,813.82**	**17,786.63**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

NOTE 25. DIVIDEND INCOME

(₹ in million)

Particulars	2021-22	2020-21
Dividend income	-	40.71
Total	**-**	**40.71**

NOTE 26. FEES AND COMMISSION INCOME

(₹ in million)

Particulars	2021-22	2020-21
Fees and Other Charges	616.93	513.56
Insurance Commission	152.63	133.82
Total	**769.56**	**647.38**

NOTE 27. NET GAIN ON FAIR VALUE CHANGES

(₹ in million)

Particulars	2021-22	2020-21
Net gain on financial instruments at FVTPL		
On trading portfolio		
- Investments	63.16	185.01
Total Net gain on fair value changes	**63.16**	**185.01**
Fair Value changes:		
- Realized	63.16	185.01
Total Net gain on fair value changes	**63.16**	**185.01**

NOTE 28.1 NET GAIN ON DERECOGNITION OF FINANCIAL INSTRUMENTS UNDER AMORTIZED COST CATEGORY

(₹ in million)

Particulars	2021-22	2020-21
Foreclosure of loans	70.96	95.25
Bad debts recovery	38.28	43.92
Total	**109.24**	**139.17**

NOTE 28.2 NET GAIN ON DERECOGNITION OF FINANCIAL INSTRUMENTS UNDER FVTOCI

(₹ in million)

Particulars	2021-22	2020-21
Assignment of loans	1,045.58	770.76
Foreclosure of loans	113.18	-
Total	**1,158.76**	**770.76**

NOTE 29. OTHER INCOME

(₹ in million)

Particulars	2021-22	2020-21
Profit on sale of Assets	15.39	-
Marketing, advertisement and support service fees	1,331.51	1,107.84
Interest on Income Tax Refund	6.75	-
Total	**1,353.65**	**1,107.84**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

NOTE 30. FINANCE COSTS

(₹ in million)

Particulars	On Financial liabilities measured at Amortized Cost	
	2021-22	2020-21
Interest on inter-corporate deposits	202.32	0.00
Interest on borrowings (other than debt securities)	7,957.67	8,094.33
Interest on debt securities	1,464.36	1,882.47
Interest on subordinated liabilities	801.61	416.33
Other interest expense		
Interest on lease liabilities	13.78	17.42
Other borrowing cost	185.06	122.18
Total	**10,624.80**	**10,532.73**

Statement showing exchange fluctuation on account of foreign currency borrowings measured through Other Comprehensive Income:

(₹ in million)

Particulars	2021-22	2020-21
Revaluation Gain/(Loss) on Foreign currency loan	(113.16)	94.06
Recognized in Other Comprehensive Income	113.16	(94.06)

NOTE 31. IMPAIRMENT ON FINANCIAL INSTRUMENTS, INCLUDING WRITE-OFFS

(₹ in million)

Particulars	2021-22		
	On Financial Assets measured at		
	FVTOCI	Amortized Cost	Total
Loans	16.67	1,034.93	1,051.60
Bad debts written off	-	548.39	548.39
Total	**16.67**	**1,583.32**	**1,599.99**

(₹ in million)

Particulars	2020-21		
	On Financial Assets measured at		
	FVTOCI	Amortized Cost	Total
Loans	119.08	2,185.32	2,304.40
Bad debts written off	-	412.47	412.47
Total	**119.08**	**2,597.79**	**2,716.87**

NOTE 32. EMPLOYEE BENEFITS EXPENSES

(₹ in million)

Particulars	2021-22	2020-21
Salaries and wages	1,582.54	1,441.57
Contribution to provident and other funds (Refer Note 32.1)	62.53	54.82
Leave Encashment	16.84	22.81
Gratuity (Refer Note 32.2)	15.93	18.74
Staff welfare expenses#	39.16	46.49
Total	**1,717.00**	**1,584.43**

#The Group company i.e. IIFL Finance Limited and IIFL Securities Limited have granted stock options to its employees as well as employees of the Company. Pursuant to the scheme, the Company has reimbursed the group companies ₹ 11.30 million (P.Y. ₹ 22.67 million paid to Group companies i.e. IIFL Finance Limited, IIFL Securities Limited and IIFL Wealth Management Limited) during the year on account of such costs and the same is forming part of Employee benefit expenses.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

32.1 Defined Contribution Plans:

The Company has recognized the following amounts as an expense and included in the Employee Benefits Expenses.

(₹ in million)

Particulars	2021-22	2020-21
Contribution to Provident fund	32.56	27.82
Contribution to ESIC	4.13	3.87
Contribution to Labor Welfare Fund	0.28	0.23
Company contribution to EPS	23.18	21.68
Company contribution to NPS	2.38	1.22
Total	**62.53**	**54.82**

32.2 Disclosures pursuant to Ind AS 19 on "Employee Benefits"

(₹ in million)

Particulars	2021-22	2020-21
Type of Benefit	Gratuity	Gratuity
Country	India	India
Reporting Currency	INR	INR
Reporting Standard	Indian Accounting Standard 19 (Ind AS 19)	Indian Accounting Standard 19 (Ind AS 19)
Funding Status	Funded	Funded
Starting Year	April 01, 2021	April 01, 2020
Date of Reporting	March 31, 2022	March 31, 2021
Period of Reporting	12 Months	12 Months

Assumptions (Current Year)

(₹ in million)

Particulars	2021-22	2020-21
Expected Return on Plan Assets	6.98%	6.85%
Rate of Discounting	6.98%	6.85%
Rate of Salary Increase	9.00%	9.00%
Rate of Employee Turnover	For service 4 years and below 28.00% p.a. For service 5 years and above 1.00% p.a.	For service 4 years and below 28.00% p.a. For service 5 years and above 1.00% p.a.
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality (2006-08) Ultimate

Table Showing Change in the Present Value of Projected Benefit Obligations

(₹ in million)

Particulars	2021-22	2020-21
Present Value of Benefit Obligation at the Beginning of the Year	82.05	73.96
Interest Cost	5.62	5.06
Current Service Cost	16.34	17.95
Past Service Cost	-	-
Liability Transferred In/Acquisitions	0.48	6.22
Liability Transferred Out/Divestment	(0.83)	(3.97)

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

(₹ in million)

Particulars	2021-22	2020-21
Benefit Paid Directly by the Employer	(0.02)	(0.08)
Benefit Paid From the Fund	(6.17)	(6.62)
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	0.02	(0.61)
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(2.15)	(0.14)
Actuarial (Gains)/Losses on Obligations - Due to Experience	(1.42)	(9.72)
Present Value of Benefit Obligation at the End of the Year	**93.92**	**82.05**

Table Showing Change in the Fair Value of Plan Assets

(₹ in million)

Particulars	2021-22	2020-21
Fair Value of Plan Assets at the Beginning of the Year	87.96	62.36
Interest Income	6.02	4.27
Contributions by the Employer	9.57	22.84
Benefit Paid from the Fund	(6.17)	(6.62)
Return on Plan Assets, Excluding Interest Income	(2.43)	5.11
Fair Value of Plan Assets at the End of the Year	**94.95**	**87.96**

Amount Recognized in the Balance Sheet

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Present Value of Benefit Obligation at the end of the Year	93.92	82.05
Fair Value of Plan Assets at the end of the Year	94.95	87.95
Funded Status Surplus/(Deficit)	1.03	5.91
Net (Liability)/Asset Recognized in the Balance Sheet	**1.03**	**5.91**

Net Interest Cost

(₹ in million)

Particulars	2021-22	2020-21
Present Value of Benefit Obligation at the Beginning of the Year	82.05	73.96
Fair Value of Plan Assets at the Beginning of the Year	(87.96)	(62.36)
Net Liability/(Asset) at the Beginning of the Year	**(5.91)**	**11.60**
Interest Cost	5.62	5.06
Interest Income	(6.02)	(4.27)
Net Interest Cost	**(0.40)**	**0.79**

Expenses Recognized in the Statement of Profit and Loss

(₹ in million)

Particulars	2021-22	2020-21
Current Service Cost	16.33	17.95
Net Interest Cost	(0.40)	0.79
Past Service Cost	-	-
Expenses Recognized	**15.93**	**18.74**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

Expenses Recognized in the Other Comprehensive Income (OCI)

(₹ in million)

Particulars	2021-22	2020-21
Actuarial (Gains)/Losses on Obligation For the Year	(3.54)	(10.47)
Return on Plan Assets, Excluding Interest Income	2.43	(5.11)
Net (Income)/Expense For the Year Recognized in OCI	**(1.11)**	**(15.58)**

Balance Sheet Reconciliation

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Net Liability	(5.91)	11.60
Expenses Recognized in Statement of Profit and Loss	15.93	18.74
Expenses Recognized in OCI	(1.11)	(15.58)
Net Liability/(Asset) Transfer In	0.48	6.22
Net (Liability)/Asset Transfer Out	(0.83)	(3.97)
Benefit Paid directly by the Employer	(0.02)	(0.08)
Employer's Contribution	(9.57)	(22.84)
Net Liability/(Asset) Recognized in the Balance Sheet	**(1.04)**	**(5.91)**

Category of Assets

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Insurance fund	94.95	87.95
Total	**94.95**	**87.95**

Information of major categories of plan assets of gratuity fund are not available with the Company and hence not disclosed as per the requirements of Ind AS 19 "Employee Benefits".

Other Details

(₹ in million)

Particulars	2021-22	2020-21
Prescribed Contribution For Next Year (12 Months)	17.61	10.43

Net Interest Cost for Next Year

(₹ in million)

Particulars	2021-22	2020-21
Present Value of Benefit Obligation at the End of the Year	93.92	82.05
Fair Value of Plan Assets at the End of the Year	(94.95)	(87.95)
Net Liability/(Asset) at the End of the Year	**(1.03)**	**(5.90)**
Interest Cost	6.56	5.62
Interest Income	(6.63)	(6.02)
Net Interest Cost for Next Year	**(0.07)**	**(0.40)**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

Expenses Recognized in the Statement of Profit or Loss for Next Year

(₹ in million)

Particulars	2021-22	2020-21
Current Service Cost	18.64	16.33
Net Interest Cost	(0.07)	(0.40)
Expected Contributions by the Employees	-	-
Expenses Recognized	**18.57**	**15.93**

Maturity Analysis of the Benefit Payments: From the Fund

(₹ in million)

Particulars	2021-22	2020-21
Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	0.79	2.79
2nd Following Year	0.95	0.72
3rd Following Year	1.07	0.85
4th Following Year	1.18	0.95
5th Following Year	1.46	1.05
Sum of Years 6 To 10	10.36	8.95
Sum of Years 11 and above	354.59	307.19

Sensitivity Analysis

(₹ in million)

Particulars	2021-22	2020-21
Projected Benefit Obligation on Current Assumptions	93.92	82.05
Delta Effect of +1% Change in Rate of Discounting	(14.69)	(12.92)
Delta Effect of -1% Change in Rate of Discounting	18.14	16.05
Delta Effect of +1% Change in Rate of Salary Increase	12.87	12.10
Delta Effect of -1% Change in Rate of Salary Increase	(11.54)	(10.84)
Delta Effect of +1% Change in Rate of Employee Turnover	(2.06)	(2.44)
Delta Effect of -1% Change in Rate of Employee Turnover	2.34	2.81

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognized in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

NOTE 33. OTHER EXPENSES

(₹ in million)

Particulars	2021-22	2020-21
Advertisement	43.48	20.04
Loan processing expenses	39.93	70.63
Marketing expenses	47.64	19.55
Bank charges	13.21	9.17
Communication	13.87	14.28
Electricity	15.74	14.01

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

(₹ in million)

Particulars	2021-22	2020-21
Rating and custodian fees	11.33	1.18
Legal and professional fees	161.82	142.20
Commission and sitting fees	5.31	5.68
Miscellaneous expenses	6.29	3.12
Office expenses	74.33	60.05
Postage and courier	13.98	6.48
Printing and stationary	15.89	8.64
Rates and taxes	0.25	1.02
Rent (Refer note 12A)	42.50	28.01
Repairs and maintenance	7.18	7.30
Payments to auditors*	6.12	4.85
Software charges	60.78	27.63
Security expenses	16.48	22.20
Travelling and conveyance	43.96	26.22
Corporate Social Responsibility (CSR) Expenses (Refer note 38A)	105.68	79.06
Loss on sale of assets	0.31	14.29
Total	**746.08**	**585.61**

***Payments to auditors**

(₹ in million)

Particulars	2021-22	2020-21
Audit Fees	2.94	1.72
Limited Reviews	1.09	0.55
Other matters and certification	1.77	1.96
Out of Pocket Expenses	0.32	0.62
Total as per Statement of Profit and Loss	**6.12**	**4.85**
Amount paid towards certification required under for its Public Issue of Non Convertible Debentures which has been amortized using Effective Interest Rate Method over the tenure of the debenture	7.55	-
Total	**13.67**	**4.85**

NOTE 34. INCOME TAXES

Amounts recognized in the Statement of Profit and Loss

(₹ in million)

Particulars	2021-22	2020-21
Current tax expense		
Current year	1,701.00	1,419.33
Tax of earlier years	13.30	0.97
Deferred tax expense		
Origination and reversal of temporary differences	(34.62)	(331.41)
Total	**1,679.68**	**1,088.89**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

Reconciliation of total tax expense

(₹ in million)

Particulars	2021-22	2020-21
Profit before tax	**7,459.63**	**5,099.84**
Tax using the domestic tax rate	1,877.44	1,283.53
Tax effect of:		
Non-deductible expenses	27.98	21.37
Tax-exempt income (includes deduction u/s 80JJAA)	(241.63)	(204.85)
Tax on Dividend	-	(10.25)
Income taxed at different rates	-	(4.23)
Recognition of previously unrecognized deductible temporary differences	-	2.34
Adjustments for current tax for prior periods	13.30	0.98
De-Recognition of previously recognized deductible temporary differences	2.59	-
Total income tax expense	**1,679.68**	**1,088.89**

NOTE 35. EARNINGS PER SHARE:

Basic and Diluted Earnings per share ["EPS"] computed in accordance with Ind AS 33 "Earnings per share"

(₹ in million)

Particulars		2021-22	2020-21
Nominal value of equity shares in ₹ fully paid up		10	10
BASIC			
Profit after tax as per Statement of Profit and Loss	A	5,779.95	4,010.95
Weighted Average Number of Equity Shares Outstanding	B	20,968,181	20,968,181
Basic EPS (In ₹)	**A/B**	**275.65**	**191.29**
DILUTED			
Weighted Average Number of Equity shares for computation of diluted EPS	C	20,968,181	20,968,181
Diluted EPS (In ₹)	**A/C**	**275.65**	**191.29**

NOTE 36. CAPITAL/OTHER COMMITMENTS AND CONTINGENT LIABILITIES AT THE BALANCE SHEET DATE

a. Commitments: As at the balance sheet date there were undrawn credit commitments of ₹ 16,895.64 million (P.Y. ₹ 14,757.15 million) representing the loan amounts sanctioned but not disbursed.

b. Contingent Liabilities:

   i. Claim against the Company not acknowledged as debt ₹ 1.58 million (P.Y. ₹ 1.15 million).

   ii. Credit enhancement and Guarantee given for securitization and assignment transactions amounting to ₹ 1,956.72 million and ₹ 233.40 million respectively (P.Y. ₹ 1,900.56 million and ₹ 233.40 million).

NOTE 37. DISCLOSURE AS PER IND AS -108 "OPERATING SEGMENTS"

The Company's main business is financing by way of loans for the purchase or construction of residential houses, Loans against property and construction of real estate and certain other purposes, in India. All other activities of the Company revolve around the main business. As such, there are no separate reportable segments, as per the Indian Accounting Standard (Ind AS) 108 on 'Segment Reporting'.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

NOTE 38A. CORPORATE SOCIAL RESPONSIBILITY

The Company was required to spend ₹ 105.00 million (P.Y. ₹ 78.05 million) towards Corporate Social Responsibility (CSR) activities for the current financial year.

(₹ in million)

Particulars	2021-2022		
	Amount Spent	Amount Unspent/ Provision	Total
(a) Amount of expenditure incurred	75.38	30.30	105.68
(b) Shortfall at the end of the year*	-	30.30	30.30
(c) Total of previous years shortfall	-	-	-
(d) Nature of CSR activities:			
(i) Construction/acquisition of any asset	-	-	-
(ii) On purpose other than (i) above	75.38	30.30	105.68

*The Company during the year had contributed towards the ongoing projects to IIFL Foundation and which remained unspent as on March 31, 2022 resulting in shortfall. The unspent amount has been transferred to a separate Bank account on April 08, 2022 and will be spent during the 2022-23

(₹ in million)

Particulars	2020-2021		
	Amount Spent	Amount Unspent/ Provision	Total
(a) Amount of expenditure incurred	79.06	-	79.06
(b) Shortfall at the end of the year	-	-	-
(c) Total of previous years shortfall	-	-	-
(d) Nature of CSR activities:			
(i) Construction/acquisition of any asset	-	-	-
(ii) On purpose other than (i) above	79.06	-	79.06

(i) The aforementioned amount spent during the year has been contributed to India Infoline Foundation and others.

(ii) Nature of CSR activities: Promoting Education and Healthcare and eradicating poverty

NOTE 38B. ADDITIONAL REGULATORY INFORMATION UNDER MCA NOTIFICATION DATED MARCH 24, 2021

a. **Details of Benami Property held:** There are no proceedings which have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

b. **Additional information where borrowings are from banks or financial institutions:**

   (i) The revised quarterly returns and statements of current assets filed by the Company with banks or financial institutions for the quarter ended June 21, Sept 21 and Dec 21 are in agreement with the books of accounts. Further for quarter ended Mar 22 the Company has filed the provisional return and statement which will be revised subsequently based on audited numbers;

   (ii) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken as at the balance sheet date

c. **Willful Defaulter:** The Company has not been declared as Willful Defaulter by any Bank or Financial Institution or other Lender.

d. **Relationship with Struck off Companies :** During the year, the Company does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.

e. **Registration of charges or satisfaction with Registrar of Companies (ROC):** In case of borrowings, there are no charges or satisfaction pending for registration with ROC beyond the statutory period.

f. **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.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

g. Ratios:

(₹ in million)

Particulars	March 31, 2022	March 31, 2021
Capital to risk-weighted assets ratio (CRAR) (%)	30.48	22.98
Tier I CRAR (%)	21.10	19.61
Tier II CRAR (%)	9.38	3.37
Liquidity Coverage Ratio (%)	1079	NA

Note: LCR computation is based on Management estimation of future inflows and outflows and not subjected to audit by auditors.

h. Compliance with approved Scheme(s) of Arrangements: NA

i. Utilization of Borrowed funds and share premium:

During the financial year ended March 31, 2022, other than the transactions undertaken in the normal course of business and in accordance with extant regulatory guidelines as applicable.

(i) No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) No funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

j. Undisclosed Income: The Company does not have any transactions not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). Also, there are nil previously unrecorded income and related assets.

k. Details of Crypto Currency or Virtual Currency: The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

l. Capital work in progress (CWIP) and Intangible asset: The Company does not have any CWIP and Intangible asset under development.

NOTE 39 FINANCIAL INSTRUMENTS

Note 39 A. Financial Risk Management

The Company's activities expose it to credit risk, liquidity risk and market risk comprising of interest rate risk, currency risk and price risk.

Risk management is integral to Company's strategy. The comprehensive understanding of risk management throughout the various levels of an organization aids in driving key decisions related to risk-return balance, capital allocation and product pricing.

Additionally, it is also ensured that appropriate focus is on managing risk proactively by ensuring business operations are in accordance with laid-down risk. A strong risk management team and an effective credit operations structure ensures that risks are properly identified and timely addressed, to ensure minimal impact on the Company's growth and performance.

Financial Risk Management Structure

The Company has established multi-level risk governance for monitoring and control of product and entity level risks. The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles. The Board has constituted the Risk Management Committee (""RMC"") which is responsible for

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

monitoring the overall risk process within the Company. The RMC is empowered to develop an independent risk strategy comprising of principles, frameworks, policies and limits and ensuring its effective implementation. Independent function of Risk management is in place headed by the Chief Risk Officer (""CRO"") who reports to the Chief Executive Officer (""CEO"") with oversight of RMC of the Board. The Risk department primarily operationalizes risk management framework approved by RMC.

The Board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments and investment of excess liquidity. The Company's Treasury is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Company.

The Company has a risk framework constituting various lines of defense – the first line of defense consisting of the Management of the Company being responsible for seamless integration of risk principles across all businesses. Additionally, it ensures managerial and supervisory controls to ensure compliance and highlight inadequate processes and unexpected events.

Independent risk and policy team constitutes second life of defense which is responsible for identification and assessment of entity-wide risks. Post its identification, it aims to mitigate risks either through portfolio trigger and caps (Credit risk) or through ongoing risk control and self assessment (Operational risk).

Internal Audit function is the third line of defense that independently reviews activities of the first two lines of defense and reports to the Audit Committee of the Board.

The Company has defined processes, including corrective and remedial actions as regards people and processes, for mitigation to ensure minimum damage. A stress testing mechanism is put in place to carry out the event based sensitivity analysis and identify the accounts under stress due to expected market movement. In event of susceptibility to external triggers, appropriate risk mitigation would be undertaken and thereby minimize the losses to the Company.

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. Information pertaining to different type of risks are identified, analyzed and tested on timely basis. The same is presented to Risk Management Committee at periodic intervals.

39 A.1 Credit Risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, investments, derivative financial instruments, other balances with banks, loans and other receivables.

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. The Company ensures effective monitoring of credit facilities through a portfolio quality review framework. As per this process, a asset is reviewed at a frequency determined based on the risk it carries at the review date. For effective risk management, the Company monitors its portfolio, based on product, underlying security and credit risk characteristics.

39 A.1(I) Credit Risk Grading of loans and loss allowances

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. An independent risk and policy team reviews adherence to policies and processes and carries out audit on periodic basis.

The Company has initiated portfolio quality review mechanism which enables analysis of portfolio along various behavioral, demographic and financial parameters. Additionally, through tie-ups with external bureaus, an analysis of collection performance coupled with continuous credit assessment for various key segments is undertaken. The practices aid in proactive course correction thereby modifying credit or sourcing mechanisms, if required. Additionally, application scorecard has been developed enabling the Company to standardize credit underwriting and improve sourcing quality in the long run.

The Company applies general approach to provide for credit losses prescribed by Ind AS 109, which provides to recognize 12-months expected credit losses where credit risk has not increased significantly since initial recognition and to recognize lifetime expected credit losses for financial instruments for which there has been significant increase in credit risk since initial recognition, considering all reasonable present and forward looking information, including that of forward looking.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

Owing to the prevailing situation, additional Management overlay on account of COVID-19 has been considered in the ECL calculations for arriving at the impairment provisions required under IND AS 109.

The Company categorizes loan assets into stages based on the Days Past Due status: -

Stage 1: [0-31 days Past Due] It represents exposures where there has not been a significant increase in credit risk since initial recognition and that were not credit impaired upon origination.

Stage 2: [32-90 days Past Due] The Company collectively assesses ECL on exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired. For these exposures, the Company recognizes as a collective provision, a lifetime ECL (i.e. reflecting the remaining lifetime of the financial asset).

Stage 3: [More than 90 days Past Due] The Company identifies, both collectively and individually, ECL on those exposures that are assessed as credit impaired based on whether one or more events, that have a detrimental impact on the estimated future cash flows of that asset have occurred.

Additionally, the Company evaluates risk based on staging which are as follows:

(₹ in million)

Risk Categorization	As at March 31, 2022	As at March 31, 2021
Stage 1	145,111.56	137,579.44
Stage 2	9,631.04	9,366.35
Stage 3	3,887.02	3,298.10
Total	**158,629.62**	**150,243.89**

Financial Assets measured at Simplified Approach

The Company follows 'simplified approach' for recognition of impairment loss allowance on Cash and Cash Equivalents, Bank Balances, Unsecured Inter Corporate Deposits to group companies and Other Financial Assets. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Management of the Company expects no defaults in the above mentioned financial assets and insignificant history of defaults has been observed by the Management in the previous years on such Financial Assets. Hence, no ECL has been recognized on the above mentioned Financial assets as at the reporting date.

39 A.1(II) Credit quality analysis

(a). The following tables sets out information about the credit quality of financial assets. Unless specifically indicated, for financial assets, the amounts in the table represent gross carrying amounts.

(₹ in million)

Particulars	As at March 31, 2022				
	Financial Assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Financial Assets where loss allowance measured at Simplified Approach	Total
Cash and cash equivalents	-	-	-	13,987.31	**13,987.31**
Bank Balance other than above	-	-	-	4,332.94	**4,332.94**
Receivables					
(i) Trade Receivables	341.02	3.85	-	-	**344.87**
Loans at FVTOCI	29,127.22	-	-	-	**29,127.22**
Loans at amortized cost	115,984.34	9,631.04	3,887.02	-	**129,502.40**
Other Financial assets	-	-	-	3,579.01	**3,579.01**

IIFL HOME LOAN

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

(₹ in million)

Particulars	As at March 31, 2021				
	Financial Assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Financial Assets where loss allowance measured at Simplified Approach	Total
Cash and cash equivalents	-	-	-	4,123.27	**4,123.27**
Bank Balance other than above	-	-	-	4,437.40	**4,437.40**
Receivables					
(i) Trade Receivables	306.35	-	-	-	**306.35**
Loans at FVTOCI	23,280.12	243.32	-	-	**23,523.44**
Loans at amortized cost	114,299.32	9,123.03	3,298.10	-	**126,720.45**
Other Financial assets	-	-	-	2,348.18	**2,348.18**

(b). The following tables show reconciliations from the opening to the closing balance of the Exposure At Default (EAD) and Expected Credit Loss (ECL) by class of financial instrument.

Loans and advances

(₹ in million)

Reconciliation of Exposure at Default	Financial Assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total	
	Principal Outstanding	Interest Accrued/ Others	Principal Outstanding	Interest Accrued/ Others	Principal Outstanding	Interest Accrued/ Others	Principal Outstanding	Interest Accrued/ Others*
Opening EAD March 31, 2021	**136,619.88**	**14,907.77**	**9,005.07**	**718.16**	**2,694.90**	**603.20**	**148,319.85**	**16,229.13**
New Loans Disbursed during the year	82,605.56	-	409.07	-	104.45	-	**83,119.08**	**-**
Loan Derecognized	(37,966.31)	(452.33)	(809.75)	(110.70)	(983.57)	(210.74)	**(39,759.63)**	**(773.77)**
Movement in Stages								
From Stage 1	(7,246.16)	(529.20)	5,967.97	426.81	1,278.20	102.39	**-**	**-**
From Stage 2	2,864.86	240.76	(3,334.37)	(277.19)	469.51	36.43	**-**	**-**
From Stage 3	320.07	51.16	52.77	4.83	(372.84)	(55.99)	**-**	**-**
Loans Repaid in part or full	(33,108.57)	3,014.42	(2,014.95)	(90.37)	(27.68)	247.63	**(35,151.19)**	**3,171.68**
Changes in contractual cash flow due to modification not resulting in de-recognition	-	2.02	-	(0.57)	-	1.13	**-**	**2.58**
Closing EAD March 31, 2022	**144,089.33**	**17,234.60**	**9,275.81**	**670.97**	**3,162.97**	**724.05**	**156,528.11**	**18,629.62**

*Includes amount w.r.t. sanctioned but un-disbursed considered for ECL of ₹ 16,527.55 million (As at March 31, 2021 ₹ 14,305.09 million)

(₹ in million)

Reconciliation of Exposure at Default	Financial Assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total	
	Principal Outstanding	Interest Accrued/ Others	Principal Outstanding	Interest Accrued/ Others	Principal Outstanding	Interest Accrued/ Others	Principal Outstanding	Interest Accrued/ Others*
Opening EAD March 31, 2020	**119,052.44**	**13,453.87**	**7,034.84**	**392.40**	**2,052.28**	**290.43**	**128,139.56**	**14,136.70**
New Loans Disbursed during the year	50,371.84	7,855.07	457.91	7.13	42.94	-	**50,872.69**	**7,862.20**
Loan Derecognized	(14,402.98)	(191.35)	(268.38)	(23.14)	(530.84)	(41.45)	**(15,202.20)**	**(255.94)**
Movement in Stages								
From Stage 1	(6,474.07)	(456.91)	5,837.79	397.10	636.28	59.82	**-**	**-**
From Stage 2	3,198.41	140.21	(3,991.10)	(192.55)	792.69	52.33	**-**	**-**
From Stage 3	134.03	9.39	155.07	10.87	(289.10)	(20.26)	**-**	**-**
Loans Repaid in part or full	(15,259.79)	(5,828.71)	(221.06)	126.31	(9.35)	261.76	**(15,490.20)**	**(5,440.64)**
Changes in contractual cash flow due to modification not resulting in de-recognition	-	(73.80)	-	0.04	-	0.57	**-**	**(73.19)**
Closing EAD March 31, 2021	**136,619.88**	**14,907.77**	**9,005.07**	**718.16**	**2,694.90**	**603.20**	**148,319.85**	**16,229.13**

*Includes amount w.r.t. sanctioned but un-disbursed considered for ECL of ₹ 14,305.09 million (As at March 31, 2020 ₹ 12,514.44 million)

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

Loss Allowances

(₹ in million)

Reconciliation of Loss Allowances	Financial Assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total	
	Principal Outstanding	Interest Accrued/ Others	Principal Outstanding	Interest Accrued/ Others	Principal Outstanding	Interest Accrued/ Others	Principal Outstanding	Interest Accrued/ Others*
Opening ECL March 31, 2021	**2,019.50**	**107.60**	**813.83**	**51.11**	**994.05**	**608.59**	**3,827.38**	**767.30**
New Loans Disbursed during the year	660.01	50.51	46.77	2.81	37.16	6.51	**743.94**	**59.83**
Loan Derecognized	(252.42)	(7.91)	(56.74)	(3.29)	(375.06)	(211.82)	**(684.22)**	**(223.02)**
Movement in Stages	-	-	-	-	-	-		
From Stage 1	(258.40)	(4.23)	206.08	3.46	52.32	0.77	**-**	**-**
From Stage 2	174.74	7.74	(231.34)	(12.56)	56.60	4.82	**-**	**-**
From Stage 3	112.93	51.18	18.35	4.89	(131.29)	(56.07)	**-**	**-**
Loans Repaid in part or full	(132.96)	(109.65)	525.67	26.75	555.67	377.15	**948.38**	**294.25**
Changes in contractual cash flow due to modification not resulting in de-recognition	-	-	-	-	-	-	**-**	**-**
Closing ECL March 31, 2022	**2,323.40**	**95.24**	**1,322.62**	**73.17**	**1,189.45**	**729.95**	**4,835.47**	**898.36**

*Includes ECL w.r.t. sanctioned but un-disbursed of ₹ 76.74 million (As at March 31, 2021 ₹ 87.28 million).

(₹ in million)

Reconciliation of Loss Allowances	Financial Assets where loss allowance measured at 12-month ECL		Financial assets for which credit risk has increased significantly and credit not impaired		Financial assets for which credit risk has increased significantly and credit impaired		Total	
	Principal Outstanding	Interest Accrued/ Others	Principal Outstanding	Interest Accrued/ Others	Principal Outstanding	Interest Accrued/ Others	Principal Outstanding	Interest Accrued/ Others*
Opening ECL March 31, 2020	**778.97**	**43.54**	**443.70**	**23.70**	**482.61**	**290.58**	**1,705.28**	**357.82**
New Loans Disbursed during the year	440.23	53.19	31.73	1.30	15.11	2.27	**487.07**	**56.76**
Loan Derecognized	(54.55)	(3.19)	(10.59)	(1.13)	(162.10)	(38.91)	**(227.24)**	**(43.23)**
Movement in Stages								
From Stage 1	(64.79)	(2.11)	60.83	1.90	3.95	0.21	**-**	**-**
From Stage 2	174.87	1.88	(276.98)	(13.11)	102.11	11.23	**-**	**-**
From Stage 3	34.70	9.39	39.46	10.88	(74.16)	(20.26)	**-**	**-**
Loans Repaid in part or full	710.07	4.90	525.68	27.57	626.52	363.47	**1,862.27**	**395.94**
Changes in contractual cash flow due to modification not resulting in de-recognition	-	-	-	-	-	-	**-**	**-**
Closing ECL March 31, 2021	**2,019.50**	**107.60**	**813.83**	**51.11**	**994.05**	**608.59**	**3,827.38**	**767.30**

*Includes ECL w.r.t. sanctioned but un-disbursed of ₹ 87.28 million (As at March 31, 2020 ₹ 29.70 million).

39 A.1(III) Concentrations of credit risk

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on spreading its lending portfolio across products/states/customer base with a cap on maximum limit of exposure for an individual/Group. Accordingly, the Company does not have concentration risk.

62% of the Company's Loan outstanding is from Borrowers residing across 5 various states of India

39 A.1(IV) Contractual amount outstanding on financial assets that were written off during the reporting year

(₹ in million)

Particulars	2021-22	2020-21
Write off	548.39	412.47

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

39 A.1(V) Collateral held

The Company is in the business of extending secured loans backed by mortgage of property (residential or commercial). This also includes cross-collateralization on other property(ies) of the borrower. The Company assesses and monitors value of the collaterals periodically on the basis of the internal policy. In case required, the Company also requests for additional collateral(s).

In normal course of business, the Company does not physically repossess properties or collaterals. Once contractual loan repayments are more than 90 days past due, repossession of property(ies) may be initiated under the provisions of the SARFAESI Act, 2002. Repossessed property(ies) is disposed of in the manner prescribed in the SARFAESI Act, 2002, to recover outstanding debt.

39 A.1(VI) Modified financial assets

For financial assets, such as a loan to a customer, where the terms and conditions have been renegotiated to the extent that the modification does not result in cash flows that are substantially different (thereby not resulting into derecognition), the Company has disclosed modification gain or loss based on the change in cash flows discounted at the original EIR (Effective Interest Rate).

(₹ in million)

Particulars	2021-22	2020-21
Amortized Cost of Modified Assets at the time of modification	4,865.47	4,515.80
Modification (Gain)/Loss for the year	(2.59)	73.27

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Carrying amount of Modified financial assets	6,277.89	3,986.79

The terms of the assets have been modified in accordance with NHB (Directions)/RBI (HFC) Directions and as per RBI Notification "Resolution Framework for COVID-19-related Stress".

39 A.2 Liquidity Risk

Liquidity risk refers to the risk that the Company may not be able to meet its short-term financial obligations. The Company manages liquidity risk by maintaining sufficient cash and by having access to funding through an adequate amount of credit lines. Further, The Company has defined Asset Liability Management (ALM) Framework with an organizational structure to regularly monitor and manage maturity profiles of financial assets and financial liabilities including debt financing plans, cash and cash equivalent instruments to ensure liquidity. The Company seeks to maintain flexibility in funding mix by way of sourcing the funds through money markets, debt markets and banks to meet its business and liquidity requirements.

(i) Maturities of financial liabilities

(₹ in million)

Contractual maturities of financial liabilities As at March 31, 2022	Total	Upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 years
Derivative financial instruments	**50.58**	-	-	-	50.58	-	-
Trade Payables	**508.11**	508.11	-	-	-	-	-
Finance Lease Obligation*	**241.37**	11.25	10.92	21.20	76.71	60.87	60.42
Debt Securities	**22,179.85**	1,952.24	886.86	107.83	3,465.66	2,124.98	13,642.28
Borrowings (Other than Debt Securities)	**109,449.35**	5,644.01	6,805.72	13,086.27	39,529.95	20,702.55	23,680.85
Subordinated Liabilities	**10,576.86**	31.09	97.15	0.82	650.00	-	9,797.80
Other financial liabilities	**9,444.46**	9,444.46	-	-	-	-	-

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

(₹ in million)

Contractual maturities of financial liabilities As at March 31, 2021	Total	Upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 years
Derivative financial instruments	**292.08**	-	-	-	292.08	-	-
Trade Payables	**351.58**	351.58	-	-	-	-	-
Finance Lease Obligation*	**191.58**	9.69	9.57	17.50	63.51	46.37	44.94
Debt Securities	**21,027.50**	4,523.06	5,024.82	2,318.21	1,648.81	1,156.61	6,355.99
Borrowings (Other than Debt Securities)	**104,708.22**	8,964.13	8,187.95	11,795.14	39,222.78	15,634.40	20,903.82
Subordinated Liabilities	**4,366.73**	31.09	367.15	200.65	650.00	-	3,117.84
Other financial liabilities	**5,853.89**	5,853.89	-	-	-	-	-

*Contractual maturities of financial lease obligation are on undiscounted basis.

39 A.3 Market Risk

Market Risk is the risk that the value of on and off-balance sheet positions of a financial institution will be adversely affected by movements in market rates or prices such as interest rates, foreign exchange rates, equity prices, credit spreads and/or commodity prices resulting in a loss to earnings and capital.

Financial institutions may be exposed to Market Risk in variety of ways. Market risk exposure may be explicit in portfolios of securities/equities and instruments that are actively traded. Conversely it may be implicit such as interest rate risk due to mismatch of loans and deposits. Besides, market risk may also arise from activities categorized as off-balance sheet item. Therefore market risk is potential for loss resulting from adverse movement in market risk factors such as interest rates, forex rates, equity and commodity prices.

The Company's exposure to market risk is primarily on account of interest rate risk, foreign exchange risk and price risk.

39 A.3(I) Interest rate risk

Interest rate risk is the risk where changes in market interest rates might adversely affect the entity's financial condition. The rise or fall in interest rates impact the Company's Net Interest Income.

Total Borrowings of the Company are as follows:

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Floating rate borrowings	82,103.00	80,265.07
Fixed rate borrowings	60,103.06	49,837.38
Total borrowings	**142,206.06**	**130,102.45**

As at the end of the reporting year, the Company had the following floating rate borrowings and cross currency interest rate swap contracts outstanding:

(₹ in million)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Weighted average interest rate	Balance	% of total loans	Weighted average interest rate	Balance	% of total loans
Bank loans and bank overdrafts and Securitization Liability	8.19%	81,812.26	57.53%	8.54%	77,252.26	59.38%
Non Convertible Debentures	7.37%	290.74	0.20%	9.15%	3,012.81	2.32%
Net exposure to cash flow interest rate risk		**82,103.00**	**57.75%**		**80,265.07**	**61.69%**

An analysis by maturities is provided in note 39 A 2(i) above. The percentage of total loans shows the proportion of loans that are currently at floating rates in relation to the total amount of borrowings.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

(₹ in million)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Weighted average interest rate	Balance	% of total loans	Weighted average interest rate	Balance	% of total loans
Cross Currency Interest Rate Swaps	9.36%	3,876.44	2.73%	9.36%	3,675.23	2.82%

The Company had following floating rate loans and advances outstanding:

(₹ in million)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Weighted average interest rate	Balance	% of total loans	Weighted average interest rate	Balance	% of total loans
Loans and advances*	11.44%	158,629.60	100.00%	11.66%	150,243.89	100.00%

*Since certain loans disbursed by Company carry a fix rate of interest only for an initial short tenure of the loan, all loans granted are considered to be floating rate loans

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. Other components of equity change as a result of an increase/decrease in the fair value of the cash flow hedges related to borrowings.

(₹ in million)

Particulars	Impact on profit after tax		Impact on other components of equity	
	2021-22	2020-21	2021-22	2020-21
Interest rates – increase by 30 basis points (30 bps) *	(184.32)	(180.19)	-	-
Interest rates – decrease by 30 basis points (30 bps) *	184.32	180.19	-	-

* Holding all other variables constant

Profit or loss is sensitive to higher/lower interest income from loans and advances as a result of changes in interest rates.

(₹ in million)

Particulars	Impact on profit after tax	
	2021-22	2020-21
Interest rates – increase by 30 basis points (30 bps) *	356.12	337.29
Interest rates – decrease by 30 basis points (30 bps) *	(356.12)	(337.29)

* Holding all other variables constant

39 A.3(II) Exposure to currency risks

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign currency rates. The Company's exposure to the risk of changes in foreign exchange rates relates primary to the foreign currency borrowings taken from banks and External Commercial Borrowings (ECB).

In order to minimize any adverse effects on the financial performance of the Company, derivative financial instruments, such as cross currency interest rate swaps are entered to hedge certain foreign currency risk exposures and variable interest rate exposures, the Company's central treasury department identifies, evaluates and hedges financial risks in close co- operation with the Company's operating units

The Company follows a conservative policy of hedging its foreign currency exposure through Forwards and/or Cross Currency Interest Rate Swaps in such a manner that it has fixed determinate outflows in its functional currency and as such there would be no significant impact of movement in foreign currency rates on the Company's profit before tax (PBT) and equity.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

(₹ in million)

Particulars	Amount Outstanding	
	In ₹	In USD
Borrowing as on March 31, 2022	3,876.44	50.00
Borrowing as on March 31, 2021	3,675.23	50.00

Since the Company has entered into derivative transaction to hedge this borrowing, the Company is not exposed to any currency risk on this borrowing.

39 A.3(III) Price Risk

The Company's investments carry a risk of change in prices. To manage its price risk arising from investments, the Company periodically monitors the performance of the investee.

The Company's exposure to assets having price risk is insignificant.

39 A.3(IV) Competitions Risk

Company offers a range of mortgage products such as home loan, loans against property and construction of real estate. These are provided to a broad segment of customers including salaried and self-employed personnel and corporates. We face competition primarily from other HFCs. The major competitive factors among the peer group are an extensive branch network, greater funding capabilities, wider range of products and services, and advanced technology offerings.

39.B Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value. The Company monitors capital using a capital adequacy ratio as prescribed by the NHB Directions/RBI Directions.

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Net Debt (₹ in million)	142,206.07	130,102.45
Total Equity (₹ in million)	26,807.04	21,457.09
Net Debt to Equity Ratio (times)	5.30	6.06

39.B.1 Fair values of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer an liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using a valuation technique.

The Company evaluates the significance of financial instruments and material accuracy of the valuations incorporated in the financial statements as they involve a high degree of judgement and estimation uncertainty in determining the carrying values of financial assets and liabilities at the balance sheet date. Fair value of financial instruments is determined using valuation techniques and estimates which, to the extent possible, use market observable inputs, but in some cases use non-market observable inputs. Changes in the observability of significant valuation inputs can materially affect the fair values of financial instruments. In determining the valuation of financial instruments, the Company makes judgements on the amounts reserved to cater for model and valuation risks, which cover both Level 2 and Level 3 instruments, and the significant valuation judgements in respect of Level 3 instruments.

The following table shows an analysis of financial instruments:

(₹ in million)

Particulars	As at March 31, 2022		
	FVTPL	FVTOCI	Amortized cost
Financial assets			
Cash and cash equivalents	-	-	13,987.31
Bank Balance other than cash and cash equivalents	-	-	4,332.94

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

(₹ in million)

Particulars	As at March 31, 2022		
	FVTPL	FVTOCI	Amortized cost
Receivables			
(i) Trade Receivables	-	-	344.10
Loans	-	28,854.00	124,048.21
Investments	1,440.00	-	95.91
Other Financial assets	-	-	3,570.97
Total financial assets	**1,440.00**	**28,854.00**	**146,379.44**
Financial liabilities			
Derivative financial instruments	-	50.58	-
Trade Payables	-	-	508.11
Finance Lease Obligation	-	-	173.82
Debt Securities	-	-	22,179.86
Borrowings (Other than Debt Securities)	-	-	109,449.34
Subordinated Liabilities	-	-	10,576.86
Other financial liabilities	-	-	9,444.46
Total financial liabilities	**-**	**50.58**	**152,332.45**

(₹ in million)

Particulars	As at March 31, 2021		
	FVTPL	FVTOCI	Amortized cost
Financial assets			
Cash and cash equivalents	-	-	4,123.27
Bank Balance other than cash and cash equivalents	-	-	4,437.40
Receivables			
(i) Trade Receivables	-	-	306.35
Loans	-	23,266.92	122,382.31
Investments	-	-	125.97
Other Financial assets	-	-	2,339.72
Total financial assets	**-**	**23,266.92**	**133,715.02**
Financial liabilities			
Derivative financial instruments	-	292.08	-
Trade Payables	-	-	351.58
Finance Lease Obligation	-	-	149.03
Debt Securities	-	-	21,027.50
Borrowings (Other than Debt Securities)	-	-	104,708.22
Subordinated Liabilities	-	-	4,366.73
Other financial liabilities	-	-	5,853.89
Total financial liabilities	**-**	**292.08**	**136,456.95**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

39.B.2 Financial instruments measured at fair value – Fair value hierarchy

Assets and liabilities carried at fair value or for which fair values are disclosed have been classified into three levels according to the observability of the significant inputs used to determine the fair values. Changes in the observability of significant valuation inputs during the reporting period may result in a transfer of assets and liabilities within the fair value hierarchy. The Company recognizes transfers between levels of the fair value hierarchy when there is a significant change in either its principal market or the level of observability of the inputs to the valuation techniques as at the end of the reporting period.

The following table analyses financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorized. The amounts are based on the values recognized in the statement of financial position.

(₹ in million)

Financial assets and liabilities measured at fair value - recurring fair value measurements As at March 31, 2022	Level 1	Level 2	Level 3	Total
Financial assets				
Loans at FVTOCI	-	-	28,854.00	28,854.00
Investments				
(i) Alternate Investment Fund	-	1,440.00	-	1,440.00
Total financial assets	**-**	**1,440.00**	**28,854.00**	**30,294.00**
Financial liabilities				
Foreign exchange forward contracts and Cross Currency Interest Rate Swaps	-	50.58	-	50.58
Total financial liabilities	**-**	**50.58**	**-**	**50.58**

(₹ in million)

Financial assets and liabilities measured at fair value - recurring fair value measurements As at March 31, 2021	Level 1	Level 2	Level 3	Total
Financial assets				
Loans at FVTOCI	-	-	23,266.92	23,266.92
Investments				
(i) Alternate Investment Fund	-	-	-	-
Total financial assets	**-**	**-**	**23,266.92**	**23,266.92**
Financial liabilities				
Foreign exchange forward contracts and Cross Currency Interest Rate Swaps	-	292.08	-	292.08
Total financial liabilities	**-**	**292.08**	**-**	**292.08**

Valuation technique used to determine fair value

1. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date
2. Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
3. Level 3 inputs are unobservable inputs for the valuation of assets or liabilities.

(₹ in million)

Assets and liabilities which are measured at amortized cost for which fair values are disclosed As at March 31, 2022	Fair value	Carrying value	Fair value hierarchy
Financial Liabilities			
Debt Securities	21,401.78	22,179.86	Level 3
Subordinated Liabilities	10,466.09	10,576.86	Level 3
Total financial liabilities	**31,867.87**	**32,756.72**	

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

(₹ in million)

Assets and liabilities which are measured at amortized cost for which fair values are disclosed As at March 31, 2021	Fair value	Carrying value	Fair value hierarchy
Financial Liabilities			
Debt Securities	19,517.03	21,027.50	Level 3
Subordinated Liabilities	4,035.09	4,366.73	Level 3
Total financial liabilities	**23,552.12**	**25,394.23**	

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.

(i) **Loans:** The cash flows at the fixed rate were discounted to present value at the applicable internal benchmark rates . This value, as estimated, was discounted to present value at the applicable rates to determine their fair value.

(ii) **Equity instruments:** Equity instruments in non-listed entities are initially recognized at transaction price and re-measured (to the extent information is available) and valued on a case-by-case basis and classified as Level 3.

(iii) **Debt Securities and Subordinated Liabilities:** The fair values of these instruments are estimated by determining the price of the instrument taking into consideration the origination date, maturity date, coupon rate, actual or approximation of frequency of interest payments and incorporating the actual or estimated/proxy yields of identical or similar instruments through the discounting factor. For instruments, having contractual residual maturity less than one year, the carrying value has been considered as fair value.

(iv) **Financial assets and liabilities:** For financial assets and financial liabilities that have a short-term nature and long term financial assets and liabilities having floating rate structure, carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, loans, investment in debt securities, trade payables, lease liabilities, borrowings (other than debt securities), other financial assets and liabilities.

39.B.3 Movements in Level 3 financial instruments measured at fair value

The following tables show a reconciliation of the opening and closing amounts of Level 3 financial assets which are recorded at fair value.

(₹ in million)

Particulars	Loans - FVTOCI	
	As at March 31, 2022	As at March 31, 2021
Opening Balance	23,266.92	29,862.56
Sold during the year	(24,710.22)	(14,887.13)
Re-classified to amortized cost	(8,210.67)	-
Issuances	38,507.98	8,291.49
Closing Balance	**28,854.00**	**23,266.92**

40.1 Transferred financial assets that are derecognized in their entirety

During the year, the Company has sold some loans and advances measured at FVTOCI as per assignment deals, as a source of finance. As per the terms of deal, since the derecognition criteria as per IND AS 109, including transfer of substantially all the risks and rewards relating to assets being transferred to the buyer being met, the assets have been derecognized. The management has evaluated the impact of the assignment transactions done during the year for its business model. Based on the future business plans, the Company's business model remains to hold the assets for collecting contractual cash flows.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

The table below summarizes the carrying amount of the derecognized financial assets measured at FVTOCI and the gain/(loss) on derecognition:

(₹ in million)

Loans and advances	2021-22	2020-21
Carrying amount of derecognized financial assets	24,710.22	14,887.13
Gain from derecognition for the year	1,045.58	770.76

The table below summarizes the carrying amount of the continuing involvement in derecognized financial assets

(₹ in million)

Loans and advances	As at March 31, 2022	As at March 31, 2021
Carrying amount of continuing involvement in derecognized financial assets	8,383.87	8,039.49

40.2 Transferred financial assets that are not derecognized in their entirety:

The Company uses securitizations as a source of finance. Such transaction resulted in the transfer of contractual cash flows from portfolios of financial assets to holders of issued debt securities. Such deals resulted in continued recognition of the securitized assets since the Company retains substantial risks and rewards. The table below outlines the carrying amounts and fair values of all financial assets transferred that are not derecognized in their entirety and associated liabilities.

(₹ in million)

Securitizations	As at March 31, 2022	As at March 31, 2021
Carrying amount of transferred assets measured at amortized cost	4,169.52	5,374.26
Carrying amount of associated liabilities	4,172.92	5,453.04
Fair value of assets	4,169.52	5,374.26
Fair value of associated liabilities	4,172.92	5,453.04

40.3 Re-classification of financial assets to amortized cost category

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Fair value of financial assets re-classified as amortized cost	7,935.67	-
Fair value of gain/loss would have been recognized in profit or loss or other comprehensive income	(6.40)	-

40.4 Re-classification of financial assets from Fair Value Through Other Comprehensive Income to Amortized Cost

Particulars	As at March 31, 2022	As at March 31, 2021
Date of reclassification	July 2021 to March 2022	-
Reclassification amount (₹ in million)	8,210.67	-

Note: The Company has reclassified the above assets due to change in business model in respect of the specified assets. These assets are now intended to be held to collect the contractual cashflow.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

41. RELATED PARTY DISCLOSURES AS PER IND AS – 24 "RELATED PARTY DISCLOSURE" FOR THE YEAR ENDED MARCH 31, 2022

Nature of relationship	Name of Party
Holding company	IIFL Finance Limited
Subsidiary company	IIHFL Sales Limited
Fellow Subsidiary and Associate	IIFL Samasta Finance Limited (Formerly Samasta Microfinance Limited)
Other Related Parties (Due to common Promoter)	IIFL Facilities Services Limited
	IIFL Securities Limited
	IIFL Wealth Management Limited
	IIFL Wealth Finance Limited
	IIFL Management Services Limited
	Livlong Insurance Brokers Limited (Formerly IIFL Insurance Brokers Limited)
	Livlong Protection and Wellness Solutions Limited (Formerly IIFL Corporate Services Limited)
	IIFL Commodities Limited
	IIFL Wealth Distribution Services Limited
	5Paisa Capital Limited
	India Infoline Foundation
Key Management Personnel and other Directors	Mr. Nirmal Jain - Non-Executive Director
	Mr. R Venkataraman - Non-Executive Director
	Mr. S. Sridhar - Chairman and Independent Director
	Mr. AK Purwar - Independent Director
	Mr. Kranti Sinha - Independent Director
	Ms. Suvalaxmi Chakraborty - Independent Director (ceased w.e.f. June 15, 2021)
	Ms. Mohua Mukherjee- Independent Director (w.e.f. August 26, 2021)

List includes related parties with whom transactions were carried out during current or previous year.

41.A Significant transactions with related parties:

(₹ in million)

Nature of Transaction	Holding Company	Subsidiary Company	Fellow Subsidiaries and Associate	Other related parties	Key Managerial Personnel	Total
Interest Income						
IIFL Finance Limited	-	-	-	-	-	-
	(333.59)	(-)	(-)	(-)	(-)	(333.59)
IIFL Facilities Services Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(46.61)	(-)	(46.61)
IIFL Management Services Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(28.17)	(-)	(28.17)
IIHFL Sales Limited	-	0.13	-	-	-	0.13
	(-)	(-)	(-)	(-)	(-)	(-)
IIFL Samasta Finance Limited	-	-	-	-	-	-
	(-)	(-)	(19.56)	(-)	(-)	(19.56)
Interest Expense						
IIFL Finance Limited	201.61	-	-	-	-	201.61
	(28.38)	(-)	(-)	(-)	(-)	(28.38)

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

(₹ in million)

Nature of Transaction	Holding Company	Subsidiary Company	Fellow Subsidiaries and Associate	Other related parties	Key Managerial Personnel	Total
IIFL Securities Limited	-	-	-	3.31	-	3.31
	(-)	(-)	(-)	(-)	(-)	(-)
IIFL Facilities Services Limited	-	-	-	0.70	-	0.70
	(-)	(-)	(-)	(-)	(-)	(-)
IIFL Management Services Limited	-	-	-	1.60	-	1.60
	(-)	(-)	(-)	(-)	(-)	(-)
Service Fees Income for Mortgage Portfolio						
IIFL Finance Limited	15.59	-	-	-	-	15.59
	(6.47)	(-)	(-)	(-)	(-)	(6.47)
Corporate Social Responsibility Expense (CSR)						
India Infoline Foundation	-	-	-	70.70	-	70.70
	(-)	(-)	(-)	(71.50)	(-)	(71.50)
Arranger fees Expense						
IIFL Finance Limited	0.43	-	-	-	-	0.43
	(1.27)	(-)	(-)	(-)	(-)	(1.27)
IIFL Securities Limited	-	-	-	6.40	-	6.40
	(-)	(-)	(-)	(4.08)	(-)	(4.08)
IIFL Wealth Distribution Services Limited	-	-	-	1.60	-	1.60
	(-)	(-)	(-)	(-)	(-)	(-)
IIHFL Sales Limited	-	10.30	-	-	-	10.30
	(-)	(-)	(-)	(-)	(-)	(-)
Commission/Brokerage Expense						
IIFL Securities Limited	-	-	-	232.52	-	232.52
	(-)	(-)	(-)	(0.00)	(-)	(0.00)
Remuneration and Compensation to KMP						
Mr. Monu Ratra - Short Term Benefit	-	-	-	-	49.33	49.33
	(-)	(-)	(-)	(-)	(38.61)	(38.61)
Mr. Monu Ratra - Post Employment Benefit	-	-	-	-	0.16	0.16
	(-)	(-)	(-)	(-)	(0.32)	(0.32)
Sitting Fees paid to Directors						
Mr. Kranti Sinha	-	-	-	-	0.68	0.68
	(-)	(-)	(-)	(-)	(0.57)	(0.57)
Mr. S. Sridhar	-	-	-	-	0.77	0.77
	(-)	(-)	(-)	(-)	(0.69)	(0.69)
Ms. Suvalaxmi Chakraborty	-	-	-	-	0.15	0.15
	(-)	(-)	(-)	(-)	(0.48)	(0.48)
Mr. AK Purwar	-	-	-	-	0.31	0.31
	(-)	(-)	(-)	(-)	(0.33)	(0.33)
Ms. Mohua Mukherjee	-	-	-	-	0.19	0.19
	(-)	(-)	(-)	(-)	(-)	(-)
Commission to Directors						
Mr. Kranti Sinha	-	-	-	-	1.00	1.00
	(-)	(-)	(-)	(-)	(1.00)	(1.00)
Mr. S. Sridhar	-	-	-	-	1.20	1.20
	(-)	(-)	(-)	(-)	(1.00)	(1.00)
Ms. Mohua Mukherjee	-	-	-	-	0.60	0.60
	(-)	(-)	(-)	(-)	(-)	(-)
Ms. Suvalaxmi Chakraborty	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(1.00)	(1.00)

IIFL HOME LOAN

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

(₹ in million)

Nature of Transaction	Holding Company	Subsidiary Company	Fellow Subsidiaries and Associate	Other related parties	Key Managerial Personnel	Total
Interim Dividend Payment						
IIFL Finance Limited	629.05	-	-	-	-	629.05
	(524.20)	(-)	(-)	(-)	(-)	(524.20)
Interim Dividend Received						
IIFL Samasta Finance Limited	-	-	-	-	-	-
	(-)	(-)	(40.10)	(-)	(-)	(40.10)
ICD Taken						
IIFL Finance Limited	32,844.00	-	-	-	-	32,844.00
	(11,950.00)	(-)	(-)	(-)	(-)	(11,950.00)
IIFL Securities Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(3,570.00)	(-)	(3,570.00)
IIFL Facilities Services Limited	-	-	-	450.00	-	450.00
	(-)	(-)	(-)	(20.00)	(-)	(20.00)
ICD Returned						
IIFL Securities Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(3,570.00)	(-)	(3,570.00)
IIFL Finance Limited	32,844.00	-	-	-	-	32,844.00
	(11,950.00)	(-)	(-)	(-)	(-)	(11,950.00)
IIFL Facilities Services Limited	-	-	-	450.00	-	450.00
	(-)	(-)	(-)	(20.00)	(-)	(20.00)
ICD/Loan Given						
IIFL Finance Limited	4,210.00	-	-	-	-	4,210.00
	(82,387.10)	(-)	(-)	(-)	(-)	(82,387.10)
IIFL Facilities Services Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(7,073.50)	(-)	(7,073.50)
IIFL Securities Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(327.50)	(-)	(327.50)
IIHFL Sales Limited	-	19.84	-	-	-	19.84
	(-)	(-)	(-)	(-)	(-)	(-)
IIFL Samasta Finance Limited	-	-	-	-	-	-
	(-)	(-)	(1,000.00)	(-)	(-)	(1,000.00)
ICD/Loan received back						
IIFL Finance Limited	4,210.00	-	-	-	-	4,210.00
	(82,387.10)	(-)	(-)	(-)	(-)	(82,387.10)
IIFL Facilities Services Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(8,039.50)	(-)	(8,039.50)
IIFL Management Services Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(569.10)	(-)	(569.10)
IIFL Securities Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(327.50)	(-)	(327.50)
IIHFL Sales Limited	-	19.84	-	-	-	19.84
	(-)	(-)	(-)	(-)	(-)	(-)
IIFL Samasta Finance Limited	-	-	-	-	-	-
	(-)	(-)	(1,000.00)	(-)	(-)	(1,000.00)
Purchase of Investment						
IIFL Finance Limited	1,440.00	-	-	-	-	1,440.00
	(1,321.23)	(-)	(-)	(-)	(-)	(1,321.23)
Equity Shares Allotment						

IIFL HOME LOAN

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

(₹ in million)

Nature of Transaction	Holding Company	Subsidiary Company	Fellow Subsidiaries and Associate	Other related parties	Key Managerial Personnel	Total
IIFL Samasta Finance Limited	-	-	750.00	-	-	750.00
	(-)	(-)	(225.00)	(-)	(-)	(225.00)
IIHFL Sales Limited	-	0.50	-	-	-	0.50
	(-)	(-)	(-)	(-)	(-)	(-)
Allocation of expenses paid						
IIFL Securities Limited	-	-	-	44.64	-	44.64
	(-)	(-)	(-)	(45.13)	(-)	(45.13)
IIFL Management Services Limited	-	-	-	0.85	-	0.85
	(-)	(-)	(-)	(1.27)	(-)	(1.27)
IIFL Finance Limited	47.59	-	-	-	-	47.59
	(30.15)	(-)	(-)	(-)	(-)	(30.15)
IIFL Facilities Services Limited	-	-	-	7.37	-	7.37
	(-)	(-)	(-)	(5.63)	(-)	(5.63)
Reimbursement paid						
IIFL Securities Limited	-	-	-	3.17	-	3.17
	(-)	(-)	(-)	(1.91)	(-)	(1.91)
IIFL Facilities Services Limited	-	-	-	0.01	-	0.01
	(-)	(-)	(-)	(0.00)	(-)	(0.00)
IIFL Finance Limited	5.82	-	-	-	-	5.82
	(9.94)	(-)	(-)	(-)	(-)	(9.94)
IIFL Management Services Limited	-	-	-	0.00	-	0.00
	(-)	(-)	(-)	(0.01)	(-)	(0.01)
Livlong Insurance Brokers Limited	-	-	-	0.09	-	0.09
	(-)	(-)	(-)	(0.07)	(-)	(0.07)
5Paisa Capital Limited	-	-	-	0.87	-	0.87
	(-)	(-)	(-)	(0.11)	(-)	(0.11)
IIFL Wealth Management Limited	-	-	-	0.00	-	0.00
	(-)	(-)	(-)	(-)	(-)	(-)
IIHFL Sales Limited	-	0.06	-	-	-	0.06
	(-)	(-)	(-)	(-)	(-)	(-)
ESOP						
IIFL Securities Limited	-	-	-	0.02	-	0.02
	(-)	(-)	(-)	(0.20)	(-)	(0.20)
IIFL Wealth Management Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(0.06)	(-)	(0.06)
IIFL Finance Limited	11.34	-	-	-	-	11.34
	(22.41)	(-)	(-)	(-)	(-)	(22.41)
Allocation of expenses received						
IIFL Management Services Limited	-	-	-	0.00	-	0.00
	(-)	(-)	(-)	(0.02)	(-)	(0.02)
IIFL Securities Limited	-	-	-	3.99	-	3.99
	(-)	(-)	(-)	(5.29)	(-)	(5.29)
5Paisa Capital Limited	-	-	-	0.00	-	0.00
	(-)	(-)	(-)	(0.14)	(-)	(0.14)
IIFL Finance Limited	9.10	-	-	-	-	9.10
	(5.55)	(-)	(-)	(-)	(-)	(5.55)
IIHFL Sales Limited	-	1.12	-	-	-	1.12
	(-)	(-)	(-)	(-)	(-)	(-)

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

(₹ in million)

Nature of Transaction	Holding Company	Subsidiary Company	Fellow Subsidiaries and Associate	Other related parties	Key Managerial Personnel	Total
Reimbursement received						
IIFL Securities Limited	-	-	-	2.82	-	2.82
	(-)	(-)	(-)	(1.81)	(-)	(1.81)
IIFL Finance Limited	2.62	-	-	-	-	2.62
	(13.12)	(-)	(-)	(-)	(-)	(13.12)
IIFL Management Services Limited	-	-	-	0.04	-	0.04
	(-)	(-)	(-)	(-)	(-)	(-)
IIFL Facilities Services Limited	-	-	-	0.00	-	0.00
	(-)	(-)	(-)	(0.05)	(-)	(0.05)
5Paisa Capital Limited	-	-	-	0.33	-	0.33
	(-)	(-)	(-)	(0.06)	(-)	(0.06)
Livlong Insurance Brokers Limited	-	-	-	0.20	-	0.20
	(-)	(-)	(-)	(0.07)	(-)	(0.07)
Livlong Protection and Wellness Solutions Limited	-	-	-	0.08	-	0.08
	(-)	(-)	(-)	(-)	(-)	(-)
IIHFL Sales Limited	-	0.82	-	-	-	0.82
	(-)	(-)	(-)	(-)	(-)	(-)
IIFL Commodities Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(0.63)	(-)	(0.63)
Sale of Fixed Assest						
IIHFL Sales Limited	-	0.19	-	-	-	0.19
	(-)	(-)	(-)	(-)	(-)	(-)
Payment of Assignment Transactions						
IIFL Finance Limited	901.44	-	-	-	-	901.44
	(902.18)	(-)	(-)	(-)	(-)	(902.18)
Debentures Bought back						
IIFL Finance Limited	-	-	-	-	-	-
	(500.00)	(-)	(-)	(-)	(-)	(500.00)
IIFL Wealth Finance Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(224.97)	(-)	(224.97)

41 B. Closing balance:

(₹ in million)

Nature of Transaction	Holding Company	Subsidiary Company	Fellow Subsidiaries and Associate	Other related parties	Key Managerial Personnel	Total
Payable to Group/Holding Company						
IIFL Facilities Services Limited	-	-	-	0.73	-	0.73
	(-)	(-)	(-)	(0.08)	(-)	(0.08)
IIFL Securities Limited	-	-	-	0.01	-	0.01
	(-)	(-)	(-)	(1.78)	(-)	(1.78)
IIFL Finance Limited	1.32	-	-	-	-	1.32
	(7.93)	(-)	(-)	(-)	(-)	(7.93)
5paisa Capital Limited	-	-	-	0.06	-	0.06
	(-)	(-)	(-)	(0.09)	(-)	(0.09)
IIFL Wealth Management Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(0.01)	(-)	(0.01)

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

(₹ in million)

Nature of Transaction	Holding Company	Subsidiary Company	Fellow Subsidiaries and Associate	Other related parties	Key Managerial Personnel	Total
IIHFL Sales Limited	-	4.40	-	-	-	4.40
	(-)	(-)	(-)	(-)	(-)	(-)
IIFL Wealth Distribution Services Limited	-	-	-	1.81	-	1.81
	(-)	(-)	(-)	(-)	(-)	(-)
Livlong Insurance Brokers Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(0.06)	(-)	(0.06)
Receivable from Group/Holding Company						
IIFL Management Services Limited	-	-	-	0.05	-	0.05
	(-)	(-)	(-)	(-)	(-)	(-)
Livlong Insurance Brokers Limited	-	-	-	0.18	-	0.18
	(-)	(-)	(-)	(-)	(-)	(-)
Livlong Protection and Wellness Solutions Limited	-	-	-	0.09	-	0.09
	(-)	(-)	(-)	(-)	(-)	(-)
India Infoline Foundation	-	-	-	30.30	-	30.30
	(-)	(-)	(-)	(-)	(-)	(-)
Debt Securities Outstanding						
IIFL Wealth Finance Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(218.00)	(-)	(218.00)
IIFL Securities Limited	-	-	-	80.00	-	80.00
	(-)	(-)	(-)	(-)	(-)	(-)
IIFL Management Services Limited	-	-	-	40.00	-	40.00
	(-)	(-)	(-)	(-)	(-)	(-)
Provision for Post Employment Benefits						
Mr. Monu Ratra	-	-	-	-	2.53	2.53
	(-)	(-)	(-)	(-)	(2.31)	(2.31)
Commission Payable						
Mr. Kranti Sinha	-	-	-	-	1.00	1.00
	(-)	(-)	(-)	(-)	(1.00)	(1.00)
Mr. S. Sridhar	-	-	-	-	1.20	1.20
	(-)	(-)	(-)	(-)	(1.00)	(1.00)
Ms. Suvalaxmi Chakraborty	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(1.00)	(1.00)
Ms. Mohua Mukherjee	-	-	-	-	0.60	0.60
	(-)	(-)	(-)	(-)	(-)	(-)
Corporate Guarantee						
IIFL Finance Limited	8,454.96	-	-	-	-	8,454.96
	(12,255.43)	(-)	(-)	(-)	(-)	(12,255.43)

Figures in brackets represents previous year's figures.

41 C. Disclosure of Loan and advances pursuant to Regulation 53(f) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015:

(₹ in million)

Name of Related Party	Outstanding as on March 31, 2022	Maximum Outstanding during the year
IIHFL Sales Limited	-	12.90
IIFL Finance Limited	-	-

Note: Amount given as ICDs to IIFL Finance Limited is in the nature of intraday transaction hence maximum outstanding is zero.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

NOTE 42. CURRENT AND NON CURRENT CLASSIFICATION - STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2022

(₹ in million)

Sr. no.	Particulars	Current	Non Current	Total
	ASSETS			
1	**Financial Assets**			
(a)	Cash and cash equivalents	13,987.31	-	**13,987.31**
(b)	Bank balance other than (a) above	2,842.37	1,490.57	**4,332.94**
(c)	Receivables			
	(I) Trade receivables	344.10	-	**344.10**
(d)	Loans	35,211.36	117,690.85	**152,902.21**
(e)	Investments	3.35	3,829.28	**3,832.63**
(f)	Other financial assets	22.97	3,548.00	**3,570.97**
2	**Non-financial Assets**			
(a)	Current tax assets (net)	-	55.06	**55.06**
(b)	Deferred tax assets (net)	-	640.91	**640.91**
(c)	Investment Property	-	66.30	**66.30**
(d)	Property, plant and equipment	-	65.51	**65.51**
(e)	Right of use assets	-	154.52	**154.52**
(f)	Other intangible assets	-	1.82	**1.82**
(g)	Other non-financial assets	47.09	0.65	**47.74**
(h)	Assets held for sale	96.99	-	**96.99**
	Total Assets	**52,555.54**	**127,543.47**	**180,099.01**
	LIABILITIES AND EQUITY			
1	**Financial Liabilities**			
(a)	Derivative financial instruments	-	50.58	**50.58**
(b)	Payables			
	(I) Trade payables			
	(i) total outstanding dues of micro enterprises and small enterprises	-	-	**-**
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	508.11	-	**508.11**
(c)	Finance Lease Obligation	30.46	143.36	**173.82**
(d)	Debt securities	2,946.93	19,232.93	**22,179.86**
(e)	Borrowings (other than debt securities)	25,536.01	83,913.33	**109,449.34**
(f)	Subordinated liabilities	129.06	10,447.80	**10,576.86**
(g)	Other financial liabilities	9,444.46	-	**9,444.46**
2	**Non-financial Liabilities**			
(a)	Current tax liabilities (net)	260.35	-	**260.35**
(b)	Provisions	94.04	46.46	**140.50**
(c)	Other non-financial liabilities	508.09	-	**508.09**
3	**Equity**			
(a)	Equity share capital	-	209.68	**209.68**
(b)	Other equity	-	26,597.36	**26,597.36**
	Total liabilities and equity	**39,457.51**	**140,641.50**	**180,099.01**

IIFL HOME LOAN

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

NOTE 42. CURRENT AND NON CURRENT CLASSIFICATION - STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2021

(₹ in million)

Sr. no.	Particulars	Current	Non Current	Total
	ASSETS			
1	**Financial Assets**			
(a)	Cash and cash equivalents	4,123.27	-	**4,123.27**
(b)	Bank balance other than (a) above	4,014.86	422.54	**4,437.40**
(c)	Receivables			
	(I) Trade receivables	306.35	-	**306.35**
(d)	Loans	30,849.89	114,799.34	**145,649.23**
(e)	Investments	4.23	1,667.97	**1,672.20**
(f)	Other financial assets	45.02	2,294.70	**2,339.72**
2	**Non-financial Assets**			
(a)	Current tax assets (net)	-	143.57	**143.57**
(b)	Deferred tax assets (net)	-	701.71	**701.71**
(c)	Investment Property	-	70.05	**70.05**
(d)	Property, plant and equipment	-	24.84	**24.84**
(e)	Right of use assets	-	135.76	**135.76**
(f)	Other intangible assets	-	1.26	**1.26**
(g)	Other non-financial assets	30.61	2.67	**33.28**
(h)	Assets held for sale	139.46	-	**139.46**
	Total Assets	**39,513.69**	**120,264.41**	**159,778.10**
	LIABILITIES AND EQUITY			
1	**Financial Liabilities**			
(a)	Derivative financial instruments	-	292.08	**292.08**
(b)	Payables			
	(I) Trade payables			
	(i) total outstanding dues of micro enterprises and small enterprises	-	-	**-**
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	351.58	-	**351.58**
(c)	Finance Lease Obligation	25.40	123.63	**149.03**
(d)	Debt securities	11,866.10	9,161.40	**21,027.50**
(e)	Borrowings (other than debt securities)	28,947.22	75,761.00	**104,708.22**
(f)	Subordinated liabilities	598.89	3,767.84	**4,366.73**
(g)	Other financial liabilities	5,853.89	(0.00)	**5,853.89**
2	**Non-financial Liabilities**			
(a)	Current tax liabilities (net)	312.59	-	**312.59**
(b)	Provisions	85.80	39.98	**125.78**
(c)	Other non-financial liabilities	1,133.61	-	**1,133.61**
3	**Equity**			
(a)	Equity share capital	-	209.68	**209.68**
(b)	Other equity	-	21,247.41	**21,247.41**
	Total liabilities and equity	**49,175.08**	**110,603.02**	**159,778.10**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

43. RBI DISCLOSURES

43 A. Disclosure made vide Notification "RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21" dated August 06, 2020 on Resolution Framework for COVID-19-related Stress (Resolution Framework 1.0).

(₹ in million)

Type of Borrower	(A) Exposure to accounts classified as Standard consequent to implementation of resolution plan as at September 2021	(B) of (A), aggregate debt that slipped into NPA during the half year	(C) Of (A), amount written off during the half year	(D) Of (A), amount paid by the borrower during the half year	(E) Exposure to accounts classified as Standard consequent to implementation of resolution plan as at March 2022
Personal Loans	1,200.27	147.28	5.92	42.83	1,004.23
Corporate persons	159.62	-	-	35.25	124.37
of which MSMEs	-	-	-	-	-
Others	337.62	28.86	0.97	0.40	307.39
Total	**1,697.51**	**176.14**	**6.89**	**78.48**	**1,435.99**

43 B. Disclosure made vide Notification No - RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 on "Implementation of Indian Accounting Standards"

(₹ in million)

Asset Classification as per RBI Notes	Asset Classification as per Ind AS 109	Gross carrying Amount Ind AS*	Loss Allowances (Provisions) as required under Ind AS 109*	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5) = (3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard	Stage 1	144,943.16	2,320.38	142,622.78	1,117.76	1,202.62
	Stage 2	8,211.16	1,106.42	7,104.74	144.50	961.92
Subtotal		**153,154.32**	**3,426.80**	**149,727.52**	**1,262.26**	**2,164.54**
Non-Performing Asset						
Substandard	Stage 1**	205.89	39.94	165.95	30.46	9.48
	Stage 2**	1,419.67	284.34	1,135.33	204.22	80.12
	Stage 3	1,934.73	845.59	1,089.14	265.65	579.94
Subtotal for Substandard		**3,560.29**	**1,169.87**	**2,390.42**	**500.33**	**669.54**
Doubtful upto 1 year	Stage 3	1,025.64	505.89	519.75	227.01	278.88
1 to 3 years	Stage 3	820.29	468.71	351.58	236.97	231.74
More than 3 years	Stage 3	228.90	142.23	86.67	138.53	3.70
Subtotal for doubtful		**2,074.83**	**1,116.83**	**958.00**	**602.51**	**514.32**
Loss	Stage3	-	-	-	-	-
Subtotal for NPA*		**5,635.12**	**2,286.70**	**3,348.42**	**1,102.84**	**1,183.86**
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) norm	Stage 1	16,211.58	71.73	16,139.84	-	71.73
	Stage 2	315.96	5.00	310.96	-	5.00
	Stage 3	-	-	-	-	-
Subtotal for Other Items		**16,527.54**	**76.73**	**16,450.81**	**-**	**76.73**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

(₹ in million)

Asset Classification as per RBI Notes	Asset Classification as per Ind AS 109	Gross carrying Amount Ind AS*	Loss Allowances (Provisions) as required under Ind AS 109*	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5) = (3)-(4)	(6)	(7)=(4)-(6)
Total	Stage 1	161,360.64	2,432.05	158,762.63	1,117.76	1,274.35
	Stage 2	9,946.79	1,395.76	7,415.70	144.50	966.92
	Stage 3	4,009.56	1,962.42	3,348.42	1,102.84	1,183.86
	Total	175,316.99	5,790.23	169,526.75	2,365.10	3,425.13

*Includes Assets held for sale aggregating to ₹ 96.99 million (Net of ECL Provision) for which disposal is under process as per SARFAESI Act.(Refer Note No. 14).

In terms of the requirement as per RBI notifications no.RBI/2019-20/170DOR(NBFC).CC.PDNo.109/22.10.106/2019-20 dated March 13,2020 on implementation of Indian Accounting Standards,Non-Banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income recognition, Asset Classification and Provisioning (IRACP) Norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the Company exceeds the total provision required under IRACP (including standard asset provisioning) as at March 31,2022 and accordingly, no amount is required to be transferred to impairment reserve.

**Refer Note 7.2 for Circular issued by Reserve Bank of India, no. RBI/2021-2022/125 DOR.STR.REC.68/21.04.048/2021-22 dated November 12, 2021.

43 C. Annex III Schedule to the Balance Sheet

(₹ in million)

Particulars			As at March 31, 2022		As at March 31, 2021	
			Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
	Liabilities side					
1	**Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:**					
	(a)	Debentures : Secured	21,440.44	-	21,027.50	-
		: Unsecured	10,576.86	-	4,366.73	-
		(other than falling within the meaning of public deposits)				
	(b)	Deferred Credits	-	-	-	-
	(c)	Term Loans	105,156.42	-	98,315.18	-
	(d)	Inter-corporate loans and borrowing	-	-	-	-
	(e)	Commercial Paper	739.42	-	-	-
	(f)	Public Deposits	-	-	-	-
	(g)	Other Loans	-	-	-	-
		Securitization Liability	4,172.92	-	5,453.04	-
		Cash credit/Overdraft from Banks	120.00	-	940.00	-

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

(₹ in million)

Particulars		As at March 31, 2022		As at March 31, 2021	
		Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
2	**Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):**				
	(a) In the form of Unsecured debentures	-	-	-	-
	(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
	(c) Other public deposits	-	-	-	-

	Assets side	Amount outstanding	Amount outstanding
3	**Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:**		
	(a) Secured	158,729.42	150,448.72
	(b) Unsecured	60.83	25.08
4	**Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities**		
	(i) Lease assets including lease rentals under sundry debtors		
	(a) Financial lease	-	-
	(b) Operating lease	-	-
	(ii) Stock on hire including hire charges under sundry debtors		
	(a) Assets on hire	-	-
	(b) Repossessed Assets	-	-
	(iii) Other loans counting towards asset financing activities		
	(a) Loans where assets have been repossessed	-	-
	(b) Loans other than (a) above	-	-
5	**Break-up of Investments**		
	Current Investments		
	1 Quoted		
	(i) Shares	-	-
	(a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others (please specify)	-	-
	2 Unquoted		
	(i) Shares	-	-
	(a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others (please specify)	-	-

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

	Assets side	Amount outstanding	Amount outstanding
	Long Term investments		
	1 Quoted		
	(i) Shares	-	-
	(a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others (please specify)	-	-
	2 Unquoted		
	(i) Shares	-	-
	(a) Equity	2,296.72	1,546.23
	(b) Preference	-	-
	(ii) Debentures and Bonds	95.91	125.97
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others (investment in units of AIFs)	1,440.00	-

6	**Borrower group-wise classification of assets financed as in (3) and (4) above:**	As at March 31, 2022			As at March 31, 2021		
	Category	Amount net of provisions			Amount net of provisions		
		Secured	Unsecured	Total	Secured	Unsecured	Total
	1 Related Parties						
	(a) Subsidiaries	-	-	-	-	-	-
	(b) Companies in the same group	-	-	-	-	-	-
	(c) Other related parties	-	-	-	-	-	-
	2 Other than related parties	152,999.20	-	152,999.20	145,788.69	-	145,788.69
	Total	**152,999.20**	**-**	**152,999.20**	**145,788.69**	**-**	**145,788.69**

	Category	As at March 31, 2022		As at March 31, 2021	
		Market Value/Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value/ Break up or fair value or NAV	Book Value (Net of Provisions)
7	**Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :**				
	1 Related Parties				
	(a) Subsidiaries	28.38	0.50	-	-
	(b) Companies in the same group	2,498.21	2,296.22	1,623.77	1,546.23
	(c) Other related parties	-	-	-	-
	2 Other than related parties	1,535.91	1,535.91	125.97	125.97
	Total	**4,062.50**	**3,832.63**	**1,749.74**	**1,672.20**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

Particulars			Amount	Amount
8	**Other information**			
	(i)	Gross Non-Performing Assets		
		(a) Related parties	-	-
		(b) Other than related parties	5,635.13	3,527.79
	(ii)	Net Non-Performing Assets		
		(a) Related parties	-	-
		(b) Other than related parties	3,347.70	1,835.64
	(iii)	Assets acquired in satisfaction of debt (Note)	-	-

Note:

1. Assets classified as Assets held for sale are disclosed separately in the financial statement as per requirements of IND AS 105. For the purpose of reporting above, such assets aggregating to ₹ 122.55 million and ₹ 76.98 million have been presented as a part of Gross Non Performing Assets and Net Non-Performing Assets respectively (P.Y. 2020-21 ₹ 229.68 million and ₹ 139.46 million respectively).
2. The above figure includes cases classified as non-performing assets basis circular issued by Reserve Bank of India, no. RBI/2021-2022/125 DOR.STR.REC.68/21.04.048/2021-22 dated November 12, 2021.

43D. Disclosures as per the Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021: The following additional disclosures have been given in terms of the Notification RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 dated February 17, 2021.

Liquidity Risk Management Framework

(₹ in million)

Sr. No.	Particulars	As at March 31, 2022		As at December 31, 2021	
		Total Un-weighted Value (average)	Total Weighted Value (average)	Total Un-weighted Value (average)	Total Weighted Value (average)
1	**Total High Quality Liquid Assets (HQLA)**	**9,922.29**	**9,922.29**	**6,598.43**	**6,598.43**
	Cash and Bank Balance	1,655.62	1,655.62	2,478.15	2,478.15
	Fixed deposits (other than those invested for the purpose of Section 29B of NHB Act, 1987)	8,266.67	8,266.67	4,120.28	4,120.28
	Cash Outflows				
2	Deposits (for deposit taking companies)	-	-	-	-
3	Unsecured wholesale funding	30.63	35.22	138.38	159.13
4	Secured wholesale funding	2,056.37	2,364.82	2,283.95	2,626.54
5	Additional requirements, of which				
(i)	Outflows related to derivative exposures and other collateral requirements	-	-	-	-
(ii)	Outflows related to loss of funding on debt products	-	-	-	-
(iii)	Credit and liquidity facilities	-	-	-	-
6	Other contractual funding obligations	360.91	415.05	276.02	317.43
7	Other contingent funding obligations	750.00	862.50	750.00	862.50
8	**Total Cash outflows**	**3,197.91**	**3,677.59**	**3,448.35**	**3,965.60**
	Cash Inflows				
9	Secured lending	-	-	-	-
10	Inflows from fully performing exposures	2,034.89	1,526.17	1,977.00	1,482.75
11	Other cash inflows	2,551.61	1,913.71	4,263.61	3,197.71
12	**Total Cash Inflows**	**4,586.50**	**3,439.87**	**6,240.61**	**4,680.46**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

(₹ in million)

Sr. No.	Particulars	As at March 31, 2022		As at December 31, 2021	
		Total Un-weighted Value (average)	Total Weighted Value (average)	Total Un-weighted Value (average)	Total Weighted Value (average)
			Total Adjusted Value		Total Adjusted Value
13	**Total HQLA**		**9,922.29**		**6,598.43**
14	**Total Net Cash Outflows**		**919.40**		**991.40**
15	**Liquidity Coverage Ratio(%)**		**1079**		**666**

Note: LCR computation is based on Management estimation of future inflows and outflows and not subjected to audit by auditors.

Qualitative Disclosure

Liquidity Coverage Ratio (LCR) aims to ensure that NBFC's maintains an adequate level of unencumbered High Quality Liquidity Asset (HQLAs) that can be converted into cash to meet liquidity needs for a 30 calendar day time horizon under a significantly severe liquidity stress scenario.

The Company has robust liquidity risk management framework in place that ensures sufficient liquidity including a cushion of unencumbered, high quality liquid assets, to withstand a range of stress events, including those involving the loss or impairment of both unsecured and secured funding sources. The Company has been able to manage LCR quite higher than the minimum requirement of 50%.

HQLA comprises of unencumbered Bank Balances and Fixed Deposit, Cash in Hand, Liquid Investments after appropriate haircut. The Company maintains sufficient balance of Cash and Bank Balance and liquid Investments which can be easily liquidated in times of stress.

Liquidity Coverage Ratio results drive by inflow of next 30 days receivable on loans and advances and corresponding outflow over the next 30 days towards borrowings and other liabilities.

43E. Details of loans transferred/acquired during the year ended March 31, 2022 under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021

(₹ in million)

Sr. No.	Particulars	As at March 31, 2022
1	Count of Loan Assigned	17087
2	Amount of Loan transferred	27,455.80
3	Retention of beneficial Economic Interest(MRR)	10%
4	Wgt Average Maturity (Residual Maturity)	200.44 months
5	Wgt Average Holding Period	13.50 month
6	Coverage of Tangible security	100%
7	Rating wise distribution of rated loans	Unrated

44. DISCLOSURES AS PER THE NON-BANKING FINANCIAL COMPANY – HOUSING FINANCE COMPANY (RESERVE BANK) DIRECTIONS, 2021:

The following additional disclosures have been given in terms of the Notification RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 dated February 17, 2021 as amended from time to time.

The below mentioned notes have been prepared as per Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015 ("IND AS").

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

44.1. Public disclosure on liquidity risk:

(i) Funding Concentration based on significant counterparty (both deposits and borrowings)

(₹ in million)

Year	No. of significant counterparties	Amount	% of Total Deposits	% of Total Liabilities*
March 31, 2022	16	114,462.80	NA	74.67%
March 31, 2021	15	111,784.13	NA	80.81%

*Note : Total Liabilities has been computed as Total Liabilities less Equity share capital less Other Equity

(ii) Top 20 large deposits (amount in ₹ million and % of total deposits) – Not Applicable

(iii) Top 10 borrowings

(₹ in million)

Year	Amount	% of Total Borrowings
March 31, 2022	99,378.93	69.88%
March 31, 2021	100,863.54	77.53%

(iv) Funding Concentration based on significant instrument/product

(₹ in million)

Name of the Product	March 31, 2022		March 31, 2021	
	Amount (₹ in million)	% of Total Liabilities*	Amount (₹ in million)	% of Total Liabilities*
Non Convertible Debentures	32,017.30	20.89%	25,394.23	18.36%
Term Loans	105,156.42	68.60%	98,315.18	71.08%
Securitization	4,172.92	2.72%	5,453.04	3.94%
Cash Credit/Overdraft Facilities	120.00	0.08%	940.00	0.68%
Commercial papers	739.42	0.48%	-	0.00%

*Note : Total Liabilities has been computed as Total Liabilities less Equity share capital less Other Equity

(v) Stock Ratios

Stock Ratio	March 31, 2022	March 31, 2021
Commercial papers as a % of total public funds	0.52%	Nil
Commercial papers as a % of total liabilities	0.48%	Nil
Commercial papers as a % of total assets	0.41%	Nil
Non-convertible debentures (original maturity of less than one year) as a % of total public funds	Nil	Nil
Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	Nil	Nil
Non-convertible debentures (original maturity of less than one year) as a % of total assets	Nil	Nil
Other short-term liabilities as a % of total public funds	27.75%	37.80%
Other short-term liabilities as a % of total liabilities	25.74%	35.55%
Other short-term liabilities as a % of total assets	21.91%	30.78%

(vi) Institutional set-up for Liquidity Risk Management

The Board of Directors of the Company has an overall responsibility and oversight for the management of all the risks, including liquidity risk, to which the Company is exposed to in the course of conducting its business. The Board approves the governance structure, policies, strategy and the risk limits for the management of liquidity risk. The Board of Directors approves the constitution of the Risk Management Committee (RMC) for the effective supervision, evaluation, monitoring

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

and review of various aspects and types of risks, including liquidity risk, faced by the Company. Further, the Board of Directors also approves constitution of Asset Liability Committee (ALCO), which functions as the strategic decision-making body for the asset-liability management of the Company from risk return perspective and within the risk appetite and guard-rails approved by the Board.

The main objective of ALCO is to assist the Board and RMC in effective discharge of the responsibilities of asset-liability management, market risk management, liquidity and interest rate risk management and also to ensure adherence to risk tolerance/limits set up by the Board.

ALCO provides guidance and directions in terms of interest rate, liquidity, funding sources, and investment of surplus funds. ALCO meetings are held once in a month or more frequently as warranted from time to time.

The Company also manages liquidity risk by maintaining sufficient cash and by having access to funding through an adequate amount of credit lines. The Company seeks to maintain flexibility in funding mix by way of sourcing the funds through money markets, debt markets and banks to meet its business and liquidity requirements.

44.2.Disclosure on Principal business criteria

Particulars	March 31, 2022	March 31, 2021
Total Housing Loans (%)	57.79%	61.18%
Individual Housing Loans (%)	54.84%	55.77%

*% of Total assets netted of intangible assets.

44.3. Other Disclosures as per the Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021

I. Capital

(₹ in million)

Particulars		March 31, 2022	March 31, 2021
(i)	CRAR %	30.48	22.98
(ii)	CRAR - Tier I Capital (%)	21.10	19.61
(iii)	CRAR - Tier II Capital (%)	9.38	3.37
(iv)	Amount of subordinated debt raised as Tier- II Capital	9,503.39	3,935.16
(v)	Amount raised by issue of Perpetual Debt Instruments	-	-

II) Reserve fund u/s 29C of NHB Act, 1987

(₹ in million)

Particulars		March 31, 2022	March 31, 2021
Balance at the beginning of the year			
a)	Amount of special reserve U/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve U/s 29C of the NHB Act, 1987	2,624.58	1,844.41
b)	Statutory Reserve U/s 29C of the NHB Act, 1987	249.12	224.29
c)	**Total**	**2,873.70**	**2,068.70**
	Addition/Appropriation/Withdrawal during the year		
	Add: a) Amount of special reserve U/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve U/s 29C of the NHB Act, 1987	939.30	780.17
	b) Amount transferred U/s 29C of the NHB Act, 1987	216.70	24.83
	Less: a) Amount withdrawn from the Special Reserve U/s 36(1)(viii) of Income Tax Act, 1961 which has been taken into account for the purpose of provision U/s 29C of the NHB Act, 1987	-	-

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

(₹ in million)

Particulars	March 31, 2022	March 31, 2021
b) Amount appropriated from the Statutory Reserve U/s 29C of the NHB Act, 1987	-	-
Balance at the end of the year		
a) Amount of special reserve U/s 36(1)(viii) of Income Tax Act,1961 taken into account for the purposes of Statutory Reserve U/s 29C of the NHB Act, 1987	3,563.88	2,624.58
b) Statutory Reserve U/s 29C of the NHB Act, 1987	465.82	249.12
c) Total	**4,029.70**	**2,873.70**

III) Investments

(₹ in million)

Particulars	March 31, 2022	March 31, 2021
A) Value of Investments		
(i) Gross Value of Investments		
(a) In India*	3,907.47	1,747.04
(b) Outside India	-	-
(ii) Provision for Depreciation		
(a) In India	8.54	4.79
(b) Outside India	-	-
(iii) Net value of Investments		
(a) In India	3,898.93	1,742.25
(b) Outside India	-	-
B) Movement of provisions held towards depreciation on investments		
(i) Opening balance	4.79	83.43
(ii) Add: Provisions made during the year	3.75	4.79
(iii) Less: Write-off/Write back of excess provisions during the year	-	83.43
(iv) Closing balance	8.54	4.79

* Includes investment property of ₹ 74.84 million (as at March 31, 2021 ₹ 74.84 million)

IV) Derivatives

a. Forward Rate Agreement (FRA)/Interest Rate Swap (IRS)

(₹ in million)

Particulars	March 31, 2022	March 31, 2021
(i) The notional principal of swap agreements	3,630.75	3,630.75
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-
(iii) Collateral required by the HFC upon entering into swaps	Nil	Nil
(iv) Concentration of credit risk arising from the swaps	The Company has entered into derivatives contract with the Schedule Commercial Banks.	
(v) The fair value of the swap book	50.58	292.08

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

b. Exchange Traded Interest Rate (IR) Derivative

(₹ in million)

Particulars		March 31, 2022
(i)	Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument wise)	-
(ii)	Notional principal amount of exchange traded IR derivatives outstanding as on March 31, 2022 (instrument wise)	-
(iii)	Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument wise)	-
(iv)	Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument wise)	-

(₹ in million)

Particulars		March 31, 2021
(i)	Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument- wise)	-
(ii)	Notional principal amount of exchange traded IR derivatives outstanding as on March 31, 2021 (instrument-wise)	-
(iii)	Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	-
(iv)	Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument wise)	-

c. Disclosures on Risk Exposure in Derivatives

A. Qualitative Disclosure

The Company has to manage various risks associated with the lending business. These risks include liquidity risk, exchange risk, interest rate risk and counterparty risk.

To manage these risks, the Company has board approved policy framework for derivatives, consistent with its general corporate responsibility for corporate governance. The management of derivative activity would be further integrated into the Company's overall risk management system.

The rationale for hedging risk in case of the Company is to reduce potential costs of financial distress by making the Company less vulnerable to adverse market movements in interest rate, exchange rate etc. and also create a stable planning environment to avoid huge fluctuations on the financials of the Company due to market movements.

Objectives of the policy

- Identify and manage the Company's debt and related interest rate risk
- Reduce overall interest cost of the Company
- Management of foreign currency positions, derivative transactions and related risks
- To evaluate and measure these risks and their sensitivity to operations
- Establish processes for monitoring and control of the risks as per policy
- Effective MIS and regular reporting of positions and risks to the Risk Management Committee

B. Quantitative Disclosure

(₹ in million)

Particulars		Currency Derivatives March 31, 2022	Interest Rate Derivatives March 31, 2022
(i)	Derivatives (Notional Principal Amount) For hedging	3,630.75	-
(ii)	Marked to Market Positions		
	(a) Assets (+)	-	-
	(b) Liability (-)	50.58	-
(iii)	Credit Exposure	-	-
(iv)	Unhedged Exposures	-	-

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

(₹ in million)

Particulars	Currency Derivatives	Interest Rate Derivatives
	March 31, 2021	March 31, 2021
(i) Derivatives (Notional Principal Amount) For hedging	3,630.75	-
(ii) Marked to Market Positions		
(a) Assets (+)	-	-
(b) Liability (-)	292.08	-
(iii) Credit Exposure	-	-
(iv) Unhedged Exposures	-	-

V) Details on Securitization

a) Securitization transactions under SPV Structure sponsored by HFC

(₹ in million)

Particulars	March 31, 2022	March 31, 2021
1) No of SPVs sponsored by the HFC for securitization transactions	9	9
2) Total amount of securitized assets as per books of the SPVs sponsored	4,169.52	5,374.26
3) Total amount of exposures retained by the HFC towards the MRR as on the date of balance sheet		
I) Off-balance sheet exposures towards Credit Enhancements	-	-
II) On-balance sheet exposures towards Credit Enhancements	1,482.72	1,437.69
4) Amount of exposures to securitization transactions other than MRR		
I) Off-balance sheet exposures towards Credit Enhancements		
(a) Exposure to own securitizations	-	-
b) Exposure to third party securitizations	-	-
II) On-balance sheet exposures towards Credit Enhancements		
(a) Exposure to own securitizations	474.00	462.87
(b) Exposure to third party securitizations	-	-

b) Details of Financial Assets sold to Securitization/Reconstruction Company for Asset Reconstruction

(₹ in million)

Particulars	2021-22	2020-21
(i) No. of accounts	-	-
(ii) Aggregate value (net of provisions) of accounts sold to SC/RC	-	-
(iii) Aggregate consideration	-	-
(iv) Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v) Aggregate gain/(loss) over net book value	-	-

c) Details of Assignment transactions undertaken

(₹ in million)

Particulars	2021-22	2020-21
(i) No. of accounts	17,087	10,967
(ii) Aggregate value (net of provisions) of accounts assigned	24,710.22	14,887.13
(iii) Aggregate consideration	24,710.22	14,887.13
(iv) Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v) Aggregate gain/loss over net book value	-	-

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

d) Details of non-performing financial assets purchased/sold

Details of non-performing financial assets purchased

(₹ in million)

Particulars	2021-22	2020-21
1) (a) No. of accounts purchased during the year	-	-
(b) Aggregate outstanding	-	-
2) (a) Of these, number of accounts restructured during the year	-	-
(b) Aggregate outstanding	-	-

Details of non-performing financial assets sold

(₹ in million)

Particulars	2021-22	2020-21
(i) No. of accounts sold	-	-
(ii) Aggregate outstanding	-	-
(iii) Aggregate consideration received	-	-

VI) Assets Liability Management (Maturity pattern of certain items of Assets and Liabilities)

(₹ in million)

Particulars	1 day to 7 days (one month)	8 day to 15 days (one month)	15 day to 30/31 days (one month)	Over 1 to 2 months	Over 2 to 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											
Deposits	-	-	-	-	-	-	-	-	-	-	**-**
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	**(-)**
Borrowings from Bank	23.63	24.05	304.18	1,165.55	4,101.97	6,925.46	13,300.22	36,535.23	21,055.20	22,108.15	**105,543.64**
	(709.87)	-	(526.75)	(4,716.98)	(2,748.85)	(8,119.68)	(11,655.58)	(34,941.73)	(14,992.51)	(17,075.94)	**(95,487.89)**
Market Borrowing	400.50	-	477.24	374.17	770.51	1,137.67	161.63	4,121.02	2,125.87	23,188.10	**32,756.71**
	(434.80)	(83.44)	(684.22)	(1,299.68)	(2,197.30)	(5,460.25)	(2,658.42)	(3,154.63)	(3,613.64)	(11,260.89)	**(30,847.27)**
Foreign Currency Liabilities	-	-	-	117.31	-	-	-	3,788.39	-	-	**3,905.70**
	-	-	-	(116.38)	-	-	-	(3,650.89)	-	-	**(3,767.27)**
Assets											
Advances	865.40	756.36	3,704.96	2,770.44	2,941.12	5,749.02	6,054.50	44,727.90	25,687.47	59,742.04	**152,999.21**
	(861.28)	(693.14)	(4,094.22)	(2,744.67)	(2,747.76)	(7,406.85)	(13,590.95)	(44,229.94)	(25,045.16)	(44,374.71)	**(145,788.68)**
Investments	0.54	0.48	0.91	1.74	1.85	3.61	3.84	1,468.09	16.91	2,334.66	**3,832.63**
	(0.17)	(0.17)	-	(0.34)	(0.34)	(1.04)	(2.16)	(9.59)	(10.83)	(1,647.55)	**(1,672.19)**
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	**-**
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	**(-)**

Computation of ALM is based on Management estimation of future inflows and outflows and not subjected to audit by auditors.
Figures in Brackets represents previous year's figures.

Maturity pattern of Advances disclosed above are based on behavioral maturity pattern.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

VII) Exposure

a) Exposure to Real Estate Market

(₹ in million)

Category		March 31, 2022	March 31, 2021
a)	**Direct exposure**		
(i)	**Residential Mortgages-**		
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented;	148,124.03	138,854.54
(ii)	**Commercial Real Estate-**		
	Lending secured by mortgages on commercial real estate's (office buildings retail space multipurpose commercial premises multi-family residential buildings multi-tenanted commercial premises industrial or warehouse space hotels land acquisition development and construction etc.).Exposure would also include non-fund based(NFB)limits;	10,666.23	11,619.26
(iii)	**Investments in Mortgage Backed Securities(MBS) and other securitized exposures-**		
a.	Residential	95.91	125.97
b.	Commercial Real Estate	-	-
b)	**Indirect Exposure**		
	Fund based and non-fund based exposures on National Housing Bank(NHB) and Housing Finance Companies(HFCs)	-	-

Exposure includes amount outstanding including principal, and interest accrued.

b) Exposure to Capital Market

(₹ in million)

Category		March 31, 2022	March 31, 2021
i)	direct investment in equity shares, convertible bonds, convertible debentures and units of equity- oriented mutual funds the corpus of which is not exclusively invested in corporate debt	-	-
ii)	advances against shares/bonds/debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds	-	-
iii)	advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	-	-
iv)	advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/convertible bonds/convertible debentures/units of equity oriented mutual funds 'does not fully cover the advances	-	-
v)	secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
vi)	loans sanctioned to corporates against the security of shares/bonds/ debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
vii)	bridge loans to companies against expected equity flows/issues;	-	-
viii)	All exposures to Venture Capital Funds/Alternate Investment Funds (both registered and unregistered)	1,440.00	-

Note: Investments are shown as net of provision for mark to market.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

c) **Details of financing of parent company products:** The Company does not have any exposure in financing of parent company products

d) **Single Borrower Limit (SGL)/Group Borrower Limit (GBL) exceeded by the HFC:** The Company has not exceeded the SGL and GBL Limits.

e) **Unsecured Advances:** The Company does not have any unsecured advances in the form of rights, licenses, authorizations, etc. that are charged as collateral for the purposes of financing. The Company does not have any unsecured advances other than those mentioned in Note 7.

f) **Exposure to group companies engaged in real estate business**

(₹ in million)

Description	March 31, 2022	March 31, 2021
i) Exposure to any single entity in a group engaged in real estate business	-	-
ii) Exposure to all entities in a group engaged in real estate business	-	-

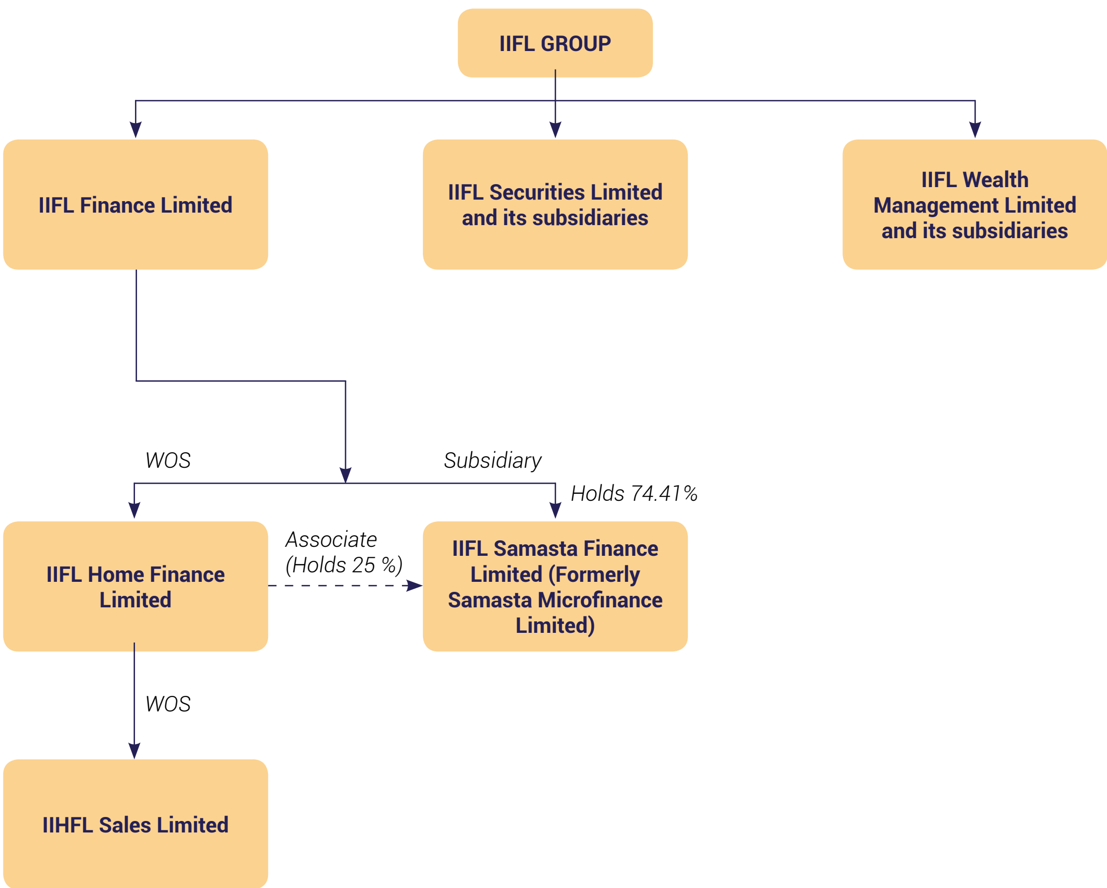
44.4. Miscellaneous

I) **Details of registration obtained from other financial regulators:** The Company is acting as corporate agent for general insurance business. It has obtained license from Insurance Regulatory and Development Authority of India (IRDA) (Registration Number CA0453).

II) **Penalties imposed by NHB or any other regulators:** No penalties were imposed during the year.

III) **Related Party Transactions:** Related party transaction details have been disclosed under Note 41.

IV) **Group Structure as on March 31, 2022:**



**Wholly Owned Subsidiary (WOS)*

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

V) Note on Rating assigned by Credit Rating Agencies and migration of rating during the year

a) Ratings Assigned by Credit Rating Agencies as at March 31, 2022

(₹ in million)

Instrument	Name of the Rating Agency	Rating Assigned	Amount Rated
Total Bank Loan Facilities Rated	CRISIL Limited	CRISIL AA/Stable reaffirmed	60,000.00
Long Term Principal Protected Market Linked Debentures	CRISIL Limited	CRISIL PP-MLD AAr/ Stable reaffirmed	3,000.00
Principal Protected Market Linked Non-Convertible Subordinated Debentures	CRISIL Limited	CRISIL PP-MLD AAr/ Stable reaffirmed	2,000.00
Non Convertible Debentures	CRISIL Limited	CRISIL AA/Stable reaffirmed	71,520.00
Commercial Paper	CRISIL Limited	CRISIL A1+ reaffirmed	50,000.00
Commercial Paper Program	ICRA Limited	[ICRA]A1+ reaffirmed	50,000.00
Non-convertible Debenture Program	ICRA Limited	[ICRA]AA/Reaffirmed Stable	28,550.00
Subordinated Debt program	ICRA Limited	[ICRA]AA/Reaffirmed Stable	3,730.00
Long Term Fund Based Bank Lines Program	ICRA Limited	[ICRA]AA/Reaffirmed Stable	50,000.00
Long term principal protected market linked debenture program	ICRA Limited	PP-MLD[ICRA]AA/ Reaffirmed Stable	2,000.00
Non-Convertible Debentures (NCD)	CARE Ratings	CARE AA; Stable	220.00
Secured NCD	Brickwork Ratings	BWR AA+/Negative Reaffirmed	150.00
Unsecured Subordinated NCDs	Brickwork Ratings	BWR AA+/Negative Reaffirmed	2,700.00
NCDs	Brickwork Ratings	BWR AA+/Negative Reaffirmed	50,000.00

b) Details of Migration of Ratings during the 2021-22

(₹ in million)

Instrument	Name of the Rating Agency	Amount Rated	Rating in 2021-22	Rating in 2020-21
Non-Convertible Debentures (NCD)	CARE Ratings	220.00	CARE AA; Stable [Double A; Outlook: Stable]	CARE AA; Negative [Double A; Outlook: Negative]
Non-convertible Debenture Program	ICRA Limited	28,550.00	[ICRA]AA/ Reaffirmed Stable	[ICRA]AA/ Reaffirmed Negative
Subordinated Debt program	ICRA Limited	3,730.00	[ICRA]AA/ Reaffirmed Stable	[ICRA]AA/ Reaffirmed Negative
Long Term Fund Based Bank Lines Program	ICRA Limited	50,000.00	[ICRA]AA/ Reaffirmed Stable	[ICRA]AA/ Reaffirmed Negative
Long term principal protected market linked debenture program	ICRA Limited	2,000.00	PP-MLD[ICRA]AA/ Reaffirmed Stable	PP-MLD[ICRA]AA/ Reaffirmed Negative

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

a) Ratings Assigned by Credit Rating Agencies as at March 31, 2021

(₹ in million)

Instrument	Name of the Rating Agency	Rating Assigned	Amount Rated
Non Convertible Debentures	CRISIL Limited	CRISIL AA/Stable reaffirmed	21,520.00
Subordinated Debt	CRISIL Limited	CRISIL AA/Stable	2,000.00
Principal Protected Market Linked Non-Convertible Subordinated Debentures	CRISIL Limited	CRISIL PP-MLD AAr/ Stable reaffirmed	2,000.00
Long Term Principal Protected Market Linked Debentures	CRISIL Limited	CRISIL PP-MLD AAr/ Stable reaffirmed	3,000.00
Total Bank Loan Facilities Rated	CRISIL Limited	CRISIL AA/Stable reaffirmed	60,000.00
Commercial Paper	CRISIL Limited	CRISIL A1+ reaffirmed	50,000.00
Commercial Paper Program	ICRA Limited	[ICRA]A1+ reaffirmed	50,000.00
Non-convertible Debenture Program	ICRA Limited	[ICRA]AA/Negative reaffirmed	32,640.00
Subordinate Debt program	ICRA Limited	[ICRA]AA/Negative reaffirmed	4,000.00
Long Term Fund Based Bank Lines Program	ICRA Limited	[ICRA]AA/Negative reaffirmed	50,000.00
Long term principal protected market linked debenture program	ICRA Limited	PP-MLD[ICRA]AA/ Negative Reaffirmed	2,000.00
Non-Convertible Debentures (NCD)	CARE Ratings	CARE AA; Negative [Double A; Outlook: Negative]	220.00
Unsecured Subordinated NCDs	Brickwork Ratings	BWR AA+ 'Negative'	1,000.00
Subordinated NCDs	Brickwork Ratings	BWR AA+ 'Negative'	2,350.00
Secured NCDs	Brickwork Ratings	BWR AA+ 'Negative'	250.00

b) Details of Migration of Ratings during the 2020-21

(₹ in million)

Instrument	Name of the Rating Agency	Amount Rated	Rating in 2020-21	Rating in 2019-20
Non-Convertible Debentures (NCD)	CARE Ratings	220.00	CARE AA; Negative [Double A; Outlook: Negative]	CARE AA; Stable [Double A; Outlook: Stable]

VI) Remuneration of Non-Executive Directors

(₹ in million)

Name of Directors	Remuneration Paid 2021-22	Remuneration Paid 2020-21
Mr. Kranti Sinha	1.68	1.57
Mr. S. Sridhar	1.97	1.69
Ms. Suvalaxmi Chakraborty	0.15	1.48
Mr. AK Purwar	0.31	0.33
Ms. Mohua Mukherjee	0.79	-

VII) Management : Refer the Management Discussion and Analysis section

VIII) Net Profit or Loss for the period, prior period items and changes in accounting policies

There are no impact in the profit and loss on account of prior period items on the current year profit and loss. For any change in accounting policies refer Significant Accounting Policies Note 3.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

IX) **Revenue Recognition :** No revenue recognition has been postponed pending the resolution of significant uncertainties

X) **Applicability of Consolidation of Financial Statements:** Refer to the Consolidated Financial Statements for the relevant disclosures.

44.5. Additional Disclosures

I) Details on Provisions and Contingencies

a) Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account

(₹ in million)

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	2021-22	2020-21
Provisions for depreciation on Investment*	3.75	4.79
Provision made towards Income tax	1,679.68	1,088.89
Provision towards NPA	475.71	918.96
Provision for Standard Assets	**550.44**	**1,702.11**
CRE – Residential	(44.67)	45.92
CRE – Others	11.61	(32.67)
Others	583.50	1,688.86

*Includes depreciation on Investment Property.

b) Break up of Loans and Advances and Provisions thereon

(₹ in million)

Breakup of Loans and Advances and Provisions thereon	Housing		Non-Housing	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Standard Assets				
a) Total Outstanding Amount	104,304.59	99,871.14	48,850.54	47,074.87
b) Provisions made	2,099.87	1,836.19	1,402.94	1,155.84
Sub-Standard Assets				
a) Total Outstanding Amount	1,982.06	732.20	1,578.24	975.85
b) Provisions made	682.54	259.84	488.06	474.50
Doubtful Assets - Category I				
a) Total Outstanding Amount	332.68	577.30	692.96	445.27
b) Provisions made	196.88	254.19	309.01	247.11
Doubtful Assets - Category II				
a) Total Outstanding Amount	352.37	369.99	467.92	273.66
b) Provisions made	273.56	184.40	195.15	173.73
Doubtful Assets - Category III				
a) Total Outstanding Amount	55.06	69.59	173.83	83.92
b) Provisions made	51.54	42.91	90.69	55.47
Loss Assets				
a) Total Outstanding Amount	-	-	-	-
b) Provisions made	-	-	-	-
Total				
a) Total Outstanding Amount	**107,026.76**	**101,620.22**	**51,763.49**	**48,853.57**
b) Provisions Amount	**3,304.39**	**2,577.53**	**2,485.85**	**2,106.65**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

II) Details on drawn drown from reserves

The disclosure pertaining to drawn down from Reserves has been disclosed shown in Other Equity (Refer Note 23).

III) Concentration of Public Deposits, Advances, Exposures and NPAs

a) Concentration of Public Deposits: The Company, being a non-deposit taking housing finance company, does not hold any deposits from public.

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Total deposits of twenty largest depositors	-	-
Percentage of deposits of twenty largest depositors to total deposits of the deposit taking HFC	-	-

b) Concentration of Loans and Advances

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Total Loans and Advances to twenty largest borrowers	8,850.38	10,456.98
Percentage of Loans and Advances to twenty largest borrowers to Total Advances of the HFC	5.57%	6.95%

c) Concentration of all Exposure (including off-balance sheet exposure)

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Total Exposure to twenty largest borrowers/customers	9,544.29	11,261.20
Percentage of Exposures to twenty largest borrowers/customers to Total Exposure of the HFC on borrowers/customers	5.43%	6.82%

Note: Exposure includes amount outstanding including principal, interest accrued and sanctioned but undisbursed.

d) Concentration of NPAs

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
Total Exposure to top ten NPA accounts	775.45	733.45

e) Sector wise NPAs - Percentage of NPAs to Total Advances in that sector

(₹ in million)

Sector	As at March 31, 2022	As at March 31, 2021
A. Housing Loans		
1. Individuals	2.62%	1.82%
2. Builders/Project Loans	-	0.75%
3. Corporates	13.75%	-
4. Others (specify)	-	-
B. Non-Housing Loans		
1. Individuals	5.93%	3.61%
2. Builders/Project Loans	10.01%	4.21%
3. Corporates	3.03%	3.56%
4. Others (specify)	-	-

*Includes interest accrued.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

IV) Movement of NPAs

(₹ in million)

Particulars	As at March 31, 2022	As at March 31, 2021
(I) Net NPAs to Net Advances (%)	2.11%	1.24%
(II) Movement of NPAs (Gross)		
a. Opening balance	3,527.79	2,342.73
b. Additions during the year	3,761.60	1,942.60
c. Reductions during the year	(1,654.26)	(757.54)
d. Closing balance	**5,635.13**	**3,527.79**
(III) Movement of NPAs (Net)		
a. Opening balance	1,835.64	1,569.54
b. Additions during the year	2,356.04	793.67
c. Reductions during the year	(843.98)	(527.57)
d. Closing balance	**3,347.70**	**1,835.64**
(IV) Movement of provisions for NPAs (excluding provisions on standard assets)		
a. Opening balance	1,692.15	773.19
b. Provisions made during the year	1,405.56	1,148.93
c. Write-off/write-back of excess provisions	(810.28)	(229.97)
d. Closing balance	**2,287.43**	**1,692.15**

V) Overseas Assets

(₹ in million)

Particulars	2021-22	2020-21
N.A.	N.A.	N.A.

VI) Off-balance Sheet SPVs sponsored which are required to be consolidated as per accounting Norms

Name of the SPV Sponsored	Domestic	Overseas
NA.	N.A.	N.A.

VII) Percentage of outstanding loans granted against the collateral gold jewellery to the outstanding total assets is ₹ Nil. (P.Y. ₹ Nil.)

VIII) Information namely, area, country of operation and joint venture partners with regard to joint ventures and overseas subsidiaries : The Company have operations only in India and does not have any joint venture partners with regard to joint ventures and overseas subsidiaries.

44.6. Disclosure of Complaints

I) Details on Customer Complaints

Particulars	2021-22	2020-21
a) No. of complaints pending at the beginning of the year	33	24
b) No. of complaints received during the year	732	1,108
c) No. of complaints redressed during the year	749	1,099
d) No. of complaints pending at the end of the year	16	33

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

45. Previous Year's figure have been re-grouped, reclassified and rearranged wherever considered necessary to confirm to current year's presentation.

46. These financial statements were authorized for issue by the Company's Board of Directors on April 25, 2022.

For and on behalf of the Board of Directors of
IIFL Home Finance Limited

R. Venkataraman
Director
(DIN: 00011919)
Place: Mumbai

Monu Ratra
Executive Director & CEO
(DIN: 07406284)
Place: Gurugram

Ajay Jaiswal
Company Secretary
(F6327)
Place: Gurugram

Amit Gupta
Chief Financial Officer
Place: Gurugram

Date: April 25, 2022